



Virginia
Retirement
System[®]

**VIRGINIA RETIREMENT SYSTEM
TEACHER RETIREMENT PLAN**

GASB No. 68 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 Schedules

Opinions

We have audited the accompanying Schedule of Employer Allocations and the Schedule of Employer Allocation of Non-Employer Contributions (schedules of employer allocations) of the Virginia Retirement System Teacher Retirement Plan as of and for the year ended June 30, 2022, and the related notes. We have also audited the total for teacher employers of the columns titled Net Pension Liability, Total Pension Expense (Revenue), Total Deferred Outflows of Resources, and Total Deferred Inflows of Resources (specified column totals) included in the accompanying Schedule of Net Pension Liability and Total Pension Expense and the Schedule of Deferred Outflows and Deferred Inflows of Resources by Employer of the Virginia Retirement System Teacher Retirement Plan (schedules of pension amounts) as of and for the year ended June 30, 2022, and the related notes.

In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations and employer allocation of non-employer contributions; and the net pension liability, total pension expense, total deferred outflows of resources, and total deferred inflows of resources, for the total of all participating teacher employers for the Virginia Retirement System Teacher Retirement Plan as of and for the year ended June 30, 2022, 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 Schedules section of our report. We are required to be independent of the Virginia Retirement System Teacher Retirement Plan, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 Schedules

Management is responsible for the preparation and fair presentation of these schedules 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 schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Schedules

Our objectives are to obtain reasonable assurance about whether the schedules of employer allocations and the specified column totals included in the schedules of pension amounts are 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 schedules of employer allocations and the specified column totals included in the schedules of pension amounts.

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 schedules of employer allocations and the specified column totals included in the schedules of pension amounts, 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 schedules of employer allocations and the specified column totals included in the schedules of pension amounts.
- 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 schedules of employer allocations and the specified column totals included in the schedules of pension amounts.

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 Virginia Retirement System Teacher Retirement Plan 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

ZLB/clj

**Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Employer Allocations
For the Plan Year Ended and Measurement Date of June 30, 2022**

Employer Code	Employer	Employer Contributions	Employer Allocation Percentage
40100	Accomack County School Board	\$ 4,780,667	0.32181%
40101	Albemarle County Schools	17,910,347	1.20562%
40102	Alleghany County School Board	2,844,927	0.19150%
40103	Amelia County School Board	1,519,581	0.10229%
40104	Amherst County School Board	4,297,566	0.28929%
40105	Appomattox County School Board	2,094,416	0.14098%
40106	Arlington Public Schools	51,959,377	3.49761%
40107	Augusta County School Board	10,194,064	0.68621%
40108	Bath County School Board	734,928	0.04947%
40109	Bedford County School Board	8,905,168	0.59944%
40110	Bland County School Board	644,159	0.04336%
40111	Botetourt County Schools	4,715,240	0.31740%
40112	Brunswick County Public Schools	1,378,988	0.09283%
40113	Buchanan County School Board	2,164,477	0.14570%
40114	Buckingham County School Board	1,980,149	0.13329%
40115	Campbell County School Board	7,203,526	0.48490%
40116	Caroline County School Board	3,754,091	0.25270%
40117	Carroll County School Board	3,672,227	0.24719%
40118	Charles City County School Board	638,003	0.04295%
40119	Charlotte County School Board	4,969,482	0.33452%
40120	Chesterfield County School Board	58,376,847	3.92959%
40121	Clarke County School Board	2,122,390	0.14287%
40122	Craig County School Board	602,627	0.04057%
40123	Culpeper County School Board	7,801,554	0.52516%
40124	Cumberland County School Board	1,460,444	0.09831%
40125	Dickenson County School Board	1,693,034	0.11397%
40126	Dinwiddie County School Board	4,282,970	0.28830%
40128	Essex County Public Schools	1,335,118	0.08987%
40129	Fairfax County School Board	264,335,384	17.79354%
40130	Fauquier County School Board	12,605,268	0.84851%
40131	Floyd County School Board	1,854,198	0.12481%
40132	Fluvanna County Public Schools	4,073,557	0.27421%
40133	Franklin County Public Schools	7,022,934	0.47274%
40134	Frederick County School Board	16,245,878	1.09358%
40135	Giles County Schools	2,152,212	0.14487%
40136	Gloucester County School Board	5,586,102	0.37602%
40137	Goochland County School Board	2,771,234	0.18654%
40138	Grayson County School Board	1,646,490	0.11083%

**Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Employer Allocations
For the Plan Year Ended and Measurement Date of June 30, 2022**

Employer Code	Employer	Employer Contributions	Employer Allocation Percentage
40139	Greene County Public Schools	3,040,946	0.20470%
40140	Greensville County School Board	2,195,925	0.14782%
40141	Halifax County School Board	4,919,371	0.33114%
40142	Hanover County School Board	18,116,183	1.21948%
40143	Henrico County School Board	49,915,832	3.36005%
40144	Henry County Public Schools	6,563,139	0.44179%
40145	Highland County Public Schools	314,581	0.02118%
40146	Isle of Wight County Schools	5,570,195	0.37495%
40148	King George County School Board	4,104,125	0.27627%
40149	King & Queen County School Board	865,720	0.05828%
40150	King William County School Board	2,073,166	0.13955%
40151	Lancaster County Public Schools	1,146,164	0.07715%
40152	Lee County School Board	3,184,036	0.21433%
40153	Loudoun County School Board	125,912,501	8.47571%
40154	Louisa County Public Schools	5,622,815	0.37850%
40155	Lunenburg County School Board	1,535,748	0.10338%
40156	Madison County School Board	1,721,935	0.11591%
40157	Mathews County School Board	1,280,523	0.08620%
40158	Mecklenburg County School Board	4,141,823	0.27880%
40159	Middlesex County School Board	1,508,888	0.10157%
40160	Montgomery County School Board	10,413,441	0.70097%
40162	Nelson County Public Schools	1,912,870	0.12876%
40163	New Kent County School Board	3,107,718	0.20919%
40165	Northampton County Schools	1,523,107	0.10253%
40166	Northumberland County School Board	1,493,839	0.10056%
40167	Nottoway County School Board	1,782,149	0.11996%
40168	Orange County Public Schools	4,695,352	0.31606%
40169	Page County Public Schools	3,137,693	0.21121%
40170	Patrick County School Board	2,148,948	0.14465%
40171	Pittsylvania County School Board	7,625,948	0.51334%
40172	Powhatan County School Board	4,317,715	0.29064%
40173	Prince Edward County School Board	1,811,417	0.12193%
40174	Prince George County School Board	5,657,203	0.38081%
40176	Prince William County School Board	101,869,868	6.85729%
40177	Pulaski County School Board	3,742,309	0.25191%
40178	Rappahannock County School Board	1,041,212	0.07009%
40179	Richmond County School Board	1,289,462	0.08680%
40180	Roanoke County School Board	13,987,831	0.94158%

**Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Employer Allocations
For the Plan Year Ended and Measurement Date of June 30, 2022**

Employer Code	Employer	Employer Contributions	Employer Allocation Percentage
40181	Rockbridge County School Board	2,900,587	0.19525%
40182	Rockingham County School Board	12,245,179	0.82428%
40183	Russell County School Board	3,179,016	0.21399%
40184	Scott County School Board	3,625,467	0.24405%
40185	Shenandoah County School Board	6,362,718	0.42830%
40186	Smyth County School Board	4,042,258	0.27210%
40187	Southampton County School Board	2,196,711	0.14787%
40188	Spotsylvania County School Board	22,929,172	1.54346%
40189	Stafford County School Board	30,145,381	2.02921%
40190	Surry County Schools	1,223,384	0.08235%
40191	Sussex County School Board	1,333,885	0.08979%
40192	Tazewell County Schools	4,259,688	0.28674%
40193	Warren County School Board	5,610,796	0.37769%
40195	Washington County School Board	6,187,637	0.41652%
40196	Westmoreland County School Board	1,635,619	0.11010%
40197	Wise County School Board	5,363,099	0.36101%
40198	Wythe County School Board	3,649,243	0.24565%
40199	York County School Board	12,164,958	0.81888%
40200	Alexandria City School Board	26,639,889	1.79324%
40201	Bristol City School Board	2,233,963	0.15038%
40202	Buena Vista City Schools	835,504	0.05624%
40203	Charlottesville Public Schools	6,855,768	0.46149%
40205	Danville City Schools	6,268,189	0.42194%
40206	Fredericksburg City Schools	4,238,212	0.28529%
40207	Hampton City Schools	19,594,134	1.31896%
40208	Harrisonburg City School Board	7,738,631	0.52092%
40209	Hopewell City School Board	4,604,173	0.30993%
40210	Lynchburg Public Schools	9,185,686	0.61833%
40211	Newport News Public Schools	27,883,305	1.87694%
40212	Norfolk Public Schools	34,848,981	2.34583%
40213	Petersburg City Schools	4,455,740	0.29993%
40214	Portsmouth School Board	13,877,556	0.93416%
40215	Radford City School Board	1,603,386	0.10793%
40216	Richmond Public Schools	32,283,395	2.17313%
40217	Roanoke City School Board	14,503,366	0.97628%
40219	Staunton City Schools	3,130,429	0.21072%
40220	Suffolk City School Board	13,589,839	0.91479%
40222	Winchester Public Schools	5,263,254	0.35429%

**Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Employer Allocations
For the Plan Year Ended and Measurement Date of June 30, 2022**

Employer Code	Employer	Employer Contributions	Employer Allocation Percentage
40223	Martinsville City Schools	1,909,414	0.12853%
40224	Falls Church Public Schools	4,594,823	0.30930%
40225	Colonial Heights City Schools	3,343,552	0.22507%
40230	Covington City School Board	—	—%
40231	Fairfax City School Board	16,224	0.00109%
40232	Franklin City Public Schools	1,097,787	0.07390%
40233	Chesapeake Public Schools	43,464,705	2.92579%
40234	Virginia Beach City School Board	70,643,230	4.75530%
40236	Manassas Park City Schools	3,811,150	0.25654%
40306	Town of West Point School Board	899,047	0.06052%
40307	Lexington City School Board	579,109	0.03898%
40308	Waynesboro Public Schools	3,222,747	0.21694%
40309	Town of Colonial Beach Schools	613,396	0.04129%
40313	Galax City Schools	1,340,591	0.09024%
40314	Norton City Schools	731,879	0.04927%
40332	Manassas City Schools	10,211,141	0.68736%
40335	City of Salem Schools	4,214,246	0.28368%
40402	Williamsburg-James City County School Board	12,733,640	0.85716%
40403	Poquoson City Public Schools	1,991,245	0.13404%
40410	Valley Vocational Technical Center	324,497	0.02184%
40412	Charlottesville/Albemarle Vo-Tech Center	240,712	0.01620%
40414	Jackson River Technical Center	—	—%
40415	New Horizons Technical Center	1,535,641	0.10337%
40416	Northern Neck Regional Vocational Center	200,212	0.01348%
40417	Rowanty Vocational Technical Center	152,497	0.01027%
40418	Amelia-Nottoway Vocational Center	52,065	0.00350%
40421	Northern Neck Regional Special Education Program	96,016	0.00646%
40423	Maggie Walker Governor's School for Govt & Intl Studies	780,057	0.05251%
40424	Appomattox Region Governor's School	365,216	0.02458%
40425	Bridging Communities Regional Career and Tech Center	94,935	0.00639%
Total for Teacher Employers⁽¹⁾		\$ 1,485,569,294	99.99995%

⁽¹⁾ Employer-level results may not add to Teacher system-wide results due to rounding.

The accompanying notes are an integral part of the Schedule of Employer Allocations.

Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Employer Allocation of Non-Employer Contributions
For the Plan Year Ended and Measurement Date of June 30, 2022

Employer		2022 Non- Employer Contributions⁽¹⁾	2022 Employer Allocation Percentage
Code	Employer		
40100	Accomack County School Board	\$ 1,423,594	0.32181%
40101	Albemarle County Schools	5,333,314	1.20562%
40102	Alleghany County School Board	847,141	0.19150%
40103	Amelia County School Board	452,501	0.10229%
40104	Amherst County School Board	1,279,735	0.28929%
40105	Appomattox County School Board	623,655	0.14098%
40106	Arlington Public Schools	15,472,415	3.49761%
40107	Augusta County School Board	3,035,595	0.68621%
40108	Bath County School Board	218,841	0.04947%
40109	Bedford County School Board	2,651,749	0.59944%
40110	Bland County School Board	191,812	0.04336%
40111	Botetourt County Schools	1,404,086	0.31740%
40112	Brunswick County Public Schools	410,653	0.09283%
40113	Buchanan County School Board	644,535	0.14570%
40114	Buckingham County School Board	589,636	0.13329%
40115	Campbell County School Board	2,145,057	0.48490%
40116	Caroline County School Board	1,117,872	0.25270%
40117	Carroll County School Board	1,093,497	0.24719%
40118	Charles City County School Board	189,998	0.04295%
40119	Charlotte County School Board	1,479,820	0.33452%
40120	Chesterfield County School Board	17,383,370	3.92959%
40121	Clarke County School Board	632,016	0.14287%
40122	Craig County School Board	179,470	0.04057%
40123	Culpeper County School Board	2,323,156	0.52516%
40124	Cumberland County School Board	434,895	0.09831%
40125	Dickenson County School Board	504,170	0.11397%
40126	Dinwiddie County School Board	1,275,356	0.28830%
40128	Essex County Public Schools	397,559	0.08987%
40129	Fairfax County School Board	78,713,694	17.79354%
40130	Fauquier County School Board	3,753,563	0.84851%
40131	Floyd County School Board	552,123	0.12481%
40132	Fluvanna County Public Schools	1,213,026	0.27421%
40133	Franklin County Public Schools	2,091,265	0.47274%
40134	Frederick County School Board	4,837,682	1.09358%
40135	Giles County Schools	640,863	0.14487%
40136	Gloucester County School Board	1,663,404	0.37602%
40137	Goochland County School Board	825,199	0.18654%

Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Employer Allocation of Non-Employer Contributions
For the Plan Year Ended and Measurement Date of June 30, 2022

Employer		2022 Non- Employer Contributions⁽¹⁾	2022 Employer Allocation Percentage
Code	Employer		
40138	Grayson County School Board	490,280	0.11083%
40139	Greene County Public Schools	905,534	0.20470%
40140	Greensville County School Board	653,913	0.14782%
40141	Halifax County School Board	1,464,868	0.33114%
40142	Hanover County School Board	5,394,627	1.21948%
40143	Henrico County School Board	14,863,890	3.36005%
40144	Henry County Public Schools	1,954,351	0.44179%
40145	Highland County Public Schools	93,694	0.02118%
40146	Isle of Wight County Schools	1,658,670	0.37495%
40148	King George County School Board	1,222,139	0.27627%
40149	King & Queen County School Board	257,814	0.05828%
40150	King William County School Board	617,329	0.13955%
40151	Lancaster County Public Schools	341,289	0.07715%
40152	Lee County School Board	948,134	0.21433%
40153	Loudoun County School Board	37,494,090	8.47571%
40154	Louisa County Public Schools	1,674,375	0.37850%
40155	Lunenburg County School Board	457,323	0.10338%
40156	Madison County School Board	512,752	0.11591%
40157	Mathews County School Board	381,324	0.08620%
40158	Mecklenburg County School Board	1,233,331	0.27880%
40159	Middlesex County School Board	449,316	0.10157%
40160	Montgomery County School Board	3,100,889	0.70097%
40162	Nelson County Public Schools	569,597	0.12876%
40163	New Kent County School Board	925,396	0.20919%
40165	Northampton County Schools	453,563	0.10253%
40166	Northumberland County School Board	444,848	0.10056%
40167	Nottoway County School Board	530,668	0.11996%
40168	Orange County Public Schools	1,398,158	0.31606%
40169	Page County Public Schools	934,332	0.21121%
40170	Patrick County School Board	639,890	0.14465%
40171	Pittsylvania County School Board	2,270,868	0.51334%
40172	Powhatan County School Board	1,285,707	0.29064%
40173	Prince Edward County School Board	539,383	0.12193%
40174	Prince George County School Board	1,684,593	0.38081%
40176	Prince William County School Board	30,334,668	6.85729%
40177	Pulaski County School Board	1,114,377	0.25191%
40178	Rappahannock County School Board	310,058	0.07009%

Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Employer Allocation of Non-Employer Contributions
For the Plan Year Ended and Measurement Date of June 30, 2022

Employer		2022 Non- Employer Contributions⁽¹⁾	2022 Employer Allocation Percentage
Code	Employer		
40179	Richmond County School Board	383,978	0.08680%
40180	Roanoke County School Board	4,165,278	0.94158%
40181	Rockbridge County School Board	863,730	0.19525%
40182	Rockingham County School Board	3,646,376	0.82428%
40183	Russell County School Board	946,630	0.21399%
40184	Scott County School Board	1,079,607	0.24405%
40185	Shenandoah County School Board	1,894,675	0.42830%
40186	Smyth County School Board	1,203,692	0.27210%
40187	Southampton County School Board	654,134	0.14787%
40188	Spotsylvania County School Board	6,827,821	1.54346%
40189	Stafford County School Board	8,976,638	2.02921%
40190	Surry County Schools	364,293	0.08235%
40191	Sussex County School Board	397,205	0.08979%
40192	Tazewell County Schools	1,268,455	0.28674%
40193	Warren County School Board	1,670,791	0.37769%
40195	Washington County School Board	1,842,564	0.41652%
40196	Westmoreland County School Board	487,051	0.11010%
40197	Wise County School Board	1,597,004	0.36101%
40198	Wythe County School Board	1,086,685	0.24565%
40199	York County School Board	3,622,488	0.81888%
40200	Alexandria City School Board	7,932,775	1.79324%
40201	Bristol City School Board	665,238	0.15038%
40202	Buena Vista City Schools	248,789	0.05624%
40203	Charlottesville Public Schools	2,041,498	0.46149%
40205	Danville City Schools	1,866,541	0.42194%
40206	Fredericksburg City Schools	1,262,040	0.28529%
40207	Hampton City Schools	5,834,698	1.31896%
40208	Harrisonburg City School Board	2,304,399	0.52092%
40209	Hopewell City School Board	1,371,041	0.30993%
40210	Lynchburg Public Schools	2,735,313	0.61833%
40211	Newport News Public Schools	8,303,040	1.87694%
40212	Norfolk Public Schools	10,377,274	2.34583%
40213	Petersburg City Schools	1,326,804	0.29993%
40214	Portsmouth School Board	4,132,454	0.93416%
40215	Radford City School Board	477,451	0.10793%
40216	Richmond Public Schools	9,613,299	2.17313%
40217	Roanoke City School Board	4,318,780	0.97628%

Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Employer Allocation of Non-Employer Contributions
For the Plan Year Ended and Measurement Date of June 30, 2022

Employer		2022 Non- Employer Contributions ⁽¹⁾	2022 Employer Allocation Percentage
Code	Employer		
40219	Staunton City Schools	932,164	0.21072%
40220	Suffolk City School Board	4,046,766	0.91479%
40222	Winchester Public Schools	1,567,277	0.35429%
40223	Martinsville City Schools	568,580	0.12853%
40224	Falls Church Public Schools	1,368,254	0.30930%
40225	Colonial Heights City Schools	995,645	0.22507%
40231	Fairfax City School Board	4,822	0.00109%
40232	Franklin City Public Schools	326,912	0.07390%
40233	Chesapeake Public Schools	12,942,849	2.92579%
40234	Virginia Beach City School Board	21,036,072	4.75530%
40236	Manassas Park City Schools	1,134,859	0.25654%
40306	Town of West Point School Board	267,723	0.06052%
40307	Lexington City School Board	172,436	0.03898%
40308	Waynesboro Public Schools	959,680	0.21694%
40309	Town of Colonial Beach Schools	182,655	0.04129%
40313	Galax City Schools	399,196	0.09024%
40314	Norton City Schools	217,956	0.04927%
40332	Manassas City Schools	3,040,682	0.68736%
40335	City of Salem Schools	1,254,918	0.28368%
40402	Williamsburg-James City County School Board	3,791,828	0.85716%
40403	Poquoson City Public Schools	592,954	0.13404%
40410	Valley Vocational Technical Center	96,614	0.02184%
40412	Charlottesville/Albemarle Vo-Tech Center	71,664	0.01620%
40415	New Horizons Technical Center	457,279	0.10337%
40416	Northern Neck Regional Vocational Center	59,632	0.01348%
40417	Rowanty Vocational Technical Center	45,432	0.01027%
40418	Amelia-Nottoway Vocational Center	15,483	0.00350%
40421	Northern Neck Regional Special Education Program	28,577	0.00646%
40423	Maggie Walker Governor's School for Govt & Intl Studies	232,289	0.05251%
40424	Appomattox Region Governor's School	108,735	0.02458%
40425	Bridging Communities Regional Career and Tech Center	28,268	0.00639%
Total for Teacher Employers		\$ 442,371,085	99.99995%

⁽¹⁾ Contributions from Non-Employer Contributing Entities were allocated to employers based on the Employer Allocation Percentage.

The accompanying notes are an integral part of the Schedule of Employer Allocation of Non-Employer Contributions.

Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Net Pension Liability and Total Pension Expense
As of the Measurement Date and For the Plan Year Ended June 30, 2022

Employer Code	Employer	Net Pension Liability	Total Pension Expense (Revenue)
40100	Accomack County School Board	\$ 30,638,239	\$ 1,052,241
40101	Albemarle County Schools	114,782,242	7,841,035
40102	Alleghany County School Board	18,231,946	1,882,538
40103	Amelia County School Board	9,738,620	366,244
40104	Amherst County School Board	27,542,140	1,081,631
40105	Appomattox County School Board	13,422,140	801,450
40106	Arlington Public Schools	332,993,411	15,087,731
40107	Augusta County School Board	65,331,300	2,313,389
40108	Bath County School Board	4,709,840	(1,858)
40109	Bedford County School Board	57,070,277	2,369,847
40110	Bland County School Board	4,128,132	83,422
40111	Botetourt County Schools	30,218,380	890,567
40112	Brunswick County Public Schools	8,837,972	(302,023)
40113	Buchanan County School Board	13,871,512	(290,608)
40114	Buckingham County School Board	12,690,006	535,546
40115	Campbell County School Board	46,165,383	2,375,492
40116	Caroline County School Board	24,058,553	1,129,454
40117	Carroll County School Board	23,533,968	666,182
40118	Charles City County School Board	4,089,097	(179,283)
40119	Charlotte County School Board	31,848,307	6,320,460
40120	Chesterfield County School Board	374,120,493	26,131,594
40121	Clarke County School Board	13,602,079	452,623
40122	Craig County School Board	3,862,507	86,004
40123	Culpeper County School Board	49,998,376	1,944,863
40124	Cumberland County School Board	9,359,701	393,249
40125	Dickenson County School Board	10,850,626	98,108
40126	Dinwiddie County School Board	27,447,886	1,292,657
40128	Essex County Public Schools	8,556,162	68,931
40129	Fairfax County School Board	1,694,051,531	81,290,532
40130	Fauquier County School Board	80,783,232	2,003,086
40131	Floyd County School Board	11,882,659	454,385
40132	Fluvanna County Public Schools	26,106,434	598,438
40133	Franklin County Public Schools	45,007,678	1,223,939

Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Net Pension Liability and Total Pension Expense
As of the Measurement Date and For the Plan Year Ended June 30, 2022

Employer Code	Employer	Net Pension Liability	Total Pension Expense (Revenue)
40134	Frederick County School Board	104,115,363	5,314,002
40135	Giles County Schools	13,792,491	451,299
40136	Gloucester County School Board	35,799,355	1,832,742
40137	Goochland County School Board	17,759,725	899,341
40138	Grayson County School Board	10,551,679	543,617
40139	Greene County Public Schools	19,488,665	679,156
40140	Greensville County School Board	14,073,349	460,241
40141	Halifax County School Board	31,526,510	798,661
40142	Hanover County School Board	116,101,797	4,800,380
40143	Henrico County School Board	319,896,875	18,099,976
40144	Henry County Public Schools	42,061,053	1,708,648
40145	Highland County Public Schools	2,016,463	41,268
40146	Isle of Wight County Schools	35,697,485	1,939,851
40148	King George County School Board	26,302,558	1,403,444
40149	King & Queen County School Board	5,548,605	342,940
40150	King William County School Board	13,285,995	385,963
40151	Lancaster County Public Schools	7,345,142	(115,646)
40152	Lee County School Board	20,405,499	580,808
40153	Loudoun County School Board	806,938,333	85,128,517
40154	Louisa County Public Schools	36,035,466	2,716,024
40155	Lunenburg County School Board	9,842,395	500,823
40156	Madison County School Board	11,035,326	335,076
40157	Mathews County School Board	8,206,756	483,691
40158	Mecklenburg County School Board	26,543,429	1,164,382
40159	Middlesex County School Board	9,670,072	679,839
40160	Montgomery County School Board	66,736,540	5,349,726
40162	Nelson County Public Schools	12,258,723	190,312
40163	New Kent County School Board	19,916,140	1,312,455
40165	Northampton County Schools	9,761,470	135,024
40166	Northumberland County School Board	9,573,914	534,067
40167	Nottoway County School Board	11,420,910	(2,572)
40168	Orange County Public Schools	30,090,804	1,005,225
40169	Page County Public Schools	20,108,456	414,772
40170	Patrick County School Board	13,771,546	92,246
40171	Pittsylvania County School Board	48,873,041	2,199,539
40172	Powhatan County School Board	27,670,668	1,110,610
40173	Prince Edward County School Board	11,608,466	(119,664)
40174	Prince George County School Board	36,255,392	993,808
40176	Prince William County School Board	652,855,060	41,993,470

Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Net Pension Liability and Total Pension Expense
As of the Measurement Date and For the Plan Year Ended June 30, 2022

Employer Code	Employer	Net Pension Liability	Total Pension Expense (Revenue)
40177	Pulaski County School Board	23,983,340	581,281
40178	Rappahannock County School Board	6,672,988	267,718
40179	Richmond County School Board	8,263,880	517,918
40180	Roanoke County School Board	89,644,053	4,227,903
40181	Rockbridge County School Board	18,588,969	707,149
40182	Rockingham County School Board	78,476,391	4,114,801
40183	Russell County School Board	20,373,129	597,760
40184	Scott County School Board	23,235,021	1,021,493
40185	Shenandoah County School Board	40,776,724	1,811,333
40186	Smyth County School Board	25,905,549	837,036
40187	Southampton County School Board	14,078,109	318,966
40188	Spotsylvania County School Board	146,946,632	5,786,731
40189	Stafford County School Board	193,192,940	13,251,725
40190	Surry County Schools	7,840,213	(49,979)
40191	Sussex County School Board	8,548,546	191,662
40192	Tazewell County Schools	27,299,365	56,206
40193	Warren County School Board	35,958,349	2,136,327
40195	Washington County School Board	39,655,198	1,157,559
40196	Westmoreland County School Board	10,482,179	354,517
40197	Wise County School Board	34,370,313	1,799,778
40198	Wythe County School Board	23,387,351	691,827
40199	York County School Board	77,962,278	2,923,601
40200	Alexandria City School Board	170,727,183	7,388,638
40201	Bristol City School Board	14,317,076	542,210
40202	Buena Vista City Schools	5,354,385	(17,274)
40203	Charlottesville Public Schools	43,936,611	1,752,447
40205	Danville City Schools	40,171,214	2,398,323
40206	Fredericksburg City Schools	27,161,316	1,298,562
40207	Hampton City Schools	125,572,888	4,775,982
40208	Harrisonburg City School Board	49,594,703	3,975,918
40209	Hopewell City School Board	29,507,191	1,567,358
40210	Lynchburg Public Schools	58,868,718	508,510
40211	Newport News Public Schools	178,695,924	5,382,047
40212	Norfolk Public Schools	223,337,060	1,234,252
40213	Petersburg City Schools	28,555,132	1,480,537
40214	Portsmouth School Board	88,937,624	2,330,039
40215	Radford City School Board	10,275,582	497,797
40216	Richmond Public Schools	206,894,986	14,750,724
40217	Roanoke City School Board	92,947,701	4,045,750

Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Net Pension Liability and Total Pension Expense
As of the Measurement Date and For the Plan Year Ended June 30, 2022

Employer Code	Employer	Net Pension Liability	Total Pension Expense (Revenue)
40219	Staunton City Schools	20,061,805	847,279
40220	Suffolk City School Board	87,093,484	3,371,280
40222	Winchester Public Schools	33,730,529	1,244,451
40223	Martinsville City Schools	12,236,825	98,151
40224	Falls Church Public Schools	29,447,212	1,144,285
40225	Colonial Heights City Schools	21,428,011	767,892
40230	Covington City School Board	—	(1,706,391)
40231	Fairfax City School Board	103,775	2,874
40232	Franklin City Public Schools	7,035,722	(226,041)
40233	Chesapeake Public Schools	278,552,724	15,813,035
40234	Virginia Beach City School Board	452,733,028	14,635,509
40236	Manassas Park City Schools	24,424,144	910,718
40306	Town of West Point School Board	5,761,866	172,263
40307	Lexington City School Board	3,711,129	297,286
40308	Waynesboro Public Schools	20,653,987	799,986
40309	Town of Colonial Beach Schools	3,931,055	113,758
40313	Galax City Schools	8,591,388	415,831
40314	Norton City Schools	4,690,799	252,618
40332	Manassas City Schools	65,440,787	2,871,018
40335	City of Salem Schools	27,008,034	1,492,240
40402	Williamsburg-James City County School Board	81,606,763	3,893,388
40403	Poquoson City Public Schools	12,761,410	368,162
40410	Valley Vocational Technical Center	2,079,299	21,476
40412	Charlottesville/Albemarle Vo-Tech Center	1,542,337	127,870
40414	Jackson River Technical Center	—	(224,403)
40415	New Horizons Technical Center	9,841,443	513,891
40416	Northern Neck Regional Vocational Center	1,283,377	35,675
40417	Rowanty Vocational Technical Center	977,765	67,491
40418	Amelia-Nottoway Vocational Center	333,221	35,455
40421	Northern Neck Regional Special Education Program	615,031	(55,981)
40423	Maggie Walker Governor's School for Govt & Intl Studies	4,999,266	188,391
40424	Appomattox Region Governor's School	2,340,163	170,925
40425	Bridging Communities Regional Career and Tech Center	608,366	43,267
Total for Teacher Employers⁽¹⁾		\$ 9,520,593,901	\$ 492,164,708

⁽¹⁾ Employer-level results may not add to Teacher system-wide results due to rounding.

The accompanying notes are an integral part of the Schedule of Net Pension Liability and Total Pension Expense.

Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Deferred Outflows and Deferred Inflows of Resources by Employer
As of the Measurement Date of June 30, 2022

Employer Code	Employer	Deferred Outflows of Resources					Deferred Inflows of Resources				
		Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportionate Share and Differences Between Actual and Expected Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportionate Share and Differences Between Actual and Expected Contributions	Total Deferred Inflows of Resources
40100	Accomack County School Board	\$ —	\$ —	\$ 2,888,569	\$ 1,025,182	\$ 3,913,751	\$ 2,112,628	\$ 3,994,585	\$ —	\$ 2,133,690	\$ 8,240,903
40101	Albemarle County Schools	—	—	10,821,653	8,206,204	19,027,857	7,914,689	14,965,201	—	2,445,313	25,325,203
40102	Alleghany County School Board	—	—	1,718,905	6,168,893	7,887,798	1,257,165	2,377,064	—	952,169	4,586,398
40103	Amelia County School Board	—	—	918,156	355,645	1,273,801	671,516	1,269,712	—	286,419	2,227,647
40104	Amherst County School Board	—	—	2,596,669	295,540	2,892,209	1,899,139	3,590,918	—	173,242	5,663,299
40105	Appomattox County School Board	—	—	1,265,437	729,288	1,994,725	925,510	1,749,966	—	247,291	2,922,767
40106	Arlington Public Schools	—	—	31,394,571	1,113,447	32,508,018	22,961,212	43,415,367	—	16,938,389	83,314,968
40107	Augusta County School Board	—	—	6,159,426	1,386	6,160,812	4,504,851	8,517,833	—	2,002,953	15,025,637
40108	Bath County School Board	—	—	444,043	117	444,160	324,762	614,065	—	495,454	1,434,281
40109	Bedford County School Board	—	—	5,380,577	157,275	5,537,852	3,935,221	7,440,769	—	1,744,524	13,120,514
40110	Bland County School Board	—	—	389,200	159,522	548,722	284,651	538,222	—	170,711	993,584
40111	Botetourt County Schools	—	—	2,848,985	6,149	2,855,134	2,083,677	3,939,844	—	1,384,959	7,408,480
40112	Brunswick County Public Schools	—	—	833,243	142	833,385	609,413	1,152,286	—	1,623,389	3,385,088
40113	Buchanan County School Board	—	—	1,307,804	307	1,308,111	956,496	1,808,555	—	1,838,645	4,603,696
40114	Buckingham County School Board	—	—	1,196,412	324,660	1,521,072	875,026	1,654,511	—	176,218	2,705,755
40115	Campbell County School Board	—	—	4,352,466	864,340	5,216,806	3,183,286	6,018,999	—	190,469	9,392,754
40116	Caroline County School Board	—	—	2,268,237	860,710	3,128,947	1,658,932	3,136,731	—	1,013,194	5,808,857
40117	Carroll County School Board	—	—	2,218,779	133,784	2,352,563	1,622,760	3,068,337	—	1,154,460	5,845,557
40118	Charles City County School Board	—	—	385,519	51	385,570	281,959	533,133	—	826,270	1,641,362
40119	Charlotte County School Board	—	—	3,002,654	19,290,322	22,292,976	2,196,067	4,152,352	—	418,790	6,767,209
40120	Chesterfield County School Board	—	—	35,272,026	21,105,508	56,377,534	25,797,087	48,777,477	—	2,272,780	76,847,344
40121	Clarke County School Board	—	—	1,282,402	482,979	1,765,381	937,917	1,773,426	—	974,760	3,686,103
40122	Craig County School Board	—	—	364,157	18,813	382,970	266,335	503,590	—	219,370	989,295
40123	Culpeper County School Board	—	—	4,713,840	121,905	4,835,745	3,447,586	6,518,741	—	1,492,313	11,458,640
40124	Cumberland County School Board	—	—	882,431	257,620	1,140,051	645,388	1,220,309	—	144,006	2,009,703
40125	Dickenson County School Board	—	—	1,022,995	222,394	1,245,389	748,194	1,414,694	—	583,652	2,746,540
40126	Dinwiddie County School Board	—	—	2,587,783	1,269,356	3,857,139	1,892,640	3,578,630	—	896,762	6,368,032
40128	Essex County Public Schools	—	—	806,674	133,715	940,389	589,981	1,115,544	—	487,918	2,193,443
40129	Fairfax County School Board	—	—	159,714,936	12,017,478	171,732,414	116,811,550	220,868,843	—	66,087,139	403,767,532
40130	Fauquier County School Board	—	—	7,616,232	1,825	7,618,057	5,570,323	10,532,442	—	4,833,028	20,935,793
40131	Floyd County School Board	—	—	1,120,295	82,181	1,202,476	819,356	1,549,250	—	509,241	2,877,847

Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Deferred Outflows and Deferred Inflows of Resources by Employer
As of the Measurement Date of June 30, 2022

Employer Code	Employer	Deferred Outflows of Resources					Deferred Inflows of Resources				
		Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportionate Share and Differences Between Actual and Expected Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportionate Share and Differences Between Actual and Expected Contributions	Total Deferred Inflows of Resources
40132	Fluvanna County Public Schools	—	—	2,461,311	13,760	2,475,071	1,800,142	3,403,732	—	1,915,379	7,119,253
40133	Franklin County Public Schools	—	—	4,243,317	129,847	4,373,164	3,103,457	5,868,059	—	3,440,759	12,412,275
40134	Frederick County School Board	—	—	9,815,981	671,102	10,487,083	7,179,166	13,574,463	—	798,631	21,552,260
40135	Giles County Schools	—	—	1,300,354	77,705	1,378,059	951,047	1,798,252	—	747,221	3,496,520
40136	Gloucester County School Board	—	—	3,375,158	2,273,343	5,648,501	2,468,507	4,667,486	—	1,805,685	8,941,678
40137	Goochland County School Board	—	—	1,674,384	479,073	2,153,457	1,224,603	2,315,496	—	390,854	3,930,953
40138	Grayson County School Board	—	—	994,811	431,415	1,426,226	727,580	1,375,718	—	269,750	2,373,048
40139	Greene County Public Schools	—	—	1,837,389	819,766	2,657,155	1,343,821	2,540,914	—	1,114,768	4,999,503
40140	Greensville County School Board	—	—	1,326,833	59,391	1,386,224	970,413	1,834,870	—	954,769	3,760,052
40141	Halifax County School Board	—	—	2,972,315	1,434,839	4,407,154	2,173,878	4,110,397	—	1,456,899	7,741,174
40142	Hanover County School Board	—	—	10,946,061	2,380,635	13,326,696	8,005,678	15,137,243	—	3,861,130	27,004,051
40143	Henrico County School Board	—	—	30,159,832	6,275,555	36,435,387	22,058,154	41,707,853	—	1,362,948	65,128,955
40144	Henry County Public Schools	—	—	3,965,510	957	3,966,467	2,900,276	5,483,880	—	860,505	9,244,661
40145	Highland County Public Schools	—	—	190,112	11,191	201,303	139,043	262,905	—	160,794	562,742
40146	Isle of Wight County Schools	—	—	3,365,554	1,332,505	4,698,059	2,461,483	4,654,204	—	834,368	7,950,055
40148	King George County School Board	—	—	2,479,801	184,728	2,664,529	1,813,665	3,429,303	—	621,608	5,864,576
40149	King & Queen County School Board	—	—	523,122	337,567	860,689	382,598	723,422	—	80,856	1,186,876
40150	King William County School Board	—	—	1,252,602	47,917	1,300,519	916,122	1,732,216	—	567,533	3,215,871
40151	Lancaster County Public Schools	—	—	692,499	199	692,698	506,477	957,653	—	1,066,811	2,530,941
40152	Lee County School Board	—	—	1,923,828	342,567	2,266,395	1,407,040	2,660,450	—	1,491,287	5,558,777
40153	Loudoun County School Board	—	—	76,078,030	87,826,544	163,904,574	55,641,588	105,207,860	—	—	160,849,448
40154	Louisa County Public Schools	—	—	3,397,419	2,548,272	5,945,691	2,484,788	4,698,270	—	71,910	7,254,968
40155	Lunenburg County School Board	—	—	927,940	603,415	1,531,355	678,672	1,283,242	—	232,991	2,194,905
40156	Madison County School Board	—	—	1,040,409	203,900	1,244,309	760,929	1,438,775	—	590,709	2,790,413
40157	Mathews County School Board	—	—	773,732	512,232	1,285,964	565,888	1,069,989	—	279,536	1,915,413
40158	Mecklenburg County School Board	—	—	2,502,511	929,803	3,432,314	1,830,274	3,460,707	—	1,163,747	6,454,728
40159	Middlesex County School Board	—	—	911,693	391,363	1,303,056	666,790	1,260,775	—	361,073	2,288,638
40160	Montgomery County School Board	—	—	6,291,911	5,258,076	11,549,987	4,601,748	8,701,047	—	140,749	13,443,544
40162	Nelson County Public Schools	—	—	1,155,751	8,162	1,163,913	845,287	1,598,281	—	989,761	3,433,329
40163	New Kent County School Board	—	—	1,877,691	668,127	2,545,818	1,373,297	2,596,648	—	131,100	4,101,045
40165	Northampton County Schools	—	—	920,310	177	920,487	673,092	1,272,691	—	828,517	2,774,300

Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Deferred Outflows and Deferred Inflows of Resources by Employer
As of the Measurement Date of June 30, 2022

Employer Code	Employer	Deferred Outflows of Resources					Deferred Inflows of Resources				
		Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportionate Share and Differences Between Actual and Expected Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportionate Share and Differences Between Actual and Expected Contributions	Total Deferred Inflows of Resources
40166	Northumberland County School Board	—	—	902,627	385,696	1,288,323	660,159	1,248,238	—	254,909	2,163,306
40167	Nottoway County School Board	—	—	1,076,762	298	1,077,060	787,517	1,489,048	—	1,356,767	3,633,332
40168	Orange County Public Schools	—	—	2,836,957	711,575	3,548,532	2,074,880	3,923,211	—	1,278,413	7,276,504
40169	Page County Public Schools	—	—	1,895,822	58,015	1,953,837	1,386,558	2,621,722	—	991,539	4,999,819
40170	Patrick County School Board	—	—	1,298,379	4,167	1,302,546	949,603	1,795,521	—	965,347	3,710,471
40171	Pittsylvania County School Board	—	—	4,607,743	297,659	4,905,402	3,369,989	6,372,021	—	2,056,411	11,798,421
40172	Powhatan County School Board	—	—	2,608,787	391,824	3,000,611	1,908,002	3,607,676	—	636,631	6,152,309
40173	Prince Edward County School Board	—	—	1,094,445	13,984	1,108,429	800,450	1,513,501	—	1,606,711	3,920,662
40174	Prince George County School Board	—	—	3,418,153	227,290	3,645,443	2,499,953	4,726,944	—	1,788,572	9,015,469
40176	Prince William County School Board	—	—	61,551,081	18,698,247	80,249,328	45,016,937	85,118,628	—	3,880,150	134,015,715
40177	Pulaski County School Board	—	—	2,261,146	367,712	2,628,858	1,653,746	3,126,925	—	1,005,261	5,785,932
40178	Rappahannock County School Board	—	—	629,128	135,224	764,352	460,129	870,018	—	106,634	1,436,781
40179	Richmond County School Board	—	—	779,117	401,872	1,180,989	569,827	1,077,437	—	57,662	1,704,926
40180	Roanoke County School Board	—	—	8,451,628	1,369,023	9,820,651	6,181,312	11,687,707	—	1,477,549	19,346,568
40181	Rockbridge County School Board	—	—	1,752,565	134,905	1,887,470	1,281,783	2,423,612	—	1,063,073	4,768,468
40182	Rockingham County School Board	—	—	7,398,743	2,353,334	9,752,077	5,411,257	10,231,678	—	1,191,082	16,834,017
40183	Russell County School Board	—	—	1,920,776	190,514	2,111,290	1,404,808	2,656,229	—	1,295,877	5,356,914
40184	Scott County School Board	—	—	2,190,594	138,406	2,329,000	1,602,147	3,029,360	—	577,000	5,208,507
40185	Shenandoah County School Board	—	—	3,844,424	551,985	4,396,409	2,811,716	5,316,431	—	1,429,800	9,557,947
40186	Smyth County School Board	—	—	2,442,371	704,792	3,147,163	1,786,290	3,377,541	—	772,961	5,936,792
40187	Southampton County School Board	—	—	1,327,282	5,901	1,333,183	970,741	1,835,491	—	1,166,847	3,973,079
40188	Spotsylvania County School Board	—	—	13,854,107	509,317	14,363,424	10,132,551	19,158,763	—	3,212,982	32,504,296
40189	Stafford County School Board	—	—	18,214,203	11,175,955	29,390,158	13,321,417	25,188,314	—	421,056	38,930,787
40190	Surry County Schools	—	—	739,174	186	739,360	540,614	1,022,200	—	886,239	2,449,053
40191	Sussex County School Board	—	—	805,956	9,342	815,298	589,456	1,114,551	—	584,086	2,288,093
40192	Tazewell County Schools	—	—	2,573,780	573	2,574,353	1,882,399	3,559,265	—	1,714,159	7,155,823
40193	Warren County School Board	—	—	3,390,148	1,740,033	5,130,181	2,479,470	4,688,216	—	321,105	7,488,791
40195	Washington County School Board	—	—	3,738,686	825	3,739,511	2,734,383	5,170,207	—	1,259,111	9,163,701
40196	Westmoreland County School Board	—	—	988,258	160,435	1,148,693	722,788	1,366,657	—	809,482	2,898,927
40197	Wise County School Board	—	—	3,240,428	2,767,361	6,007,789	2,369,969	4,481,169	—	527,715	7,378,853
40198	Wythe County School Board	—	—	2,204,956	7,129	2,212,085	1,612,650	3,049,221	—	749,720	5,411,591

Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Deferred Outflows and Deferred Inflows of Resources by Employer
As of the Measurement Date of June 30, 2022

Employer Code	Employer	Deferred Outflows of Resources					Deferred Inflows of Resources				
		Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportionate Share and Differences Between Actual and Expected Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportionate Share and Differences Between Actual and Expected Contributions	Total Deferred Inflows of Resources
40199	York County School Board	—	—	7,350,272	687,008	8,037,280	5,375,807	10,164,648	—	3,534,662	19,075,117
40200	Alexandria City School Board	—	—	16,096,134	570,208	16,666,342	11,772,314	22,259,249	—	5,263,951	39,295,514
40201	Bristol City School Board	—	—	1,349,812	578,309	1,928,121	987,219	1,866,647	—	776,029	3,629,895
40202	Buena Vista City Schools	—	—	504,811	204,733	709,544	369,206	698,100	—	735,645	1,802,951
40203	Charlottesville Public Schools	—	—	4,142,337	51,756	4,194,093	3,029,603	5,728,414	—	1,582,810	10,340,827
40205	Danville City Schools	—	—	3,787,336	2,068,157	5,855,493	2,769,964	5,237,485	—	873,802	8,881,251
40206	Fredericksburg City Schools	—	—	2,560,765	1,196,815	3,757,580	1,872,880	3,541,267	—	912,037	6,326,184
40207	Hampton City Schools	—	—	11,838,994	2,340,519	14,179,513	8,658,747	16,372,075	—	2,789,055	27,819,877
40208	Harrisonburg City School Board	—	—	4,675,781	2,728,144	7,403,925	3,419,751	6,466,111	—	—	9,885,862
40209	Hopewell City School Board	—	—	2,781,934	1,501,654	4,283,588	2,034,637	3,847,120	—	1,275,359	7,157,116
40210	Lynchburg Public Schools	—	—	5,550,134	733,066	6,283,200	4,059,231	7,675,248	—	4,399,982	16,134,461
40211	Newport News Public Schools	—	—	16,847,426	3,973	16,851,399	12,321,790	23,298,206	—	7,545,671	43,165,667
40212	Norfolk Public Schools	—	—	21,056,186	4,945	21,061,131	15,399,973	29,118,475	—	17,511,821	62,030,269
40213	Petersburg City Schools	—	—	2,692,174	1,441,137	4,133,311	1,968,989	3,722,991	—	38,300	5,730,280
40214	Portsmouth School Board	—	—	8,385,026	438,386	8,823,412	6,132,601	11,595,604	—	5,992,475	23,720,680
40215	Radford City School Board	—	—	968,780	604,517	1,573,297	708,542	1,339,721	—	478,085	2,526,348
40216	Richmond Public Schools	—	—	19,506,030	24,803,683	44,309,713	14,266,227	26,974,773	—	9,438,888	50,679,888
40217	Roanoke City School Board	—	—	8,763,096	893,393	9,656,489	6,409,111	12,118,434	—	1,858,915	20,386,460
40219	Staunton City Schools	—	—	1,891,424	762,723	2,654,147	1,383,341	2,615,639	—	535,415	4,534,395
40220	Suffolk City School Board	—	—	8,211,161	1,469,379	9,680,540	6,005,440	11,355,166	—	5,475,858	22,836,464
40222	Winchester Public Schools	—	—	3,180,109	516,222	3,696,331	2,325,853	4,397,755	—	830,843	7,554,451
40223	Martinsville City Schools	—	—	1,153,686	279	1,153,965	843,777	1,595,426	—	1,065,792	3,504,995
40224	Falls Church Public Schools	—	—	2,776,279	447,740	3,224,019	2,030,502	3,839,300	—	1,624,535	7,494,337
40225	Colonial Heights City Schools	—	—	2,020,230	456	2,020,686	1,477,546	2,793,764	—	691,620	4,962,930
40230	Covington City School Board	—	—	—	—	—	—	—	—	6,316,039	6,316,039
40231	Fairfax City School Board	—	—	9,784	27	9,811	7,156	13,530	—	7,624	28,310
40232	Franklin City Public Schools	—	—	663,327	381,420	1,044,747	485,141	917,311	—	1,060,527	2,462,979
40233	Chesapeake Public Schools	—	—	26,261,911	4,135,325	30,397,236	19,207,311	36,317,442	—	1,186,930	56,711,683
40234	Virginia Beach City School Board	—	—	42,683,605	9,905	42,693,510	31,217,732	59,026,906	—	21,201,720	111,446,358
40236	Manassas Park City Schools	—	—	2,302,705	282,653	2,585,358	1,684,141	3,184,397	—	862,424	5,730,962
40306	Town of West Point School Board	—	—	543,228	111	543,339	397,303	751,227	—	643,305	1,791,835

Virginia Retirement System
VRS Teacher Retirement Plan
Schedule of Deferred Outflows and Deferred Inflows of Resources by Employer
As of the Measurement Date of June 30, 2022

Employer Code	Employer	Deferred Outflows of Resources					Deferred Inflows of Resources				
		Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportionate Share and Differences Between Actual and Expected Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments	Change of Assumptions	Changes in Proportionate Share and Differences Between Actual and Expected Contributions	Total Deferred Inflows of Resources
40307	Lexington City School Board	—	—	349,885	208,191	558,076	255,897	483,854	—	—	739,751
40308	Waynesboro Public Schools	—	—	1,947,255	725,484	2,672,739	1,424,174	2,692,847	—	682,366	4,799,387
40309	Town of Colonial Beach Schools	—	—	370,619	36,849	407,468	271,062	512,527	—	262,786	1,046,375
40313	Galax City Schools	—	—	809,995	472,207	1,282,202	592,410	1,120,137	—	232,459	1,945,006
40314	Norton City Schools	—	—	442,248	637,955	1,080,203	323,449	611,582	—	126,369	1,061,400
40332	Manassas City Schools	—	—	6,169,748	3,773,293	9,943,041	4,512,401	8,532,108	—	2,529,481	15,573,990
40335	City of Salem Schools	—	—	2,546,314	1,211,997	3,758,311	1,862,311	3,521,282	—	492,788	5,876,381
40402	Williamsburg-James City County School Board	—	—	7,693,874	2,663,136	10,357,010	5,627,109	10,639,813	—	2,349,359	18,616,281
40403	Poquoson City Public Schools	—	—	1,203,144	271	1,203,415	879,950	1,663,821	—	748,794	3,292,565
40410	Valley Vocational Technical Center	—	—	196,036	84	196,120	143,376	271,097	—	192,201	606,674
40412	Charlottesville/Albemarle Vo-Tech Center	—	—	145,411	262,153	407,564	106,350	201,088	—	40,170	347,608
40414	Jackson River Technical Center	—	—	—	5,828	5,828	—	—	—	663,250	663,250
40415	New Horizons Technical Center	—	—	927,850	142,671	1,070,521	678,606	1,283,118	—	317,871	2,279,595
40416	Northern Neck Regional Vocational Center	—	—	120,997	21,436	142,433	88,494	167,325	—	78,460	334,279
40417	Rowanty Vocational Technical Center	—	—	92,184	108,999	201,183	67,421	127,480	—	25,022	219,923
40418	Amelia-Nottoway Vocational Center	—	—	31,416	126,951	158,367	22,977	43,445	—	57,818	124,240
40421	Northern Neck Regional Special Education Program	—	—	57,985	5,760	63,745	42,409	80,187	—	302,651	425,247
40423	Maggie Walker Governor's School for Govt & Intl Studies	—	—	471,330	165,584	636,914	344,719	651,800	—	258,276	1,254,795
40424	Appomattox Region Governor's School	—	—	220,630	193,227	413,857	161,364	305,108	—	13,799	480,271
40425	Bridging Communities Regional Career and Tech Center	—	—	57,357	129,202	186,559	41,949	79,318	—	78,224	199,491
Total for Teacher Employers		\$ —	\$ —	\$ 897,600,228	\$ 294,922,371	\$ 1,192,522,599	\$ 656,482,584	\$ 1,241,286,067	\$ —	\$ 294,717,280	\$ 2,192,485,931

The accompanying notes are an integral part of the Schedule of Deferred Outflows and Deferred Inflows of Resources by Employer.

**Virginia Retirement System
VRS Teacher Retirement Plan
Notes to GASB No. 68 Schedules
For the Plan Year Ended Date of 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). The VRS Teacher Retirement Plan is part of the VRS Trust Fund.

Administration and Management

The Board of Trustees (the Board) is responsible for the general administration and operation of the defined benefit 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.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Virginia Retirement System (VRS) Teacher Retirement Plan and the additions to/deductions from the VRS Teacher Retirement Plan's net fiduciary position have been determined on the same basis as they were reported by VRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2. General Information about the Pension Plan

Plan Description

All full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Retirement Plan upon employment. This plan is administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. The VRS Teacher Retirement Plan is a multiple-employer cost-sharing plan. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave and previously refunded service.

The System administers three different benefit structures for covered employees in the VRS Teacher Retirement Plan – Plan 1, Plan 2 and Hybrid. Each of these benefit structures has different eligibility criteria. The specific information for each plan, and the eligibility for covered groups within each plan are set out in the table below:

RETIREMENT PLAN PROVISIONS BY PLAN STRUCTURE		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>About Plan 1</p> <p>Plan 1 is a defined benefit plan. The retirement benefit is based on a member's age, service credit and average final compensation at retirement using a formula.</p>	<p>About Plan 2</p> <p>Plan 2 is a defined benefit plan. The retirement benefit is based on a member's age, service credit and average final compensation at retirement using a formula.</p>	<p>About the Hybrid Retirement Plan</p> <p>The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan.</p> <ul style="list-style-type: none">• The defined benefit is based on a member's age, service credit and average final compensation at retirement using a formula.• The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions.• In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees.

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Eligible Members Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013, and they have not taken a refund.</p> <p>Hybrid Opt-In Election VRS non-hazardous duty-covered Plan 1 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014. The Hybrid Retirement Plan's effective date for eligible Plan 1 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p> <p>Members who were eligible for an optional retirement plan (ORP) and had prior service under Plan 1 were not eligible to elect the Hybrid Retirement Plan, and remain as Plan 1 or ORP.</p>	<p>Eligible Members Members are in Plan 2 if their membership date is from July 1, 2010, to December 31, 2013, and they have not taken a refund. Members are covered under Plan 2 if they have a membership date prior to July 1, 2010, and they were not vested before January 1, 2013.</p> <p>Hybrid Opt-In Election Eligible Plan 2 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan's effective date for eligible Plan 2 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p>	<p>Eligible Members Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes:</p> <ul style="list-style-type: none"> • School division employees. • Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1-April 30, 2014; the plan's effective date for opt-in members was July 1, 2014.
<p>Retirement Contributions Employees contribute 5% of their compensation each month to their member contribution account through a pretax salary reduction. Member contributions are tax-deferred until they are withdrawn as part of a retirement benefit or as a refund. The employer makes a separate actuarially determined contribution to VRS for all covered employees. VRS invests both member and employer contributions to provide funding for the future benefit payments.</p>	<p>Retirement Contributions Same as Plan 1.</p>	<p>Retirement Contributions A member's retirement benefit is funded through mandatory and voluntary contributions made by the member and the employer to both the defined benefit and the defined contribution components of the plan. Mandatory contributions are based on a percentage of the employee's creditable compensation and are required from both the member and the employer. Additionally, members may choose to make voluntary contributions to the defined contribution component of the plan, and the employer is required to match those voluntary contributions according to specified percentages.</p>

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Service Credit Service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional service credit the member was granted. A member's total service credit is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p>	<p>Service Credit Same as Plan 1.</p>	<p>Service Credit <i>Defined Benefit Component:</i> Under the defined benefit component of the plan, service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional service credit the member was granted. A member's total service credit is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p> <p><i>Defined Contribution Component:</i> Under the defined contribution component, service credit is used to determine vesting for the employer contribution portion of the plan.</p>

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Vesting Vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members become vested when they have at least five years (60 months) of service credit. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan. Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund.</p> <p>Members are always 100% vested in the contributions that they make.</p>	<p>Vesting Same as Plan 1.</p>	<p>Vesting <i>Defined Benefit Component:</i> Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members are vested under the defined benefit component of the Hybrid Retirement Plan when they reach five years (60 months) of service credit. Plan 1 or Plan 2 members with at least five years (60 months) of service credit who opted into the Hybrid Retirement Plan remain vested in the defined benefit component.</p> <p><i>Defined Contribution Component:</i> Defined contribution vesting refers to the minimum length of service a member needs to be eligible to withdraw the employer contributions from the defined contribution component of the plan.</p> <p>Members are always 100% vested in the contributions that they make.</p> <p>Upon retirement or leaving covered employment, a member is eligible to withdraw a percentage of employer contributions to the defined contribution component of the plan, based on service.</p> <ul style="list-style-type: none"> • After two years, a member is 50% vested and may withdraw 50% of employer contributions. • After three years, a member is 75% vested and may withdraw 75% of employer contributions. • After four or more years, a member is 100% vested and may withdraw 100% of employer contributions. <p>Distributions not required, except as governed by law.</p>

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Calculating the Benefit The basic benefit is determined using the average final compensation, service credit and plan multiplier. An early retirement reduction is applied to this amount if the member is retiring with a reduced benefit. In cases where the member has elected an optional form of retirement payment, an option factor specific to the option chosen is then applied.</p>	<p>Calculating the Benefit See definition under Plan 1.</p>	<p>Calculating the Benefit <i>Defined Benefit Component:</i> See definition under Plan 1.</p> <p><i>Defined Contribution Component:</i> The benefit is based on contributions made by the member and any matching contributions made by the employer, plus net investment earnings on those contributions.</p>
<p>Average Final Compensation A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.</p>	<p>Average Final Compensation A member's average final compensation is the average of the 60 consecutive months of highest compensation as a covered employee.</p>	<p>Average Final Compensation Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.</p>
<p>Service Retirement Multiplier The retirement multiplier is a factor used in the formula to determine a final retirement benefit. The retirement multiplier for members is 1.70%.</p>	<p>Service Retirement Multiplier Same as Plan 1 for service earned, purchased or granted prior to January 1, 2013. The retirement multiplier is 1.65% for service credit earned, purchased or granted on or after January 1, 2013.</p>	<p>Service Retirement Multiplier <i>Defined Benefit Component:</i> The retirement multiplier for the defined benefit component is 1.00%.</p> <p>For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.</p> <p><i>Defined Contribution Component:</i> Not applicable.</p>
<p>Normal Retirement Age Age 65.</p>	<p>Normal Retirement Age Normal Social Security retirement age.</p>	<p>Normal Retirement Age <i>Defined Benefit Component:</i> Same as Plan 2.</p> <p><i>Defined Contribution Component:</i> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Earliest Unreduced Retirement Eligibility Age 65 with at least five years (60 months) of service credit or at age 50 with at least 30 years of service credit.</p>	<p>Earliest Unreduced Retirement Eligibility Normal Social Security retirement age with at least five years (60 months) of service credit or when their age plus service credit equals 90.</p>	<p>Earliest Unreduced Retirement Eligibility <i>Defined Benefit Component:</i> Normal Social Security retirement age and have at least five years (60 months) of service credit or when their age and service equal 90.</p> <p><i>Defined Contribution Component:</i> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p>Earliest Reduced Retirement Eligibility Age 55 with at least five years (60 months) of service credit or age 50 with at least 10 years of service credit.</p>	<p>Earliest Reduced Retirement Eligibility Age 60 with at least five years (60 months) of service credit.</p>	<p>Earliest Reduced Retirement Eligibility <i>Defined Benefit Component:</i> Age 60 with at least five years (60 months) of service credit.</p> <p><i>Defined Contribution Component:</i> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Cost-of-Living Adjustment (COLA) in Retirement</p> <p>The Cost-of-Living Adjustment (COLA) matches the first 3% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4%) up to a maximum COLA of 5%.</p> <p><i>Eligibility:</i> For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of service credit, the COLA will go into effect on July 1 after one full calendar year from the retirement date.</p> <p>For members who retire with a reduced benefit and who have less than 20 years of service credit, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date.</p> <p><i>Exceptions to COLA Effective Dates:</i> The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances:</p> <ul style="list-style-type: none"> • The member is within five years of qualifying for an unreduced retirement benefit as of January 1, 2013. • The member retires on disability. • The member retires directly from short-term or long-term disability. • The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act or the Transitional Benefits Program. • The member dies in service and the member's survivor or beneficiary is eligible for a monthly death-in-service benefit. <p>The COLA will go into effect on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins.</p>	<p>Cost-of-Living Adjustment (COLA) in Retirement</p> <p>The Cost-of-Living Adjustment (COLA) matches the first 2% increase in the CPI-U and half of any additional increase (up to 2%), for a maximum COLA of 3%.</p> <p><i>Eligibility:</i> Same as Plan 1.</p> <p><i>Exceptions to COLA Effective Dates:</i> Same as Plan 1.</p>	<p>Cost-of-Living Adjustment (COLA) in Retirement</p> <p><i>Defined Benefit Component:</i> Same as Plan 2.</p> <p><i>Defined Contribution Component:</i> Not applicable.</p> <p><i>Eligibility:</i> Same as Plan 1 and Plan 2.</p> <p><i>Exceptions to COLA Effective Dates:</i> Same as Plan 1 and Plan 2.</p>

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
Disability Coverage Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.70% on all service, regardless of when it was earned, purchased or granted.	Disability Coverage Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.65% on all service, regardless of when it was earned, purchased or granted.	Disability Coverage Employees of political subdivisions and school divisions (including Plan 1 and Plan 2 opt-ins) participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides and employer-paid comparable program for its members. Hybrid members (including Plan 1 and Plan 2 opt-ins) covered under VLDP are subject to a one-year waiting period before becoming eligible for non-work-related disability benefits.
Purchase of Prior Service Members may be eligible to purchase service from previous public employment, active duty military service, an eligible period of leave or VRS refunded service as service credit in their plan. Prior service credit counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. Members also may be eligible to purchase periods of leave without pay.	Purchase of Prior Service Same as Plan 1.	Purchase of Prior Service <i>Defined Benefit Component:</i> Same as Plan 1, with the following exception: Hybrid Retirement Plan members are ineligible for ported service. <i>Defined Contribution Component:</i> Not applicable.

Contributions

The contribution requirement for active employees is governed by § 51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Each school division's contractually required employer contribution rate for the year ended June 30, 2022, was 16.62% of covered employee compensation. This rate was based on the actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

In June 2022, the Commonwealth made a special contribution of approximately \$442.4 million to the VRS Teacher Employee Plan. This special payment was authorized by a budget amendment included in Chapter 1 of the 2022 Appropriation Act, and is classified as a non-employer contribution.

Actuarial Assumptions and Methods

The total pension liability for the VRS Teacher Retirement Plan was based on an actuarial valuation as of June 30, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022.

Inflation	2.50%
Salary increases, including inflation	3.50% – 5.95%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation

Mortality rates:

Pre-retirement:

Pub-2010 Amount Weighted Teachers Employee Rates projected generationally;
110% of rates for males

Post-retirement:

Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected
generationally; males set forward 1 year; 105% of rates for females

Post-disablement:

Pub-2010 Amount Weighted Teachers Disabled Rates projected
generationally; 110% of rates for males and females

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected
generationally

Mortality Improvement:

Rates projected generationally with Modified MP-2020 Improvement Scale
that is 75% of the MP-2020 rates

The actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Note 3. Net Pension Liability

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67, less that system's fiduciary net position. As of June 30, 2022, NPL amounts for the VRS Teacher Retirement Plan are as follows (amounts expressed in thousands):

Total Pension Liability	\$ 54,732,329
Plan Fiduciary Net Position	<u>45,211,731</u>
Employers' Net Pension Liability (Asset)	<u>\$ 9,520,598</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.61%

The total pension liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The net pension liability is disclosed in accordance with the requirements of GASB Statement No. 67 in the System's notes to the financial statements and required supplementary information.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumes that member contributions are made per the VRS Statutes and the employer contributions are made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2022, the rate contributed by the school divisions for the VRS Teacher Retirement Plan was subject to the portion of the VRS Board-certified rates that were funded by the Virginia General Assembly which was 100% of the actuarially determined contribution rate. From July 1, 2022, on, school divisions are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension 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 pension 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 Partnership	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%.

Sensitivity Analysis

The following table presents the collective net pension liability of the participating employers in the VRS Teacher Retirement Plan using the discount rate of 6.75%, as well as what collective net pension liability of the participating employers in the VRS Teacher Retirement Plan net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate (amounts expressed in thousands):

Net Pension Liability - 1.00% Decrease (5.75%)	\$	17,004,518
Net Pension Liability - Current Discount Rate (6.75%)	\$	9,520,598
Net Pension Liability - 1.00% Increase (7.75%)	\$	3,427,043

Note 4. Deferred Outflows / (Inflows) of Resources

The following schedule reflects the amortization of the net balance of remaining deferred outflows/(inflows) of resources at June 30, 2022. The average remaining service lives of all employees provided with pensions through the VRS Teacher Retirement Plan at June 30, 2022, was 4.9 years. Deferred outflows of resources related to pensions resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the financial statements for the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Period Ending June 30, 2023	\$ (314,139,878)
Measurement Period Ending June 30, 2024	\$ (426,535,398)
Measurement Period Ending June 30, 2025	\$ (821,099,285)
Measurement Period Ending June 30, 2026	\$ 561,811,229
Measurement Period Ending June 30, 2027	\$ —

Note 5. Employer Contributions

Employers' proportionate shares were calculated on the basis of historical employer contributions. Although GASB Statement No. 68 encourages the use of the employer's projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is considered acceptable. Employer contributions recognized by the VRS Teacher Retirement Plan that are not representative of future contribution effort are excluded in the determination of employers' proportionate shares. Examples of employer contributions not representative of future contribution effort are contributions toward the purchase of employee service, contributions for adjustments for prior periods and supplemental employer contributions from certain employers.

The employer contributions used in the determination of employers' proportionate shares of collective pension amounts reported in the Schedule of Employer Allocations were based on the total employer contributions using the plan's contribution rates and the employer's covered payroll for FY 2022. This total was \$1,548,861,021. Of this amount, \$63,291,729 was transferred to MissionSquare as the employer cost of the defined contribution component for employees covered by the Hybrid Retirement Plan benefit structure and \$1,485,569,293 was retained by the defined benefit plan. The employer contributions of \$1,485,306,601 reported in the VRS Teacher Employee's Retirement Plan's Statement of Changes in Net Position (per the System's separately issued financial statements) reflects this net amount minus approximately \$262,692 in other employer contribution adjustments that were not representative of future contribution efforts.

Note 6. Additional Financial and Actuarial Information

Information contained in the VRS Teacher Retirement Plan Notes to the Schedule of Employer Allocations and Schedule of Pension Amounts by Employer (Schedules) was extracted from the audited financial statements of the Virginia Retirement System for the fiscal year ended June 30, 2022. Additional financial information supporting the preparation of the VRS Teacher Retirement 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.