

## Required Supplementary Information

**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual –  
General and Major Special Revenue Funds**

Fiscal Year Ended June 30, 2023

(Dollars in Thousands)

	General Fund			
	Original Budget	Final Budget	Actual	Final/Actual Variance Positive (Negative)
<b>Revenues:</b>				
<b>Taxes:</b>				
Individual and Fiduciary Income	\$ 16,732,600	\$ 16,732,435	\$ 18,983,556	\$ 2,251,121
Sales and Use	5,004,713	5,004,713	5,291,545	286,832
Corporation Income	1,737,000	1,737,000	2,031,120	294,120
Motor Fuel	—	—	—	—
Motor Vehicle Sales and Use	—	—	—	—
Communications Sales and Use	335,000	335,000	292,848	(42,152)
Deeds, Contracts, Wills, and Suits	608,700	608,700	437,137	(171,563)
Premiums of Insurance Companies	406,100	406,100	450,877	44,777
Alcoholic Beverage Sales	303,600	303,600	307,412	3,812
Tobacco Products	292,300	292,300	246,132	(46,168)
Estate	—	—	—	—
Public Service Corporations	103,500	103,500	104,449	949
Other Taxes	70,201	70,201	100,080	29,879
Rights and Privileges	100,385	100,385	126,834	26,449
Sales of Property and Commodities	11,772	15,772	28,879	13,107
Assessments and Receipts for Support of Special Services	6,321	6,321	5,514	(807)
Institutional Revenue	57,791	57,791	32,955	(24,836)
Interest, Dividends, and Rents	101,798	101,798	442,145	340,347
Fines, Forfeitures, Court Fees, Penalties, and Escheats	230,221	230,221	258,492	28,271
Federal Grants and Contracts	10,642	10,642	11,259	617
Receipts from Cities, Counties, and Towns	7,800	7,800	7,659	(141)
Private Donations, Gifts and Contracts	284	284	431	147
Tobacco Master Settlement	47,500	47,500	56,987	9,487
Other	322,186	322,141	466,650	144,509
<b>Total Revenues</b>	<b>26,490,414</b>	<b>26,494,204</b>	<b>29,682,961</b>	<b>3,188,757</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	3,173,670	3,082,613	2,715,673	366,940
Education	12,981,404	13,733,020	12,708,311	1,024,709
Transportation	41,534	235,962	6,349	229,613
Resources and Economic Development	1,213,811	1,396,977	770,440	626,537
Individual and Family Services	8,870,145	9,196,115	8,809,425	386,690
Administration of Justice	3,467,469	3,694,067	3,447,349	246,718
Capital Outlay	123,547	849,464	144,107	705,357
<b>Debt Service:</b>				
Principal Retirement	35,256	35,256	35,256	—
Interest and Charges	2,834	2,834	2,834	—
<b>Total Expenditures</b>	<b>29,909,670</b>	<b>32,226,308</b>	<b>28,639,744</b>	<b>3,586,564</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(3,419,256)</b>	<b>(5,732,104)</b>	<b>1,043,217</b>	<b>6,775,321</b>
<b>Other Financing Sources (Uses):</b>				
<b>Transfers:</b>				
Transfers In	1,075,378	1,075,380	1,168,403	93,023
Transfers Out	(468,273)	(468,273)	(493,910)	(25,637)
Bonds Issued	—	—	—	—
Premium on Debt Issuance	—	—	—	—
<b>Total Other Financing Sources (Uses)</b>	<b>607,105</b>	<b>607,107</b>	<b>674,493</b>	<b>67,386</b>
<b>Revenues and Other Sources Over (Under)</b>				
Expenditures and Other Uses	(2,812,151)	(5,124,997)	1,717,710	6,842,707
<b>Fund Balance, July 1</b>	<b>13,375,034</b>	<b>13,375,034</b>	<b>13,375,034</b>	<b>—</b>
<b>Fund Balance, June 30</b>	<b>\$ 10,562,883</b>	<b>\$ 8,250,037</b>	<b>\$ 15,092,744</b>	<b>\$ 6,842,707</b>

See notes on page 209 in this section.

**Special Revenue Funds**

**Commonwealth Transportation Fund**

Original Budget	Final Budget	Actual	Final/Actual Variance Positive (Negative)
\$ —	\$ —	\$ —	\$ —
1,930,371	1,974,182	2,109,417	135,235
—	—	—	—
1,839,300	1,839,300	1,851,281	11,981
1,157,300	1,157,300	1,217,551	60,251
—	—	—	—
129,000	129,000	86,264	(42,736)
202,496	202,496	202,496	—
—	—	—	—
—	—	—	—
—	—	—	—
146,147	146,147	220,101	73,954
770,653	770,653	787,807	17,154
424	424	1,108	684
18,000	18,000	19,607	1,607
—	—	—	—
37,505	37,505	113,092	75,587
15,312	15,312	26,718	11,406
1,746,997	1,746,997	1,390,835	(356,162)
1,003,483	1,003,483	474,812	(528,671)
25	25	3,935	3,910
—	—	—	—
40,961	40,961	67,802	26,841
9,037,974	9,081,785	8,572,826	(508,959)
61,087	75,087	71,003	4,084
1,643	1,643	1,631	12
9,219,176	9,333,314	7,329,189	2,004,125
29,122	26,869	22,650	4,219
—	—	—	—
10,779	10,779	10,775	4
110,869	113,070	22,584	90,486
20,646	20,646	20,646	—
1,088	1,088	1,088	—
9,454,410	9,582,496	7,479,566	2,102,930
(416,436)	(500,711)	1,093,260	1,593,971
32,788	32,788	46,315	13,527
(557,543)	(585,052)	(571,598)	13,454
217,510	217,510	217,510	—
19,884	19,885	19,885	—
(287,361)	(314,869)	(287,888)	26,981
(703,797)	(815,580)	805,372	1,620,952
5,256,419	5,256,419	5,256,419	—
\$ 4,552,622	\$ 4,440,839	\$ 6,061,791	\$ 1,620,952

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**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual –  
General and Major Special Revenue Funds** (Continued from previous page)

Fiscal Year Ended June 30, 2023  
(Dollars in Thousands)

	Special Revenue Funds			
	Federal Trust			
	Original Budget	Final Budget	Actual	Final/Actual Variance Positive (Negative)
<b>Revenues:</b>				
<b>Taxes:</b>				
Individual and Fiduciary Income	\$ —	\$ —	\$ —	\$ —
Sales and Use	—	—	—	—
Corporation Income	—	—	—	—
Motor Fuel	—	—	—	—
Motor Vehicle Sales and Use	—	—	—	—
Communications Sales and Use	—	—	—	—
Deeds, Contracts, Wills, and Suits	—	—	—	—
Premiums of Insurance Companies	—	—	—	—
Alcoholic Beverage Sales	—	—	—	—
Tobacco Products	—	—	—	—
Estate	—	—	—	—
Public Service Corporations	—	—	—	—
Other Taxes	—	—	—	—
Rights and Privileges	—	—	30	30
Sales of Property and Commodities	—	—	—	—
Assessments and Receipts for Support of Special Services	—	—	—	—
Institutional Revenue	—	—	69	69
Interest, Dividends, and Rents	561	562	2,466	1,904
Fines, Forfeitures, Court Fees, Penalties, and Escheats	687	2,187	31,516	29,329
Federal Grants and Contracts	18,124,356	25,377,820	23,753,387	(1,624,433)
Receipts from Cities, Counties, and Towns	—	—	250	250
Private Donations, Gifts and Contracts	—	—	52	52
Tobacco Master Settlement	—	—	—	—
Other	510,303	510,303	1,133,654	623,351
<b>Total Revenues</b>	<b>18,635,907</b>	<b>25,890,872</b>	<b>24,921,424</b>	<b>(969,448)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	1,231,920	1,210,406	600,936	609,470
Education	1,419,039	3,602,294	2,638,799	963,495
Transportation	35,150	30,648	26,353	4,295
Resources and Economic Development	200,537	1,002,556	444,204	558,352
Individual and Family Services	15,538,293	19,716,146	21,045,537	(1,329,391)
Administration of Justice	112,573	181,786	111,632	70,154
Capital Outlay	79,642	128,283	28,819	99,464
<b>Debt Service:</b>				
Principal Retirement	17,942	17,942	17,942	—
Interest and Charges	811	811	811	—
<b>Total Expenditures</b>	<b>18,635,907</b>	<b>25,890,872</b>	<b>24,915,033</b>	<b>975,839</b>
<b>Revenues Over (Under) Expenditures</b>	<b>—</b>	<b>—</b>	<b>6,391</b>	<b>6,391</b>
<b>Other Financing Sources (Uses):</b>				
<b>Transfers:</b>				
Transfers In	—	—	10,248	10,248
Transfers Out	—	—	(16,639)	(16,639)
Bonds Issued	—	—	—	—
Premium on Debt Issuance	—	—	—	—
<b>Total Other Financing Sources (Uses)</b>	<b>—</b>	<b>—</b>	<b>(6,391)</b>	<b>(6,391)</b>
<b>Revenues and Other Sources Over (Under)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Expenditures and Other Uses</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Fund Balance, July 1</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Fund Balance, June 30</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>

See notes on page 209 in this section.

**Notes for Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General and Major Special Revenue Funds**

**1. Basis of Budgeting vs. Modified Accrual Basis Fund Balance (1)**

Since the presentation of financial data on the basis of budgeting differs from that presented under accounting principles generally accepted in the United States of America, a schedule reconciling the fund balance on a budgetary basis at June 30, 2023, to the fund balance on a modified accrual basis follows.

**Fund Balance Comparison  
Budgetary Basis to GAAP Basis**

*(Dollars in Thousands)*

	General Fund	Commonwealth Transportation Fund	Federal Trust Fund
Fund Balance, Basis of Budgeting	\$ 15,092,744	\$ 6,061,791	\$ —
Adjustments from Budget to Modified Accrual:			
Net Accrued Revenues:			
Taxes	1,293,854	354,304	—
Tax Refunds	(2,539,295)	—	—
Other Revenue/Other Sources	(376,662)	190,634	1,496,949
Deferral of Up-front SCA payment	—	—	—
Medicaid Payable	(112,323)	—	(1,249,320)
Net Accrued Expenditures/Other Uses	(840,603)	(588,576)	(39,095)
Fund Reclassification - Budget to Modified Accrual	—	(693,394)	—
Fund Balance, Modified Accrual Basis	<u>\$ 12,517,715</u>	<u>\$ 5,324,759</u>	<u>\$ 208,534</u>

1. As discussed in Note 1.E., the Literary Fund has no approved budget.

**2. Appropriations**

The amounts presented in the Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General and Major Special Revenue Funds are principally on a cash basis and represent the original budget adopted by the General Assembly and all supplemental appropriations and transfers. The following schedule reconciles original appropriations to the final adjusted expenditure appropriations for the General Fund and Major Special Revenue Funds, at June 30, 2023, except the Literary Fund which has no approved budget.

<i>(Dollars in Thousands)</i>	General Fund (8)	Commonwealth Transportation Fund	Federal Trust Fund (9)
Appropriations (1)	\$ 29,909,670	\$ 9,454,410	\$ 18,635,907
Supplemental Appropriations:			
Reappropriations (2)	1,384,142	119,370	249,174
Subsequent Executive (3)	413,927	171,400	7,280,877
Subsequent Legislative (4)	491,995	—	—
Capital Outlay and Operating Reversions (5)	(472)	(1,000)	(1,112)
Transfers (6)	(22,924)	(43,395)	(58,401)
Capital Outlay Adjustment (7)	49,970	(118,289)	(215,573)
Appropriations, as adjusted	<u>\$ 32,226,308</u>	<u>\$ 9,582,496</u>	<u>\$ 25,890,872</u>

1. Represents the budget appropriated through Chapter 2, 2022 Acts of Assembly Special Session I as amended by Chapter 769, 2023 Acts of Assembly Reconvened Session.
2. Actions taken to reappropriate any prior year unexpended balances per authority of the language in the Appropriation Act.
3. Actions taken by the Governor to carry forward any prior year unexpended balances, sum sufficient authority, and year 2 to year 1 reductions (General Fund) and actions taken to appropriate any additional revenues collected so that they can be legally spent (Special Revenue Funds).
4. Actions taken by the Governor and the General Assembly to adjust the budget.
5. Represents reversions of unexpended capital outlay and operating balances.
6. Represents transfers required by the Appropriation Act. Transfers out are reduced by approximately \$2.6 billion (General Fund) and \$72.1 million (Commonwealth Transportation Fund) for transfers to component units and fiduciary funds that have been reclassified as expenditures in accordance with GASB Statement No. 34.
7. Capital outlay appropriations cover the projects' lives and usually extend beyond the current fiscal year. These amounts have been adjusted to report the amount authorized for expenditure during the current fiscal year.
8. Budgetary reductions totaling \$10.0 million are excluded since they were not available for disbursement during the current fiscal year.
9. Appropriations do not include food stamp issuances of \$2.9 billion since this is a noncash item; however, this amount is included in actual expenditures.

## Schedule of Changes in Employers' Net Pension Liability (1) (2)

Fiscal Year Ended June 30, 2023

(Dollars in Thousands)

Change in the Net Pension Liability	VRS State				
	2023	2022	2021	2020	2019
<b>Total pension liability:</b>					
Service cost	\$ 413,902	\$ 404,703	\$ 406,776	\$ 379,359	\$ 375,965
Interest	1,779,933	1,704,842	1,666,047	1,627,637	1,606,772
Benefit changes	—	—	—	—	—
Difference between actual and expected experience	(247,391)	(281,382)	(12,440)	181,189	(327,289)
Assumption changes	—	412,575	—	663,566	—
Benefit payments	(1,536,665)	(1,486,951)	(1,427,873)	(1,360,833)	(1,296,803)
Refunds of contributions	(31,680)	(29,065)	(27,427)	(26,897)	(30,236)
Net change in total pension liability	378,099	724,722	605,083	1,464,021	328,409
<b>Total pension liability - beginning</b>	<b>26,739,647</b>	<b>26,014,925</b>	<b>25,409,842</b>	<b>23,945,821</b>	<b>23,617,412</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 27,117,746</b>	<b>\$ 26,739,647</b>	<b>\$ 26,014,925</b>	<b>\$ 25,409,842</b>	<b>\$ 23,945,821</b>
<b>Plan fiduciary net position:</b>					
Contributions - employer	\$ 852,894	\$ 609,778	\$ 576,443	\$ 545,584	\$ 548,158
Contributions - member	217,945	207,065	210,896	201,481	201,920
Net investment income	(21,579)	5,055,163	361,061	1,211,722	1,302,241
Benefit payments	(1,536,665)	(1,486,951)	(1,427,873)	(1,360,833)	(1,296,803)
Refunds of contributions	(31,680)	(29,065)	(27,427)	(26,897)	(30,236)
Administrative expense	(14,302)	(12,904)	(12,603)	(12,374)	(11,481)
Other	296	(737)	(539)	(762)	28,502
Net change in plan fiduciary net position	(533,091)	4,342,349	(320,042)	557,921	742,301
<b>Plan fiduciary net position - beginning</b>	<b>23,112,417</b>	<b>18,770,068</b>	<b>19,090,110</b>	<b>18,532,189</b>	<b>17,789,888</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>22,579,326</b>	<b>23,112,417</b>	<b>18,770,068</b>	<b>19,090,110</b>	<b>18,532,189</b>
<b>Net pension liability - ending (a-b)</b>	<b>\$ 4,538,420</b>	<b>\$ 3,627,230</b>	<b>\$ 7,244,857</b>	<b>\$ 6,319,732</b>	<b>\$ 5,413,632</b>
Plan fiduciary net position as a percentage of the total pension liability (b/a)	83.3 %	86.4 %	72.2 %	75.1 %	77.4 %
Covered payroll (c)	\$ 4,661,991	\$ 4,399,969	\$ 4,440,135	\$ 4,197,484	\$ 4,152,368
Net pension liability as a percentage of covered payroll ((a-b)/c)	97.3 %	82.4 %	163.2 %	150.6 %	130.4 %

(1) The Commonwealth implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, effective for the fiscal year ended June 30, 2015, therefore, ten years of data is unavailable.

(2) The Commonwealth's fiscal year 2023 net pension liability measurement date is June 30, 2022, as reported in Note 17.

See notes on page 224 in this section.

	2018	2017	2016	2015
\$	370,235	\$ 369,779	\$ 375,149	\$ 369,120
	1,562,819	1,533,764	1,482,951	1,436,064
	—	—	—	—
	(85,975)	(245,642)	59,923	—
	76,965	—	—	—
	(1,234,388)	(1,195,198)	(1,136,102)	(1,081,866)
	(30,837)	(25,240)	(27,724)	(25,036)
	658,819	437,463	754,197	698,282
	22,958,593	22,521,130	21,766,933	21,068,651
\$	23,617,412	\$ 22,958,593	\$ 22,521,130	\$ 21,766,933

\$	535,424	\$ 722,617	\$ 480,657	\$ 343,259
	201,391	200,184	195,582	198,035
	1,963,811	277,166	728,083	2,243,999
	(1,234,388)	(1,195,198)	(1,136,102)	(1,081,866)
	(30,837)	(25,240)	(27,724)	(25,036)
	(11,612)	(10,140)	(10,302)	(12,341)
	(1,743)	(122)	(154)	123
	1,422,046	(30,733)	230,040	1,666,173
	16,367,842	16,398,575	16,168,535	14,502,362
	17,789,888	16,367,842	16,398,575	16,168,535
\$	5,827,524	\$ 6,590,751	\$ 6,122,555	\$ 5,598,398

75.3 %                      71.3 %                      72.8 %                      74.3 %

\$ 4,020,893                \$ 3,977,759                \$ 3,878,632                \$ 3,861,712

144.9 %                      165.7 %                      157.9 %                      145.0 %

*Continued on next page*

**Schedule of Changes in Employers' Net Pension Liability (1) (2) (Continued from previous page)**

Fiscal Year Ended June 30, 2023

(Dollars in Thousands)

Change in the Net Pension Liability	VRS Teacher				
	2023	2022	2021	2020	2019
<b>Total pension liability:</b>					
Service cost	\$ 823,885	\$ 948,915	\$ 938,143	\$ 889,003	\$ 885,510
Interest	3,568,410	3,355,158	3,269,776	3,184,697	3,099,338
Benefit changes	—	—	—	—	—
Difference between actual and expected experience	(361,725)	(178,349)	(404,985)	(174,815)	(440,308)
Assumption changes	—	845,179	—	1,472,649	—
Benefit payments	(2,635,945)	(2,553,153)	(2,448,204)	(2,331,038)	(2,241,927)
Refunds of contributions	(43,437)	(38,464)	(36,211)	(36,715)	(40,578)
Net change in total pension liability	1,351,188	2,379,286	1,318,519	3,003,781	1,262,035
<b>Total pension liability - beginning</b>	<b>53,381,141</b>	<b>51,001,855</b>	<b>49,683,336</b>	<b>46,679,555</b>	<b>45,417,520</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 54,732,329</b>	<b>\$ 53,381,141</b>	<b>\$ 51,001,855</b>	<b>\$ 49,683,336</b>	<b>\$ 46,679,555</b>
<b>Plan fiduciary net position:</b>					
Contributions - employer	\$ 1,485,307	\$ 1,416,135	\$ 1,327,774	\$ 1,280,964	\$ 1,292,988
Contributions - member	439,139	419,415	418,909	403,258	391,490
Contributions - non-employer	442,371	61,344	—	—	—
Net investment income	(66,609)	9,887,249	689,010	2,311,028	2,421,157
Benefit payments	(2,635,945)	(2,553,153)	(2,448,204)	(2,331,038)	(2,241,927)
Refunds of contributions	(43,437)	(38,464)	(36,211)	(36,715)	(40,578)
Administrative expense	(27,876)	(24,543)	(23,649)	(22,843)	(20,945)
Other	737	832	(1,169)	(1,448)	(2,167)
Net change in plan fiduciary net position	(406,313)	9,168,815	(73,540)	1,603,206	1,800,018
<b>Plan fiduciary net position - beginning</b>	<b>45,618,044</b>	<b>36,449,229</b>	<b>36,522,769</b>	<b>34,919,563</b>	<b>33,119,545</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>45,211,731</b>	<b>45,618,044</b>	<b>36,449,229</b>	<b>36,522,769</b>	<b>34,919,563</b>
<b>Net pension liability - ending (a-b)</b>	<b>\$ 9,520,598</b>	<b>\$ 7,763,097</b>	<b>\$ 14,552,626</b>	<b>\$ 13,160,567</b>	<b>\$ 11,759,992</b>
Plan fiduciary net position as a percentage of the total pension liability (b/a)	82.6 %	85.5 %	71.5 %	73.5 %	74.8 %
Covered payroll (c)	\$ 9,319,260	\$ 8,843,887	\$ 8,766,667	\$ 8,387,503	\$ 8,086,986
Net pension liability as a percentage of covered payroll ((a-b)/c)	102.2 %	87.8 %	166.0 %	156.9 %	145.4 %

See notes on page 224 in this section.



2018	2017	2016	2015
\$ 830,475	\$ 828,856	\$ 828,901	\$ 831,501
3,016,207	2,931,065	2,834,138	2,722,788
—	—	—	—
(642,745)	(391,881)	(212,089)	—
218,559	—	—	—
(2,147,781)	(2,081,069)	(1,980,353)	(1,874,636)
(39,521)	(35,067)	(36,058)	(36,103)
1,235,194	1,251,904	1,434,539	1,643,550
44,182,326	42,930,422	41,495,883	39,852,333
<u>\$ 45,417,520</u>	<u>\$ 44,182,326</u>	<u>\$ 42,930,422</u>	<u>\$ 41,495,883</u>

\$ 1,137,976	\$ 1,062,338	\$ 1,074,366	\$ 853,634
392,730	380,314	373,525	371,241
—	—	192,884	—
3,632,291	516,704	1,327,047	4,042,441
(2,147,781)	(2,081,069)	(1,980,353)	(1,874,636)
(39,521)	(35,067)	(36,058)	(36,103)
(21,123)	(18,859)	(18,238)	(22,036)
(3,238)	(222)	(284)	217
2,951,334	(175,861)	932,889	3,334,758
30,168,211	30,344,072	29,411,183	26,076,425
33,119,545	30,168,211	30,344,072	29,411,183
<u>\$ 12,297,975</u>	<u>\$ 14,014,115</u>	<u>\$ 12,586,350</u>	<u>\$ 12,084,700</u>

72.9 %                      68.3 %                      70.7 %                      70.9 %

\$ 7,891,783	\$ 7,624,612	\$ 7,434,932	\$ 7,313,025
155.8 %	183.8 %	169.3 %	165.2 %

*Continued on next page*

**Schedule of Changes in Employers' Net Pension Liability (1) (2) (Continued from previous page)**

Fiscal Year Ended June 30, 2023

(Dollars in Thousands)

Change in the Net Pension Liability	VRS Political Subdivisions				
	2023	2022	2021	2020	2019
<b>Total pension liability:</b>					
Service cost	\$ 640,327	\$ 613,227	\$ 603,766	\$ 556,149	\$ 544,762
Interest	1,840,834	1,674,640	1,593,594	1,535,532	1,472,680
Benefit changes	9,042	13,157	19,657	3,948	10,811
Difference between actual and expected experience	(294,247)	(164,895)	221,364	45,032	(43,177)
Assumption changes	(15)	1,003,382	—	691,407	—
Benefit payments	(1,307,581)	(1,237,074)	(1,157,505)	(1,082,791)	(1,010,021)
Refunds of contributions	(48,297)	(42,460)	(38,323)	(40,249)	(41,324)
Net change in total pension liability	840,063	1,859,977	1,242,553	1,709,028	933,731
<b>Total pension liability - beginning</b>	<b>27,309,293</b>	<b>25,449,316</b>	<b>24,206,763</b>	<b>22,497,735</b>	<b>21,564,004</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 28,149,356</b>	<b>\$ 27,309,293</b>	<b>\$ 25,449,316</b>	<b>\$ 24,206,763</b>	<b>\$ 22,497,735</b>
<b>Plan fiduciary net position:</b>					
Contributions - employer	\$ 608,879	\$ 579,989	\$ 521,543	\$ 499,293	\$ 490,286
Contributions - member	276,350	258,562	258,408	248,421	241,339
Net investment income	(26,243)	5,779,327	405,051	1,345,759	1,415,454
Benefit payments	(1,307,581)	(1,237,074)	(1,157,505)	(1,082,791)	(1,010,021)
Refunds of contributions	(48,297)	(42,460)	(38,323)	(40,249)	(41,324)
Administrative expense	(16,525)	(14,411)	(13,842)	(13,369)	(12,236)
Other	264	161	(274)	(853)	(30,924)
Net change in plan fiduciary net position	(513,153)	5,324,094	(24,942)	956,211	1,052,574
<b>Plan fiduciary net position - beginning</b>	<b>26,558,184</b>	<b>21,234,090</b>	<b>21,259,032</b>	<b>20,302,821</b>	<b>19,250,247</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>26,045,031</b>	<b>26,558,184</b>	<b>21,234,090</b>	<b>21,259,032</b>	<b>20,302,821</b>
<b>Net pension liability - ending (a-b)</b>	<b>\$ 2,104,325</b>	<b>\$ 751,109</b>	<b>\$ 4,215,226</b>	<b>\$ 2,947,731</b>	<b>\$ 2,194,914</b>
Plan fiduciary net position as a percentage of the total pension liability (b/a)	92.5 %	97.2 %	83.4 %	87.8 %	90.2 %
Covered payroll (c)	\$ 5,699,596	\$ 5,403,267	\$ 5,368,250	\$ 5,118,622	\$ 4,932,344
Net pension liability as a percentage of covered payroll ((a-b)/c)	36.9 %	13.9 %	78.5 %	57.6 %	44.5 %

See notes on page 224 in this section.

2018	2017	2016	2015
\$ 541,594	\$ 535,322	\$ 530,945	\$ 524,758
1,422,753	1,362,892	1,309,484	1,243,386
36,652	2,053	1,135	—
(205,649)	(87,268)	(185,419)	—
(64,510)	—	—	—
(941,856)	(893,585)	(819,201)	(754,706)
(42,068)	(37,380)	(36,898)	(36,876)
746,916	882,034	800,046	976,562
20,817,088	19,935,054	19,135,008	18,158,446
<u>\$ 21,564,004</u>	<u>\$ 20,817,088</u>	<u>\$ 19,935,054</u>	<u>\$ 19,135,008</u>

\$ 477,563	\$ 543,947	\$ 533,877	\$ 539,366
238,636	231,934	227,060	225,555
2,113,973	300,995	761,164	2,272,284
(941,856)	(893,585)	(819,201)	(754,706)
(42,068)	(37,380)	(36,898)	(36,876)
(12,220)	(10,696)	(10,358)	(12,153)
(1,887)	(130)	(162)	120
1,832,141	135,085	655,482	2,233,590
17,418,106	17,283,021	16,627,539	14,393,949
19,250,247	17,418,106	17,283,021	16,627,539
<u>\$ 2,313,757</u>	<u>\$ 3,398,982</u>	<u>\$ 2,652,033</u>	<u>\$ 2,507,469</u>

89.3 %                      83.7 %                      86.7 %                      86.9 %

\$ 4,765,842	\$ 4,628,806	\$ 4,513,335	\$ 4,434,764
48.5 %	73.4 %	58.8 %	56.5 %

*Continued on next page*

**Schedule of Changes in Employers' Net Pension Liability (1) (2) (Continued from previous page)**

Fiscal Year Ended June 30, 2023

(Dollars in Thousands)

Change in the Net Pension Liability	SPORS				
	2023	2022	2021	2020	2019
<b>Total pension liability:</b>					
Service cost	\$ 23,688	\$ 22,042	\$ 22,167	\$ 20,079	\$ 18,187
Interest	86,396	79,549	77,231	72,715	71,251
Benefit changes	—	—	—	—	—
Difference between actual and expected experience	25,538	(9,431)	4,466	45,330	(7,248)
Assumption changes	—	58,257	—	31,773	—
Benefit payments	(71,466)	(73,227)	(64,991)	(62,683)	(58,197)
Refunds of contributions	(378)	(271)	(552)	(805)	(867)
Net change in total pension liability	63,778	76,919	38,321	106,409	23,126
<b>Total pension liability - beginning</b>	<b>1,292,177</b>	<b>1,215,258</b>	<b>1,176,937</b>	<b>1,070,528</b>	<b>1,047,402</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 1,355,955</b>	<b>\$ 1,292,177</b>	<b>\$ 1,215,258</b>	<b>\$ 1,176,937</b>	<b>\$ 1,070,528</b>
<b>Plan fiduciary net position:</b>					
Contributions - employer	\$ 47,452	\$ 33,788	\$ 32,497	\$ 31,437	\$ 35,806
Contributions - member	7,131	6,489	6,600	6,379	6,311
Net investment income	(902)	229,138	16,333	54,792	58,148
Benefit payments	(71,466)	(73,227)	(64,991)	(62,683)	(58,197)
Refunds of contributions	(378)	(271)	(552)	(805)	(867)
Administrative expense	(602)	(531)	(360)	(488)	(509)
Other	—	—	(38)	(61)	(63)
Net change in plan fiduciary net position	(18,765)	195,386	(10,511)	28,571	40,629
<b>Plan fiduciary net position - beginning</b>	<b>1,050,148</b>	<b>854,762</b>	<b>865,273</b>	<b>836,702</b>	<b>796,073</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>1,031,383</b>	<b>1,050,148</b>	<b>854,762</b>	<b>865,273</b>	<b>836,702</b>
<b>Net pension liability - ending (a-b)</b>	<b>\$ 324,572</b>	<b>\$ 242,029</b>	<b>\$ 360,496</b>	<b>\$ 311,664</b>	<b>\$ 233,826</b>
Plan fiduciary net position as a percentage of the total pension liability (b/a)	76.1 %	81.3 %	70.3 %	73.5 %	78.2 %
Covered payroll (c)	\$ 138,644	\$ 128,252	\$ 130,759	\$ 126,483	\$ 124,003
Net pension liability as a percentage of covered payroll ((a-b)/c)	234.1 %	188.7 %	275.7 %	246.4 %	188.6 %

See notes on page 224 in this section.

	2018	2017	2016	2015
\$	18,880	\$ 18,700	\$ 18,847	\$ 18,341
	74,042	72,618	70,350	67,978
	—	—	—	—
	(5,327)	(14,711)	(2,890)	—
	(68,707)	—	—	—
	(57,814)	(53,515)	(53,338)	(50,467)
	(630)	(584)	(375)	(685)
	(39,556)	22,508	32,594	35,167
	1,086,958	1,064,450	1,031,856	996,689
\$	<u>1,047,402</u>	<u>\$ 1,086,958</u>	<u>\$ 1,064,450</u>	<u>\$ 1,031,856</u>

\$	31,888	\$ 33,655	\$ 28,427	\$ 42,683
	5,701	5,759	5,680	5,646
	87,265	12,634	32,466	98,682
	(57,814)	(53,515)	(53,338)	(50,467)
	(630)	(584)	(375)	(685)
	(926)	(590)	(471)	(431)
	(99)	(23)	(27)	—
	65,385	(2,664)	12,362	95,428
	730,688	733,352	720,990	625,562
	796,073	730,688	733,352	720,990
\$	<u>251,329</u>	<u>\$ 356,270</u>	<u>\$ 331,098</u>	<u>\$ 310,866</u>

76.0 %                      67.2 %                      68.9 %                      69.9 %

\$ 111,395                      \$ 114,395                      \$ 110,059                      \$ 112,010

225.6 %                      311.4 %                      300.8 %                      277.5 %

*Continued on next page*

**Schedule of Changes in Employers' Net Pension Liability (1) (2) (Continued from previous page)**

Fiscal Year Ended June 30, 2023

(Dollars in Thousands)

Change in the Net Pension Liability	VaLORS				
	2023	2022	2021	2020	2019
<b>Total pension liability:</b>					
Service cost	\$ 44,326	\$ 47,606	\$ 48,003	\$ 44,526	\$ 45,179
Interest	159,759	149,677	143,708	139,307	136,289
Benefit changes	—	—	—	—	—
Difference between actual and expected experience	15,632	(25,405)	22,645	11,067	(26,111)
Assumption changes	—	66,216	—	62,090	—
Benefit payments	(129,974)	(124,045)	(117,137)	(109,193)	(104,776)
Refunds of contributions	(6,284)	(5,791)	(4,893)	(4,933)	(5,604)
Net change in total pension liability	83,459	108,258	92,326	142,864	44,977
<b>Total pension liability - beginning</b>	<b>2,390,609</b>	<b>2,282,351</b>	<b>2,190,025</b>	<b>2,047,161</b>	<b>2,002,184</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 2,474,068</b>	<b>\$ 2,390,609</b>	<b>\$ 2,282,351</b>	<b>\$ 2,190,025</b>	<b>\$ 2,047,161</b>
<b>Plan fiduciary net position:</b>					
Contributions - employer	\$ 93,847	\$ 76,415	\$ 79,914	\$ 75,327	\$ 73,793
Contributions - member	17,276	17,602	18,712	17,871	17,496
Net investment income	(1,666)	405,217	28,579	93,872	98,292
Benefit payments	(129,974)	(124,045)	(117,137)	(109,193)	(104,776)
Refunds of contributions	(6,284)	(5,791)	(4,893)	(4,933)	(5,604)
Administrative expense	(1,074)	(943)	(623)	(831)	(861)
Other	(8)	—	(73)	(103)	(247)
Net change in plan fiduciary net position	(27,883)	368,455	4,479	72,010	78,093
<b>Plan fiduciary net position - beginning</b>	<b>1,868,924</b>	<b>1,500,469</b>	<b>1,495,990</b>	<b>1,423,980</b>	<b>1,345,887</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>1,841,041</b>	<b>1,868,924</b>	<b>1,500,469</b>	<b>1,495,990</b>	<b>1,423,980</b>
<b>Net pension liability - ending (a-b)</b>	<b>\$ 633,027</b>	<b>\$ 521,685</b>	<b>\$ 781,882</b>	<b>\$ 694,035</b>	<b>\$ 623,181</b>
Plan fiduciary net position as a percentage of the total pension liability (b/a)	74.4 %	78.2 %	65.7 %	68.3 %	69.6 %
Covered payroll (c)	\$ 338,768	\$ 348,650	\$ 369,996	\$ 349,998	\$ 345,531
Net pension liability as a percentage of covered payroll ((a-b)/c)	186.9 %	149.6 %	211.3 %	198.3 %	180.4 %

See notes on page 224 in this section.

	2018	2017	2016	2015
\$	47,189	\$ 45,608	\$ 47,531	\$ 46,504
	135,453	129,756	124,579	119,040
	—	—	—	—
	(1,457)	4,997	(4,849)	—
	(63,457)	—	—	—
	(96,224)	(92,270)	(84,990)	(78,412)
	(4,938)	(4,524)	(4,797)	(4,665)
	16,566	83,567	77,474	82,467
	1,985,618	1,902,051	1,824,577	1,742,110
\$	<u>2,002,184</u>	<u>\$ 1,985,618</u>	<u>\$ 1,902,051</u>	<u>\$ 1,824,577</u>

\$	73,816	\$ 79,392	\$ 62,084	\$ 67,483
	17,598	17,574	17,081	17,908
	146,039	20,899	52,312	156,786
	(96,224)	(92,270)	(84,990)	(78,412)
	(4,938)	(4,524)	(4,797)	(4,665)
	(1,540)	(940)	(743)	(681)
	(310)	(38)	(44)	—
	134,441	20,093	40,903	158,419
	1,211,446	1,191,353	1,150,450	992,031
	1,345,887	1,211,446	1,191,353	1,150,450
\$	<u>656,297</u>	<u>\$ 774,172</u>	<u>\$ 710,698</u>	<u>\$ 674,127</u>

67.2 %                      61.0 %                      62.6 %                      63.1 %

\$	344,468	\$ 345,504	\$ 338,562	\$ 352,492
	190.5 %	224.1 %	209.9 %	191.2 %

*Continued on next page*

## Schedule of Changes in Employers' Net Pension Liability (1) (2) (Continued from previous page)

Fiscal Year Ended June 30, 2023

(Dollars in Thousands)

Change in the Net Pension Liability	JRS				
	2023	2022	2021	2020	2019
<b>Total pension liability:</b>					
Service cost	\$ 18,630	\$ 19,335	\$ 20,650	\$ 18,767	\$ 19,228
Interest	50,036	44,788	44,234	44,139	43,799
Benefit changes	—	—	—	—	—
Difference between actual and expected experience	(7,256)	(10,245)	(9,446)	(7,158)	(15,786)
Assumption changes	—	53,040	—	14,077	—
Benefit payments	(47,679)	(47,750)	(46,546)	(43,587)	(41,165)
Refunds of contributions	(41)	(135)	(12)	—	—
Net change in total pension liability	13,690	59,033	8,880	26,238	6,076
<b>Total pension liability - beginning</b>	<b>746,502</b>	<b>687,469</b>	<b>678,589</b>	<b>652,351</b>	<b>646,275</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 760,192</b>	<b>\$ 746,502</b>	<b>\$ 687,469</b>	<b>\$ 678,589</b>	<b>\$ 652,351</b>
<b>Plan fiduciary net position:</b>					
Contributions - employer	\$ 30,266	\$ 22,856	\$ 24,819	\$ 22,893	\$ 28,096
Contributions - member	2,033	1,868	3,436	3,208	3,231
Net investment income	(477)	147,200	10,491	35,372	37,466
Benefit payments	(47,678)	(47,750)	(46,546)	(43,587)	(41,165)
Refunds of contributions	(41)	(135)	(12)	—	—
Administrative expense	(386)	(343)	(232)	(315)	(326)
Other	97	—	(42)	(39)	(42)
Net change in plan fiduciary net position	(16,186)	123,696	(8,086)	17,532	27,260
<b>Plan fiduciary net position - beginning</b>	<b>673,151</b>	<b>549,455</b>	<b>557,541</b>	<b>540,009</b>	<b>512,749</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>656,965</b>	<b>673,151</b>	<b>549,455</b>	<b>557,541</b>	<b>540,009</b>
<b>Net pension liability - ending (a-b)</b>	<b>\$ 103,227</b>	<b>\$ 73,351</b>	<b>\$ 138,014</b>	<b>\$ 121,048</b>	<b>\$ 112,342</b>
Plan fiduciary net position as a percentage of the total pension liability (b/a)	86.4 %	90.2 %	79.9 %	82.2 %	82.8 %
Covered payroll (c)	\$ 79,540	\$ 74,594	\$ 74,769	\$ 68,330	\$ 68,245
Net pension liability as a percentage of covered payroll ((a-b)/c)	129.8 %	98.3 %	184.6 %	177.2 %	164.6 %

See notes on page 224 in this section.



	2018	2017	2016	2015
\$	22,144	\$ 21,978	\$ 23,254	\$ 24,024
	42,081	42,820	41,759	40,013
	—	(15,552)	—	—
	(14,774)	(18,681)	(9,107)	—
	16,114	—	—	—
	(40,895)	(41,341)	(40,205)	(37,984)
	—	—	—	—
	24,670	(10,776)	15,701	26,053
	621,605	632,381	616,680	590,627
\$	646,275	\$ 621,605	\$ 632,381	\$ 616,680

\$	27,612	\$ 41,502	\$ 31,503	\$ 27,727
	3,272	3,236	3,015	3,051
	56,029	8,112	20,051	60,833
	(40,895)	(41,341)	(40,205)	(37,984)
	—	—	—	—
	(594)	(363)	(283)	(268)
	(64)	(15)	(17)	—
	45,360	11,131	14,064	53,359
	467,389	456,258	442,194	388,835
	512,749	467,389	456,258	442,194
\$	133,526	\$ 154,216	\$ 176,123	\$ 174,486

79.3 %                      75.2 %                      72.1 %                      71.7 %

\$	66,826	\$ 66,621	\$ 61,092	\$ 61,020
	199.8 %	231.5 %	288.3 %	285.9 %

## Schedule of Employer Contributions – Pension Plans

(Dollars in Thousands)

Year Ended June 30	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contributions Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
<b>VIRGINIA RETIREMENT SYSTEM (VRS) - STATE</b>					
2023	\$ 716,311	\$ 733,040	\$ (16,729)	\$ 5,069,435	14.46%
2022	674,124	674,124	—	4,661,991	14.46%
2021	636,236	636,236	—	4,399,969	14.46%
2020	600,306	600,306	—	4,440,135	13.52%
2019	567,450	567,450	—	4,197,484	13.52%
2018	560,154	560,154	—	4,152,368	13.49%
2017	542,418	542,418	—	4,020,893	13.49%
2016	628,486	557,160	71,326	3,977,759	14.01%
2015	612,824	478,235	134,589	3,878,632	12.33%
2014	504,726	338,286	166,440	3,861,712	8.76%
<b>VIRGINIA RETIREMENT SYSTEM (VRS) - TEACHER</b>					
2023	\$ 1,471,664	\$ 1,657,118	\$ (185,454)	\$ 9,970,623	16.62%
2022	1,548,861	1,548,861	—	9,319,260	16.62%
2021	1,469,854	1,469,854	—	8,843,887	16.62%
2020	1,374,613	1,374,613	—	8,766,667	15.68%
2019	1,315,160	1,315,160	—	8,387,503	15.68%
2018	1,319,796	1,319,796	—	8,086,986	16.32%
2017	1,287,939	1,156,935	131,004	7,891,783	14.66%
2016	1,344,981	1,072,020	272,961	7,624,612	14.06%
2015	1,353,158	1,078,065	275,093	7,434,932	14.50%
2014	1,226,394	852,699	373,695	7,313,025	11.66%
<b>VIRGINIA RETIREMENT SYSTEM (VRS) - POLITICAL SUBDIVISIONS</b>					
2023	\$ 780,020	\$ 780,020	\$ —	\$ 6,337,774	12.31%
2022	643,826	643,826	—	5,699,596	11.30%
2021	610,434	610,473	(39)	5,403,267	11.30%
2020	544,676	547,382	(2,706)	5,368,250	10.20%
2019	515,904	518,513	(2,609)	5,118,622	10.13%
2018	504,955	505,603	(648)	4,932,344	10.25%
2017	487,067	487,702	(635)	4,765,842	10.23%
2016	554,335	549,408	4,927	4,628,806	11.87%
2015	540,859	535,919	4,940	4,513,335	11.87%
2014	551,822	539,131	12,691	4,434,764	12.16%

See notes on page 224 in this section.

Year Ended June 30	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contributions Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
<b>STATE POLICE OFFICERS' RETIREMENT SYSTEM (SPORS)</b>					
2023	\$ 46,981	\$ 46,981	\$ —	\$ 156,707	29.98%
2022	36,505	36,505	—	138,644	26.33%
2021	33,769	33,769	—	128,252	26.33%
2020	32,533	32,533	—	130,759	24.88%
2019	31,469	31,469	—	126,483	24.88%
2018	35,391	35,391	—	124,003	28.54%
2017	31,792	31,792	—	111,395	28.54%
2016	35,211	31,561	3,650	114,395	27.59%
2015	33,876	28,417	5,459	110,059	25.82%
2014	36,538	27,711	8,827	112,010	24.74%
<b>VIRGINIA LAW OFFICERS' RETIREMENT SYSTEM (VaLORS)</b>					
2023	\$ 90,809	\$ 90,809	\$ —	\$ 369,142	24.60%
2022	74,190	74,190	—	338,768	21.90%
2021	76,354	76,354	—	348,650	21.90%
2020	79,956	79,956	—	369,996	21.61%
2019	75,635	75,635	—	349,998	21.61%
2018	72,734	72,734	—	345,531	21.05%
2017	72,511	72,511	—	344,468	21.05%
2016	72,763	65,101	7,662	345,504	18.84%
2015	71,301	59,824	11,477	338,562	17.67%
2014	68,806	52,169	16,637	352,492	14.80%
<b>JUDICIAL RETIREMENT SYSTEM (JRS)</b>					
2023	\$ 25,781	\$ 25,781	\$ —	\$ 84,059	30.67%
2022	23,735	23,735	—	79,540	29.84%
2021	22,259	22,259	—	74,594	29.84%
2020	25,713	25,713	—	74,769	34.39%
2019	23,498	23,498	—	68,330	34.39%
2018	28,642	28,642	—	68,245	41.97%
2017	28,047	28,047	—	66,826	41.97%
2016	37,008	33,291	3,717	66,621	49.97%
2015	35,336	31,560	3,776	61,092	51.66%
2014	33,018	27,728	5,290	61,020	45.44%

## Notes for Pension Schedules

	VRS			SPORS	VaLORS	JRS
	State	Teacher	Political Subdivisions			
<b>Valuation Date</b>	June 30, 2021	June 30, 2021	June 30, 2021	June 30, 2021	June 30, 2021	June 30, 2021
<b>Actuarial Cost Method</b>	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
<b>Actuarial Assumptions:</b>						
Investment Rate of Return*	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%
Projected Salary Increases:*						
State Employees/Teachers	3.50% to 5.35%	3.50% to 5.95%	N/A	3.50% to 4.75%	3.50% to 4.75%	4.00%
Political Subdivision - Non-Hazardous Duty Employees	N/A	N/A	3.50% to 5.35%	N/A	N/A	N/A
Political Subdivision - Hazardous Duty Employees	N/A	N/A	3.50% to 4.75%	N/A	N/A	N/A
Post-Retirement Benefits Increases**						
Plan 1	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Plan 2	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%
Hybrid	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%

\* Includes inflation at 2.50%.

\*\* Compounded annually.

Actuarial assumptions and methods were based on an analysis of plan experience for the four-year period July 1, 2016, through June 30, 2020, and were used for the June 30, 2021, valuation. The mortality rates used are based on the PUB2010 table projected with a modified mortality improvement scale MP-2020.

As discussed in Note 17, visit the Virginia Retirement System's website at [www.varetire.org](http://www.varetire.org) to obtain a copy of the separately issued financial statements.



## Schedule of Changes in Employers' Net Other Postemployment Benefit Liability (Asset) (1) (2)

Fiscal Year Ended June 30, 2023

(Dollars in Thousands)

Change in the Net OPEB Liability	RHIC				
	2023	2022	2021	2020	2019
<b>Total OPEB liability:</b>					
Service cost	\$ 18,311	\$ 20,432	\$ 20,143	\$ 19,446	\$ 19,645
Interest	69,707	68,014	67,289	68,023	66,883
Benefit changes	—	—	—	—	—
Difference between actual and expected experience	(34,169)	(20,219)	(5,703)	(13,402)	745
Assumption changes	13,522	12,326	—	22,700	—
Benefit payments	(76,023)	(71,536)	(70,440)	(72,857)	(69,117)
Refunds of contributions	—	—	—	—	—
Net change in total OPEB liability	(8,652)	9,017	11,289	23,910	18,156
<b>Total OPEB liability - beginning</b>	<b>1,052,400</b>	<b>1,043,383</b>	<b>1,032,094</b>	<b>1,008,184</b>	<b>990,028</b>
<b>Total OPEB liability - ending (a)</b>	<b>\$ 1,043,748</b>	<b>\$ 1,052,400</b>	<b>\$ 1,043,383</b>	<b>\$ 1,032,094</b>	<b>\$ 1,008,184</b>
<b>Plan fiduciary net position:</b>					
Contributions - employer	\$ 93,847	\$ 119,847	\$ 84,849	\$ 79,926	\$ 79,416
Contributions - member	—	—	—	—	—
Net investment income	(358)	34,790	2,185	6,189	5,706
Benefit payments	(76,023)	(71,536)	(70,440)	(72,857)	(69,117)
Third-party administrator charges	—	—	—	—	—
Administrative expense	(357)	(589)	(230)	(135)	(149)
Other	(394)	(30)	(9)	(8)	536
Net change in plan fiduciary net position	16,715	82,482	16,355	13,115	16,392
<b>Plan fiduciary net position - beginning</b>	<b>207,860</b>	<b>125,378</b>	<b>109,023</b>	<b>95,908</b>	<b>79,516</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>224,575</b>	<b>207,860</b>	<b>125,378</b>	<b>109,023</b>	<b>95,908</b>
<b>Net OPEB liability (asset) - ending (a-b)</b>	<b>\$ 819,173</b>	<b>\$ 844,540</b>	<b>\$ 918,005</b>	<b>\$ 923,071</b>	<b>\$ 912,276</b>
Plan fiduciary net position as a percentage of the total OPEB liability (b/a)	21.5 %	19.8 %	12.0 %	10.6 %	9.5 %
Covered payroll (c)	\$ 7,612,495	\$ 7,239,781	\$ 7,237,090	\$ 6,844,807	\$ 6,762,917
Net OPEB liability (asset) as a percentage of covered payroll ((a-b)/c)	10.8 %	11.7 %	12.7 %	13.5 %	13.5 %

(1) The Commonwealth implemented GASB Statement No. 75, *Accounting and Financial Reporting for Other Postemployment Benefits*, as amended by GASB Statement No. 85, *Omnibus 2017*, effective for fiscal year 2018, therefore, ten years of data is unavailable.

(2) The Commonwealth's fiscal year 2023 net OPEB liability measurement date is June 30, 2022, as reported in Note 19.

See notes on page 236 in this section.

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**2018**

\$ 19,231  
66,641  
—  
—  
(12,229)  
(71,256)  
—  
2,387  
987,641  
\$ 990,028

\$ 75,058  
—  
7,706  
(71,256)  
—  
(131)  
(546)  
10,831  
68,685  
79,516  
\$ 910,512

8.0 %  
\$ 6,489,069

14.0 %

*Continued on next page*

## Schedule of Changes in Employers' Net Other Postemployment Benefit Liability (Asset) (1) (2)

(continued from previous page)

Change in the Net OPEB Liability	VSDP				
	2023	2022	2021	2020	2019
<b>Total OPEB liability:</b>					
Service cost	\$ 30,802	\$ 32,679	\$ 32,988	\$ 29,232	\$ 27,527
Interest	19,115	17,222	18,774	15,788	15,503
Benefit changes	—	—	—	—	—
Difference between actual and expected experience	20,274	(22,057)	(46,473)	29,489	(11,237)
Assumption changes	—	(1,387)	—	4,180	—
Benefit payments	(29,625)	(28,790)	(27,804)	(24,376)	(31,073)
Refunds of contributions	—	—	—	—	—
Net change in total OPEB liability	40,566	(2,333)	(22,515)	54,313	720
<b>Total OPEB liability - beginning</b>	<u>267,198</u>	<u>269,531</u>	<u>292,046</u>	<u>237,733</u>	<u>237,013</u>
<b>Total OPEB liability - ending (a)</b>	<u>\$ 307,764</u>	<u>\$ 267,198</u>	<u>\$ 269,531</u>	<u>\$ 292,046</u>	<u>\$ 237,733</u>
<b>Plan fiduciary net position:</b>					
Contributions - employer	\$ 28,249	\$ 26,542	\$ 26,994	\$ 25,263	\$ 27,260
Contributions - member	—	—	—	—	—
Net investment income	(507)	131,373	9,445	30,494	32,073
Benefit payments	(29,625)	(28,790)	(27,804)	(24,376)	(31,073)
Third-party administrator charges	(7,247)	(7,137)	(6,611)	(6,431)	(6,637)
Administrative expense	(483)	(600)	(631)	(787)	(961)
Other	610	311	586	1,117	(35)
Net change in plan fiduciary net position	(9,003)	121,699	1,979	25,280	20,627
<b>Plan fiduciary net position - beginning</b>	<u>611,919</u>	<u>490,220</u>	<u>488,241</u>	<u>462,961</u>	<u>442,334</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>602,916</u>	<u>611,919</u>	<u>490,220</u>	<u>488,241</u>	<u>462,961</u>
<b>Net OPEB liability (asset) - ending (a-b)</b>	<u>\$ (295,152)</u>	<u>\$ (344,721)</u>	<u>\$ (220,689)</u>	<u>\$ (196,195)</u>	<u>\$ (225,228)</u>
Plan fiduciary net position as a percentage of the total OPEB liability (b/a)	195.9 %	229.0 %	181.9 %	167.2 %	194.7 %
Covered payroll (c)	\$ 4,637,755	\$ 4,355,154	\$ 4,365,296	\$ 4,077,627	\$ 3,972,637
Net OPEB liability (asset) as a percentage of covered payroll ((a-b)/c)	(6.4%)	(7.9%)	(5.1%)	(4.8%)	(5.7%)

See notes on page 236 in this section.



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**2018**

\$ 27,884  
15,810  
—  
—  
(17,511)  
(30,056)  
—  
(3,873)  
240,886  
\$ 237,013

\$ 24,130  
—  
48,206  
(30,056)  
(7,001)  
(717)  
(54)  
34,508  
407,826  
442,334  
\$ (205,321)

186.6 %

\$ 3,799,590

(5.4%)

## Schedule of the Commonwealth's Proportionate Share of the Net Other Postemployment Benefit Liability (1) (2)

Fiscal Year Ended June 30, 2023

(Dollars in Thousands)

	GLI					
	2023	2022	2021	2020	2019	2018
Commonwealth's proportion of the net OPEB liability	30.1 %	30.0 %	30.4 %	30.1 %	30.5 %	30.3 %
Commonwealth's proportionate share of the net OPEB liability	\$362,146	\$349,518	\$507,458	\$490,250	\$463,787	\$456,387
Commonwealth's covered payroll	\$6,577,667	\$6,231,703	\$6,290,591	\$5,936,396	\$5,836,331	\$5,621,670
Commonwealth's covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
Commonwealth's proportionate share of the net OPEB liability as a percentage of its covered payroll / covered employee payroll	5.5 %	5.6 %	8.1 %	8.3 %	7.9 %	8.1 %
Plan fiduciary net position as a percentage of the total OPEB liability	67.2 %	67.5 %	52.6 %	52.0 %	51.2 %	48.9 %

(1) The Commonwealth implemented GASB Statement No. 75, *Accounting and Financial Reporting for Other Postemployment Benefits*, and GASB Statement No. 85, *Omnibus 2017*, effective for fiscal year 2018, therefore, ten years of data is unavailable.

(2) The Commonwealth's fiscal year 2023 net OPEB liability measurement date is June 30, 2022 as reported in Note 19.

(3) Since the Commonwealth is considered the governmental nonemployer contributing entity for the state-funded Retiree Health Insurance Credit for constitutional officers, social services employees and registrars (RHIC: Non-State), the covered payroll information is not applicable.

See notes on page 236 in this section.

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**LODA**

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<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
59.5 %	59.4 %	60.1 %	59.9 %	59.9 %	60.9 %
\$225,245	\$262,156	\$251,588	\$214,981	\$187,869	\$160,064
N/A	N/A	N/A	N/A	N/A	N/A
\$501,458	\$468,772	\$484,167	\$460,426	\$440,535	\$431,978
44.9 %	55.9 %	52.0 %	46.7 %	42.6 %	37.1 %
1.9 %	1.7 %	1.0 %	0.8 %	0.6 %	1.3 %

*Continued on next page*

**Schedule of the Commonwealth's Proportionate Share of the Net Other Postemployment Benefit Liability (1) (2)**

(continued from previous page)

	<b>RHIC: Non-State (3)</b>					
	<b>Constitutional Officers</b>					
	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Commonwealth's proportion of the net OPEB liability	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Commonwealth's proportionate share of the net OPEB liability	\$26,285	\$26,910	\$27,293	\$26,877	\$26,351	\$25,766
Commonwealth's covered payroll	N/A	N/A	N/A	N/A	N/A	N/A
Commonwealth's covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
Commonwealth's proportionate share of the net OPEB liability as a percentage of its covered payroll / covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total OPEB liability	22.4 %	19.9 %	15.8 %	14.3 %	11.1 %	8.6 %

See notes on page 236 in this section.

Social Service Employees						Registrars					
2023	2022	2021	2020	2019	2018	2023	2022	2021	2020	2019	2018
100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
\$12,341	\$12,631	\$12,880	\$12,457	\$12,903	\$12,725	\$353	\$435	\$469	\$503	\$499	\$486
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
17.2 %	15.7 %	13.1 %	15.4 %	9.3 %	7.9 %	36.5 %	27.9 %	21.2 %	14.8 %	10.4 %	6.5 %

## Schedule of Employer Contributions – Other Postemployment Benefit Plans

(Dollars in Thousands)

Year Ended June 30	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contributions Deficiency (Excess)	Covered Payroll	Covered Employee Payroll	Contributions as a Percentage of Covered Payroll / Covered Employee Payroll
<b>RETIREE HEALTH INSURANCE CREDIT</b>						
2023	\$ 85,709	\$ 92,302	\$ (6,593)	\$ 8,241,227	N/A	1.1 %
2022	85,260	85,260	—	7,612,495	N/A	1.1 %
2021	81,086	81,086	—	7,239,781	N/A	1.1 %
2020	84,674	84,674	—	7,237,090	N/A	1.2 %
2019	80,084	80,084	—	6,844,807	N/A	1.2 %
2018	79,802	79,802	—	6,762,917	N/A	1.2 %
2017	76,571	76,571	—	6,489,069	N/A	1.2 %
2016	73,961	66,375	7,586	6,321,454	N/A	1.0 %
2015	71,522	64,186	7,336	6,112,951	N/A	1.1 %
2014	63,385	60,367	3,018	6,036,629	N/A	1.0 %
<b>VIRGINIA SICKNESS AND DISABILITY PROGRAM (Also referred to Disability Insurance Trust Fund)</b>						
2023	\$ 28,581	\$ 31,133	\$ (2,552)	\$ 5,103,828	N/A	0.6 %
2022	28,290	28,290	—	4,637,755	N/A	0.6 %
2021	26,566	26,566	—	4,355,154	N/A	0.6 %
2020	27,065	27,065	—	4,365,296	N/A	0.6 %
2019	25,281	25,281	—	4,077,627	N/A	0.6 %
2018	26,219	26,219	—	3,972,637	N/A	0.7 %
2017	25,077	25,077	—	3,799,590	N/A	0.7 %
2016	27,187	24,580	2,607	3,724,248	N/A	0.7 %
2015	26,244	23,728	2,516	3,595,080	N/A	0.7 %
2014	20,610	16,701	3,909	3,553,444	N/A	0.5 %
<b>GROUP LIFE INSURANCE (1)</b>						
2023	\$ 34,206	\$ 38,481	\$ (4,275)	\$ 7,126,166	N/A	0.5 %
2022	35,519	35,519	—	6,577,667	N/A	0.5 %
2021	33,651	33,651	—	6,231,703	N/A	0.5 %
2020	32,711	32,711	—	6,290,591	N/A	0.5 %
2019	30,869	30,869	—	5,936,396	N/A	0.5 %
2018	30,349	30,349	—	5,836,331	N/A	0.5 %
2017	29,089	29,089	—	5,621,670	N/A	0.5 %
2016	29,358	26,588	2,770	5,539,210	N/A	0.5 %
2015	28,487	25,799	2,688	5,374,853	N/A	0.5 %
2014	28,248	25,583	2,665	5,329,884	N/A	0.5 %

- (1) The Group Life Insurance and the Line of Duty Trust Fund (Line of Duty Act) are cost-sharing plans and amounts in this schedule are only for the Commonwealth and does not include other employers.
- (2) Covered employee payroll is provided since the contributions are not based on a measure of pay. Ten years of data is not available for this plan.
- (3) Although the Retiree Health Insurance Credit program for constitutional officers, social services employees, and registrars existed prior to fiscal year 2016, the program was funded in a different manner and the results do not provide comparability with the current presentations. Since the Commonwealth is considered the governmental nonemployer contributing entity, the column regarding covered payroll is not applicable.

See notes on page 236 in this section.

Year Ended June 30	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contributions Deficiency (Excess)	Covered Payroll	Covered Employee Payroll	Contributions as a Percentage of Covered Payroll / Covered Employee Payroll
<b>LINE OF DUTY TRUST FUND (1) (2)</b>						
2023	\$ 20,374	\$ 8,144	\$ 12,230	N/A	\$ 561,883	1.4 %
2022	14,734	8,197	6,537	N/A	501,458	1.6 %
2021	14,820	8,184	6,636	N/A	468,772	1.7 %
2020	14,706	8,164	6,542	N/A	484,167	1.7 %
2019	14,486	8,042	6,444	N/A	460,426	1.7 %
2018	13,870	6,364	7,506	N/A	440,535	1.4 %
2017	14,275	6,550	7,725	N/A	431,978	1.5 %
<b>RETIREE HEALTH INSURANCE CREDIT: NON-STATE (3)</b>						
<b>For Constitutional Officers</b>						
2023	\$ 3,052	\$ 3,052	\$ —	N/A	N/A	N/A
2022	2,786	2,786	—	N/A	N/A	N/A
2021	2,642	2,642	—	N/A	N/A	N/A
2020	2,734	2,734	—	N/A	N/A	N/A
2019	2,593	2,593	—	N/A	N/A	N/A
2018	2,362	2,362	—	N/A	N/A	N/A
2017	2,280	2,280	—	N/A	N/A	N/A
2016	1,950	1,830	120	N/A	N/A	N/A
<b>RETIREE HEALTH INSURANCE CREDIT: NON-STATE (3)</b>						
<b>(For Social Services Employees)</b>						
2023	\$ 1,268	\$ 1,268	\$ —	N/A	N/A	N/A
2022	1,196	1,196	—	N/A	N/A	N/A
2021	1,143	1,143	—	N/A	N/A	N/A
2020	1,283	1,283	—	N/A	N/A	N/A
2019	1,202	1,202	—	N/A	N/A	N/A
2018	1,106	1,106	—	N/A	N/A	N/A
2017	1,055	1,055	—	N/A	N/A	N/A
2016	961	824	137	N/A	N/A	N/A
<b>RETIREE HEALTH INSURANCE CREDIT: NON-STATE (3)</b>						
<b>(For Registrars)</b>						
2023	\$ 61	\$ 61	\$ —	N/A	N/A	N/A
2022	66	66	—	N/A	N/A	N/A
2021	52	52	—	N/A	N/A	N/A
2020	50	50	—	N/A	N/A	N/A
2019	46	46	—	N/A	N/A	N/A
2018	47	47	—	N/A	N/A	N/A
2017	45	45	—	N/A	N/A	N/A
2016	36	30	6	N/A	N/A	N/A

## Notes for Other Postemployment Benefit Schedules

	Group Life Insurance Fund	Retiree Health Insurance Credit Fund	Disability Insurance Trust Fund	Line of Duty Act Trust Fund
<b>Valuation Date</b>	June 30, 2021	June 30, 2021	June 30, 2021	June 30, 2021
<b>Actuarial Cost Method</b>	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
<b>Amortization Method</b>	Level Percent of Pay, Closed	Level Percent of Pay, Closed	Level Percent of Pay, Closed	Level Percent of Pay, Open
<b>Payroll Growth Rate:</b>				
State Employees	3.0%	3.0%	3.0%	3.0%
Teachers	3.0%	3.0%	N/A	N/A
Political Subdivision Employees	3.0%	3.0%	N/A	3.0%
State Police / Virginia Law Officers	3.0%	3.0%	3.0%	3.0%
Judges	3.0%	3.0%	N/A	N/A
<b>Asset Valuation Method</b>				
State Employees and Teachers	5-Year, Smoothed Market	5-Year, Smoothed Market	5-Year, Smoothed Market	Market Value
Political Subdivision Employees and State-Funded Local Employees	5-Year, Smoothed Market	Market Value	N/A	Market Value
<b>Actuarial Assumptions:</b>				
Investment Rate of Return (1)	6.8%	6.8%	6.8%	6.8%
Projected Salary Increases (2)				
State Employees	3.5% to 5.4%	3.5% to 5.4%	3.5% to 5.4%	N/A
Teachers	3.5% to 6.0%	3.5% to 6.0%	N/A	N/A
Political Subdivision Employees (Non-Hazardous Duty Employees)	3.5% to 5.4%	3.5% to 5.4%	N/A	N/A
Political Subdivision Employees (Hazardous Duty Employees)	3.5% to 4.8%	3.5% to 4.8%	N/A	N/A
State Police / Virginia Law Officers	3.5% to 4.8%	3.5% to 4.8%	3.5% to 4.8%	N/A
Judges	4.0%	4.0%	N/A	N/A
Medical Trend Assumptions (Under Age 65)	N/A	N/A	N/A	7.0% to 4.8%
Medical Trend Assumptions (Ages 65 and Older)	N/A	N/A	N/A	5.3% to 4.8%
Year of Ultimate Trend Rate (Under Age 65)	N/A	N/A	N/A	2028
Year of Ultimate Trend Rate (Ages 65 and Older)	N/A	N/A	N/A	2023

(1) Includes inflation rate of 2.5 percent. The Line of Duty Act Program uses 4.8 percent for the investment rate of return.

(2) Projected salary increases for the Retiree Health Insurance Credit Fund are used in the application of the actuarial cost method. Projected salary increase factors are not applicable to the Line of Duty Act Program since neither the benefit nor the cost is salary-based.

Actuarial assumptions and methods were based on an analysis of plan experience for the four-year period July 1, 2016, through June 30, 2020, and were used for the June 30, 2021, valuation. The mortality rates used are based on the PUB2010 table projected with a modified mortality improvement scale MP-2020.

As discussed in Note 19, visit the Virginia Retirement System's website at [www.varetire.org](http://www.varetire.org) to obtain a copy of the separately issued financial statements.





## Schedule of Changes in Employers' Total Other Postemployment Benefit Liability (1) (2)

Fiscal Year Ended June 30, 2023

(Dollars in Thousands)

Change in the Total OPEB Liability	PMRH				
	2023	2022	2021	2020	2019
<b>Total OPEB liability:</b>					
Service cost	\$ 31,325	\$ 44,141	\$ 47,963	\$ 72,737	\$ 94,665
Interest cost	10,020	13,139	25,009	40,941	49,279
Changes of benefit terms	—	—	—	—	—
Difference between expected and actual experience	(24,105)	(20,887)	(24,121)	(216,886)	(191,000)
Changes of assumptions	(69,896)	(119,285)	(130,004)	(182,206)	(211,762)
Benefit payments	(32,820)	(37,040)	(28,903)	(41,346)	(34,446)
Net change in total OPEB liability	(85,476)	(119,932)	(110,056)	(326,760)	(293,264)
<b>Total OPEB liability - beginning</b>	<b>448,892</b>	<b>568,824</b>	<b>678,880</b>	<b>1,005,640</b>	<b>1,298,904</b>
<b>Total OPEB liability - ending (a)</b>	<b>\$ 363,416</b>	<b>\$ 448,892</b>	<b>\$ 568,824</b>	<b>\$ 678,880</b>	<b>\$ 1,005,640</b>
Covered employee payroll (b)	\$ 6,429,512	\$ 5,904,674	\$ 5,842,440	\$ 5,616,229	\$ 5,485,993
Total OPEB liability as a percentage of covered employee payroll (a/b)	5.7 %	7.6 %	9.7 %	12.1 %	18.3 %

- (1) The Commonwealth implemented GASB Statement No. 75, *Accounting and Financial Reporting for Other Postemployment Benefits*, as amended by GASB Statement No. 85, *Omnibus 2017*, effective for fiscal year 2018, therefore, ten years of data is unavailable.
- (2) The Commonwealth's fiscal year 2023 total OPEB liability measurement date is June 30, 2022, as reported in Note 19. There are no assets accumulated in a trust to pay related benefits.

Changes of benefit terms – There have been no changes to the benefit provisions since the prior actuarial valuation.

Changes of assumptions – The following actuarial assumptions were updated since the June 30, 2021 valuation based on recent experience:

- Retiree Participation - reduced the rate from 40.0 percent to 35.0 percent.

Retiree participation was based on a blend of recent experience and the prior year assumptions. The trend rates were updated based on economic conditions as of June 30, 2022. Additionally, the discount rate was increased from 2.2 percent to 3.5 percent based on the Bond Buyers GO 20 Municipal Bond Index as of the measurement date of June 30, 2022.

---

2018

\$ 116,627  
47,346  
—

(61,865)  
(326,082)  
(43,244)  
(267,218)  
1,566,122

\$ 1,298,904

\$ 5,229,024

24.8 %

## Claims Development Information – Risk Management

(Dollars in Thousands)

### Comparison of Earned Revenues and Investment Income to Related Costs of Loss and Other Expenses

Fiscal and Policy Year Ended	2014	2015	2016	2017
1. Required contribution and investment revenue:				
Earned	\$ 8,500	\$ 8,487	\$ 8,733	\$ 13,213
Ceded (a)	—	—	—	—
Net earned	8,500	8,487	8,733	13,213
2. Unallocated expenses	1,435	1,331	1,357	1,460
3. Estimated incurred claims and expenses, end of policy year:				
Incurred	4,025	4,696	6,893	4,235
Ceded (a)	—	—	—	—
Net incurred	4,025	4,696	6,893	4,235
4. Net paid (cumulative) as of:				
End of policy year	367	922	1,206	836
One year later	3,210	3,270	4,680	3,195
Two years later	4,291	5,844	6,557	4,203
Three years later	5,002	8,280	8,841	4,434
Four years later	5,386	9,122	9,230	4,590
Five years later	6,509	9,270	9,274	4,734
Six years later	6,674	9,278	9,937	4,800
Seven years later	6,715	9,278	9,991	
Eight years later	6,894	9,278		
Nine years later	6,926			
5. Reestimated ceded claims and expenses (a)	—	—	—	—
6. Reestimated incurred claims and expenses:				
End of policy year	4,025	4,696	6,893	4,235
One year later	6,454	6,775	10,307	4,820
Two years later	6,979	8,961	9,908	5,031
Three years later	8,045	8,836	9,764	5,100
Four years later	6,771	9,312	9,979	4,963
Five years later	7,289	9,395	9,976	5,098
Six years later	7,377	9,341	10,280	5,018
Seven years later	7,111	9,296	10,123	
Eight years later	7,286	9,296		
Nine years later	7,279			
7. Increase (decrease) in estimated net incurred claims and expense from end of policy year	3,254	4,600	3,230	783

The Commonwealth, through the Department of the Treasury, Division of Risk Management, provides errors and omissions liability insurance and law enforcement professional liability insurance for local governmental units, which went into effect in fiscal year 1987. Some prior year numbers have been revised to reflect the incorporation of newly available and revised source data.

See Notes on page 246 in this section.

	2018	2019	2020	2021	2022	2023
\$	13,232	\$ 13,236	\$ 14,327	\$ 14,968	\$ 14,747	\$ 15,599
	—	—	—	—	—	—
	13,232	13,236	14,327	14,968	14,747	15,599
	1,603	1,530	1,670	1,627	1,601	1,654
	10,155	9,160	7,462	7,608	11,111	7,792
	—	—	—	—	—	—
	10,155	9,160	7,462	7,608	11,111	7,792
	1,979	1,075	1,267	1,251	1,949	1,628
	5,573	4,180	5,255	4,158	6,374	
	8,027	6,140	6,703	5,479		
	8,854	10,019	7,307			
	9,488	10,680				
	9,736					
	—	—	—	—	—	—
	10,155	9,160	7,462	7,608	11,111	7,792
	11,598	10,725	9,348	8,687	12,658	
	12,880	10,684	10,721	7,445		
	13,220	12,377	10,488			
	11,118	12,123				
	10,459					
	304	2,963	3,026	(163)	1,547	—

## Claims Development Information – Health Care

(Dollars in Thousands)

### Comparison of Earned Revenues and Investment Income to Related Costs of Loss and Other Expenses

Fiscal and Policy Year Ended	2014	2015	2016	2017
1. Required contribution and investment revenue:				
Earned	\$ 320,678	\$ 343,470	\$ 392,778	\$ 430,247
Ceded (a)	—	—	—	—
Net earned	320,678	343,470	392,778	430,247
2. Unallocated expenses	17,738	22,748	25,422	26,650
3. Estimated incurred claims and expenses, end of policy year:				
Incurred	290,557	327,154	386,227	419,841
Ceded (a)	—	—	—	—
Net incurred	290,557	327,154	386,227	419,841
4. Net paid (cumulative) as of:				
End of policy year	291,711	329,099	379,376	417,869
One year later	N/A	N/A	N/A	N/A
Two years later	N/A	N/A	N/A	N/A
Three years later	N/A	N/A	N/A	N/A
Four years later	N/A	N/A	N/A	N/A
Five years later	N/A	N/A	N/A	N/A
Six years later	N/A	N/A	N/A	N/A
Seven years later	N/A	N/A	N/A	
Eight years later	N/A	N/A		
Nine years later	N/A			
5. Reestimated ceded claims and expenses (a)	—	—	—	—
6. Reestimated incurred claims and expenses:				
End of policy year	290,557	327,154	386,227	419,841
One year later	290,557	327,154	386,227	419,841
Two years later	N/A	N/A	N/A	N/A
Three years later	N/A	N/A	N/A	N/A
Four years later	N/A	N/A	N/A	N/A
Five years later	N/A	N/A	N/A	N/A
Six years later	N/A	N/A	N/A	N/A
Seven years later	N/A	N/A	N/A	
Eight years later	N/A	N/A		
Nine years later	N/A			
7. Increase (decrease) in estimated net incurred claims and expense from end of policy year	—	—	—	—

The Commonwealth, through its Department of Human Resource Management, provides health care insurance for local governmental units, which went into effect in fiscal year 1987. Some prior year numbers have been revised to reflect the incorporation of newly available and revised source data.

See Notes on page 246 in this section.

	2018	2019	2020	2021	2022	2023
\$	464,631	\$ 481,856	\$ 494,233	\$ 484,726	\$ 464,496	\$ 523,929
	—	—	—	—	—	—
	464,631	481,856	494,233	484,726	464,496	523,929
	27,590	26,334	27,540	27,096	24,833	27,922
	433,437	446,606	395,950	445,600	457,136	496,694
	—	—	—	—	—	—
	433,437	446,606	395,950	445,600	457,136	496,694
	421,802	443,931	398,497	451,451	447,914	493,877
	N/A	N/A	N/A	N/A	N/A	
	N/A	N/A	N/A	N/A		
	N/A	N/A	N/A			
	N/A	N/A				
	N/A					
	—	—	—	—	—	—
	433,437	446,606	395,950	445,600	457,136	496,694
	433,437	446,606	395,950	445,600	N/A	
	N/A	N/A	N/A	N/A		
	N/A	N/A	N/A			
	N/A	N/A				
	N/A					
	—	—	—	—	—	—

## Claims Development Information – Line of Duty

(Dollars in Thousands)

### Comparison of Earned Revenues and Investment Income to Related Costs of Loss and Other Expenses

Fiscal and Policy Year Ended	2014	2015	2016	2017
1. Required contribution and investment revenue:				
Earned	N/A	N/A	N/A	N/A
Ceded (a)	N/A	N/A	N/A	N/A
Net earned	N/A	N/A	N/A	N/A
2. Unallocated expenses	N/A	N/A	N/A	N/A
3. Estimated incurred claims and expenses, end of policy year:				
Incurred	N/A	N/A	N/A	N/A
Ceded (a)	N/A	N/A	N/A	N/A
Net incurred	N/A	N/A	N/A	N/A
4. Net paid (cumulative) as of:				
End of policy year	N/A	N/A	N/A	N/A
One year later	N/A	N/A	N/A	N/A
Two years later	N/A	N/A	N/A	N/A
Three years later	N/A	N/A	N/A	N/A
Four years later	N/A	N/A	N/A	N/A
Five years later	N/A	N/A	N/A	N/A
Six years later	N/A	N/A	N/A	N/A
Seven years later	N/A	N/A	N/A	
Eight years later	N/A	N/A		
Nine years later	N/A			
5. Reestimated ceded claims and expenses (a)	—	—	—	—
6. Reestimated incurred claims and expenses:				
End of policy year	N/A	N/A	N/A	N/A
One year later	N/A	N/A	N/A	N/A
Two years later	N/A	N/A	N/A	N/A
Three years later	N/A	N/A	N/A	N/A
Four years later	N/A	N/A	N/A	N/A
Five years later	N/A	N/A	N/A	N/A
Six years later	N/A	N/A	N/A	N/A
Seven years later	N/A	N/A	N/A	
Eight years later	N/A	N/A		
Nine years later	N/A			
7. Increase (decrease) in estimated net incurred claims and expense from end of policy year	—	—	—	—

The Commonwealth, through its Department of Human Resource Management, provides disability, death, and health benefits to eligible employees and their eligible family members. The Commonwealth began administering the insurance program for localities that do not participate in the State plan effective with fiscal year 2018.

See Notes on page 246 in this section.



	2018	2019	2020	2021	2022	2023
\$	19,910	\$ 17,790	\$ 17,245	\$ 18,941	\$ 18,830	\$ 21,683
	—	—	—	—	—	—
	19,910	17,790	17,245	18,941	18,830	21,683
	832	594	679	718	759	912
	17,210	16,786	15,715	18,699	16,496	22,249
	—	—	—	—	—	—
	17,210	16,786	15,715	18,699	16,496	22,249
	14,779	17,302	15,737	18,376	16,672	22,467
	N/A	N/A	N/A	N/A	N/A	
	N/A	N/A	N/A	N/A		
	N/A	N/A	N/A			
	N/A	N/A				
	N/A					
	—	—	—	—	—	—
	17,210	16,786	15,715	18,699	16,496	22,249
	17,210	16,786	15,715	18,699	N/A	
	N/A	N/A	N/A	N/A		
	N/A	N/A	N/A			
	N/A	N/A				
	N/A					
	—	—	—	—	—	—

## Notes for Claims Development Information Tables

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The tables on the previous pages illustrate how the Risk Management, Health Care, and Line of Duty Claims Funds earned revenues (net of reinsurance) and investment income compare to related costs of loss (net of loss assumed by reinsurers) and other expenses assumed by the funds as of the end of each of the past several years. The rows of the tables are defined as follows:

1. This line shows the total of each fiscal year's gross earned contribution revenue and investment revenue, contribution revenue ceded to reinsurers, and net earned contribution revenue and reported investment revenue.
2. This line shows each fiscal year's other operating costs of the funds, including overhead and claims expense not allocable to individual claims.
3. This line shows the funds' gross incurred claims and allocated claim adjustment expenses, claims assumed by reinsurers, and net incurred claims and adjustment expenses (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year).
4. This section of rows shows the cumulative net amounts paid as of the end of successive years for each policy year.
5. This line shows the latest reestimated amount of claims assumed by reinsurers as of the end of the current year for each accident year.
6. This section of rows shows how each policy year's net incurred claims increased or decreased as of the end of successive years. (This annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known.)
7. This line compares the latest reestimated net incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of net claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of net incurred claims currently recognized in less mature policy years.

The columns of the tables show data for successive policy years.

### Notes:

- (a) During fiscal year 1997, the Commonwealth implemented GASB Statement No. 30, *Risk Financing Omnibus*. The Commonwealth has no reinsurers; therefore, the ceded amounts on lines 1, 3, and 5 are zero.