



Virginia
Retirement
System®

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

GASB No. 75 Schedules

With Independent Auditor's Report Thereon

For the Plan Year Ended June 30, 2024

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Staci A. Henshaw, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

August 28, 2025

Joint Legislative Audit
and Review Commission

Board of Trustees
Virginia Retirement System

Patricia S. Bishop, Director
Virginia Retirement System

INDEPENDENT AUDITOR'S REPORT

Report on the Schedule

Opinions

We have audited the fiduciary net position as of June 30, 2024, and the changes in fiduciary net position for the year then ended, included in the accompanying Schedule of Changes in Fiduciary Net Position by Employer (Schedule) of the Virginia Retirement System Political Subdivision Health Insurance Credit (HIC) Plans, and the related notes. We have also audited the fiduciary net position of each individual employer as of June 30, 2024, and the changes in fiduciary net position of each individual employer for the year then ended, included in the accompanying Schedule.

In our opinion, the Schedule referred to above presents fairly, in all material respects, the fiduciary net position of the Virginia Retirement System Political Subdivision HIC Plans as of June 30, 2024, and the changes in fiduciary net position for the year then ended, in accordance with accounting principles generally accepted in the United States of America. Also, in our opinion, the Schedule referred to above presents fairly, in all material respects, the fiduciary net position of each individual employer as of June 30, 2024, and the changes in fiduciary net position for each individual employer for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Schedule

Management is responsible for the preparation and fair presentation of the Schedule in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Schedule

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the fiduciary net position and the changes in fiduciary net position included in the Schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Virginia Retirement System's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the fiduciary net position and the changes in fiduciary net position included in the Schedule.

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

Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Virginia Retirement System as of and for the year ended June 30, 2024, and our report thereon, dated December 11, 2024, expressed an unmodified opinion on those financial statements.

Restriction on Use

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

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

EMS/clj

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2024

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55100	Accomack County	\$ 40,422	\$ —	\$ 13,718	\$ (17,988)	\$ (193)	(1)	\$ 35,958	\$ 126,491	\$ 162,449
55103	Amelia County	4,724	—	2,765	(2,724)	(39)	1	4,727	27,839	32,566
55104	Amherst County	11,150	—	14,412	(14,181)	(195)	(1)	11,185	154,215	165,400
55110	Bland County	6,216	—	2,166	(2,380)	(31)	1	5,972	20,404	26,376
55122	Craig County	1,411	—	2,776	(4,473)	(36)	1	(321)	30,851	30,530
55128	Essex Co	10,517	—	6,015	(2,133)	(86)	1	14,314	57,274	71,588
55132	Fluvanna County	5,067	—	13,096	(5,535)	(180)	1	12,449	138,591	151,040
55133	Franklin County	113,905	—	3,032	—	(135)	1	116,803	—	116,803
55136	Gloucester County	10,726	—	33,527	(23,367)	(454)	(1)	20,431	362,617	383,048
55139	Greene County	4,566	—	9,421	(7,649)	(128)	—	6,210	101,884	108,094
55140	Greensville County	2,213	—	8,958	(7,883)	(120)	—	3,168	98,432	101,600
55141	Halifax County	11,313	—	11,794	(12,898)	(158)	—	10,051	124,164	134,215
55142	Hanover Co	106,821	—	87,310	(89,715)	(1,213)	—	103,203	909,063	1,012,266
55144	Henry County	—	—	33,236	(21,966)	(444)	(1)	10,825	364,513	375,338
55146	Isle of Wight County	17,866	—	23,535	(19,722)	(324)	—	21,355	249,934	271,289
55147	James City County	98,550	—	89,671	(101,737)	(1,232)	(1)	85,251	954,343	1,039,594
55149	King and Queen County	4,477	—	1,320	(540)	(20)	—	5,237	11,043	16,280
55154	Louisa County	8,397	—	15,031	(7,951)	(205)	(1)	15,271	157,381	172,652
55156	Madison County	3,032	—	8,444	(4,874)	(115)	—	6,487	90,164	96,651
55157	Mathews County	5,957	—	2,084	(1,980)	(30)	1	6,032	18,383	24,415
55163	New Kent County	18,690	—	11,270	(2,431)	(163)	(1)	27,365	106,881	134,246

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2024

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55166	Northumberland County	1,298	—	6,131	(2,759)	(84)	1	4,587	65,864	70,451
55170	Patrick County	6,265	—	1,966	(990)	(27)	—	7,214	15,648	22,862
55171	Pittsylvania County	31,207	—	47,151	(49,607)	(691)	—	28,060	513,422	541,482
55172	Powhatan County	17,016	—	9,240	(2,127)	(133)	(1)	23,995	86,891	110,886
55176	Prince William County	671,669	—	472,934	(640,312)	(6,589)	(1)	497,701	5,005,048	5,502,749
55177	Pulaski County	10,669	—	21,905	(14,790)	(299)	—	17,485	233,430	250,915
55178	Rappahannock County	1,805	—	2,719	(3,666)	(36)	—	822	29,923	30,745
55180	Roanoke County	207,345	—	103,449	(135,096)	(1,463)	1	174,236	1,038,493	1,212,729
55183	Russell County	3,928	—	7,337	(11,805)	(95)	(2)	(637)	82,308	81,671
55185	Shenandoah County	6,952	—	28,066	(13,695)	(384)	—	20,939	301,926	322,865
55187	Southampton County	3,425	—	14,401	(13,261)	(192)	(1)	4,372	158,517	162,889
55189	Stafford County	46,100	—	97,496	(71,160)	(1,338)	(1)	71,097	1,050,364	1,121,461
55192	Tazewell County	4,242	—	28,648	(24,530)	(381)	(1)	7,978	315,288	323,266
55195	Washington County	—	—	22,564	(16,575)	(302)	—	5,687	249,751	255,438
55196	Westmoreland County	9,114	—	5,251	(4,351)	(74)	1	9,941	51,083	61,024
55197	Wise County	—	—	21,020	(15,019)	(278)	(1,490)	4,233	230,939	235,172
55198	Wythe County	—	—	13,758	(10,366)	(182)	—	3,210	150,883	154,093
55199	York County	65,457	—	116,934	(99,373)	(1,603)	1	81,416	1,263,618	1,345,034
55215	City of Radford	38,602	—	26,234	(37,611)	(359)	(1)	26,865	277,053	303,918
55217	City of Roanoke	30,767	—	14,045	(35,625)	(249)	—	8,938	156,644	165,582
55222	City of Winchester	20,538	—	54,063	(36,134)	(740)	1	37,728	583,538	621,266

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2024

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55228	Town of Middletown	994	—	1,086	(405)	(15)	—	1,660	11,183	12,843
55230	City of Covington	22,568	—	11,069	(21,624)	(153)	—	11,860	116,397	128,257
55300	Town of Abingdon	23,921	—	4,545	(11,060)	(67)	—	17,339	39,321	56,660
55301	Town of Dumfries	4,403	—	3,052	(4,097)	(42)	1	3,317	31,951	35,268
55312	Town of Hamilton	2,030	—	621	(846)	(9)	—	1,796	5,935	7,731
55321	Town of Woodstock	9,696	—	8,781	(11,180)	(120)	—	7,177	93,550	100,727
55326	Town of Pearisburg	6,928	—	5,532	(4,689)	(77)	(1)	7,693	57,431	65,124
55332	City of Manassas	73,737	—	66,800	(77,784)	(921)	(45)	61,787	707,633	769,420
55342	Town of Lawrenceville	1,944	—	4,534	(3,177)	(62)	(1)	3,238	49,127	52,365
55344	Town of Stanley	2,556	—	2,965	(2,672)	(41)	—	2,808	31,569	34,377
55357	Town of Strasburg	3,392	—	9,326	(6,069)	(128)	—	6,521	101,102	107,623
55360	Town Of Dublin	31,827	—	2,795	(1,695)	(38)	1	32,890	—	32,890
55365	City of Poquoson	20,685	—	19,138	(20,540)	(265)	—	19,018	204,226	223,244
55385	Town of Kenbridge	522	—	1,527	(348)	(21)	—	1,680	16,103	17,783
55393	Town of Shenandoah	1,513	—	2,961	(3,061)	(40)	—	1,373	32,358	33,731
55396	Town of Kilmarnock	—	—	3,837	(1,123)	(53)	1	2,662	41,434	44,096
55411	Hampton Roads Sanitation Dist	138,729	—	104,607	(166,559)	(1,442)	(1)	75,334	1,134,602	1,209,936
55425	Colonial Behavioral Health	12,390	—	25,457	(20,580)	(347)	—	16,920	274,550	291,470
55440	Shenandoah Valley Juvenile Center	4,180	—	6,526	(6,429)	(89)	(1)	4,187	70,827	75,014
55447	Rappahannock Area Comm Svcs	11,629	—	41,002	(20,354)	(561)	(1)	31,715	439,952	471,667
55450	Meherrin Regional Library	1,447	—	2,033	(1,850)	(28)	(1)	1,601	21,808	23,409

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2024

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55454	Greensville-Emporia So Svcs	5,625	—	2,176	(5,982)	(30)	1	1,790	23,134	24,924
55455	James City Service Authority	6,421	—	14,155	(10,468)	(194)	1	9,915	153,132	163,047
55456	Accomack/Northampton Plan	9,054	—	2,254	(2,160)	(34)	—	9,114	18,150	27,264
55472	District 19 Community Services Board	11,630	—	35,458	(23,521)	(482)	—	23,085	383,005	406,090
55477	Frederick Co Sanitation Auth	5,378	—	9,973	(5,191)	(139)	1	10,022	105,905	115,927
55478	Western Tidewater Comm Svcs	12,629	—	49,191	(18,500)	(677)	(1)	42,642	524,887	567,529
55487	Capital Region Airport Comm	42,014	—	9,229	(18,120)	(137)	—	32,986	82,864	115,850
55489	Harr/Rockingham Comm Svcs Bd	13,749	—	24,185	(17,354)	(331)	1	20,250	258,274	278,524
55493	Planning Dis One Behavioral Health Svcs	1,395	—	458	(236)	(7)	(1)	1,609	3,821	5,430
55500	Alexandria City School Board	59,536	—	12,118	(31,303)	(182)	(1)	40,168	117,198	157,366
55501	Albemarle County Schools	63,416	—	15,994	(13,717)	(245)	—	65,448	137,079	202,527
55502	Alleghany County School Board	22,155	—	9,248	(11,617)	(131)	—	19,655	89,205	108,860
55503	Charlottesville Public Schools	22,203	—	5,149	(6,323)	(80)	(1)	20,948	44,654	65,602
55504	Amherst County School Board	27,286	—	6,815	(5,604)	(104)	(1)	28,392	59,499	87,891
55505	Appomattox County School Board	5,095	—	5,009	(5,292)	(69)	—	4,743	53,015	57,758
55506	Arlington County Schools	103,625	—	19,871	(29,752)	(312)	1	93,433	167,878	261,311
55507	Augusta County School Board	23,267	—	5,543	(6,183)	(86)	1	22,542	46,255	68,797
55508	Bath County School Board	8,595	—	1,072	(8,490)	(14)	1	1,164	11,765	12,929
55509	Bedford County School Board	86,669	—	18,150	(20,125)	(281)	—	84,413	148,195	232,608
55510	Bland County School Board	13,753	—	1,750	(3,258)	(28)	—	12,217	11,769	23,986
55511	Botetourt County School Board	30,580	—	12,379	(17,624)	(174)	—	25,161	121,072	146,233

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2024

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55512	Norfolk Public Schools	219,397	—	44,026	(64,592)	(689)	—	198,142	383,380	581,522
55513	Petersburg Public Schools	39,213	—	10,176	(6,829)	(160)	—	42,400	89,601	132,001
55514	Buckingham County School Board	15,442	—	3,748	(2,904)	(57)	(1)	16,228	30,644	46,872
55515	Radford City School Board	4,125	—	790	(2,630)	(12)	—	2,273	7,377	9,650
55516	Caroline County School Board	19,051	—	4,207	(5,069)	(64)	—	18,125	35,357	53,482
55517	Carroll County School Board	56,632	—	7,492	(28,774)	(114)	(36)	35,200	60,109	95,309
55518	Charles City County School Bd	3,673	—	761	(1,122)	(12)	—	3,300	6,701	10,001
55519	Charlotte County School Board	7,378	—	1,808	(2,997)	(26)	—	6,163	15,912	22,075
55520	Chesterfield County School Bd	313,150	—	45,408	(148,198)	(659)	1	209,702	361,226	570,928
55521	Clarke County School Board	11,200	—	1,464	(2,376)	(24)	1	10,265	10,024	20,289
55522	Winchester Public Schools	8,620	—	11,863	(6,754)	(164)	—	13,565	124,066	137,631
55523	Culpeper County School Board	7,037	—	30,408	(16,813)	(415)	(24)	20,193	328,322	348,515
55524	Cumberland County School Board	11,329	—	2,400	(3,905)	(35)	(1)	9,788	20,310	30,098
55525	Dickenson County School Board	34,991	—	4,712	(22,436)	(70)	—	17,197	44,021	61,218
55526	Dinwiddie County Public Schools	17,211	—	3,668	(7,184)	(54)	—	13,641	32,324	45,965
55528	Essex County School Board	15,787	—	3,641	(4,353)	(53)	—	15,022	29,827	44,849
55531	Floyd County School Board	20,166	—	4,836	(5,650)	(73)	(1)	19,278	41,445	60,723
55532	Fluvanna County Public Schools	25,751	—	5,929	(6,056)	(88)	1	25,537	48,398	73,935
55533	Chesapeake Public Schools	249,275	—	66,420	(69,783)	(992)	—	244,920	596,081	841,001
55534	Va Beach City School Board	650,062	—	134,998	(177,890)	(2,114)	—	605,056	1,176,278	1,781,334
55535	Giles County Schools	13,327	—	3,725	(2,504)	(55)	(2)	14,491	32,688	47,179

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2024

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55536	Gloucester Co School Board	40,132	—	19,811	(33,413)	(271)	—	26,259	204,330	230,589
55537	Goochland County School Board	8,456	—	2,426	(1,019)	(37)	1	9,827	20,426	30,253
55538	Grayson County School Board	33,261	—	4,387	(16,448)	(67)	—	21,133	36,285	57,418
55539	Greene County Schools	23,725	—	5,279	(7,247)	(79)	1	21,679	45,234	66,913
55540	Greensville County School Bd	15,602	—	3,358	(5,277)	(51)	1	13,633	28,763	42,396
55541	Halifax/South Boston Sch Bd	29,310	—	7,432	(31,898)	(96)	(1)	4,747	77,302	82,049
55542	Hanover County School Board	88,388	—	14,536	(20,976)	(233)	1	81,716	111,415	193,131
55543	Henrico County Schools	17,055	—	2,115	(5,474)	(35)	(1)	13,660	16,903	30,563
55544	Henry County Public Schools	50,722	—	9,202	(23,826)	(139)	—	35,959	83,038	118,997
55545	Highland County Public Schools	3,119	—	417	(1,958)	(6)	(1)	1,571	3,695	5,266
55546	Isle of Wight County Schools	15,554	—	3,394	(3,028)	(52)	1	15,869	27,803	43,672
55548	King George County School Board	23,809	—	6,745	(4,028)	(99)	—	26,427	56,633	83,060
55549	King and Queen County School Board	7,085	—	2,111	(2,034)	(32)	1	7,131	19,152	26,283
55550	King William County Schools	11,095	—	3,306	(2,325)	(50)	—	12,026	28,541	40,567
55551	Lancaster County School Board	13,827	—	3,105	(3,437)	(48)	2	13,449	25,945	39,394
55552	Lee County School Board	30,735	—	—	(41,854)	—	—	(11,119)	(31,889)	(43,008)
55553	Loudoun County School Board	145,860	—	233,976	(139,354)	(3,236)	(1)	237,245	2,488,616	2,725,861
55554	Louisa County Public Schools	14,994	—	31,324	(21,352)	(429)	1	24,538	336,964	361,502
55555	Lunenburg County School Board	9,926	—	2,213	(2,784)	(34)	—	9,321	18,603	27,924
55556	Madison County School Board	13,253	—	2,697	(5,296)	(41)	—	10,613	22,835	33,448
55557	Mathews County School Board	10,319	—	2,929	(3,971)	(43)	(1)	9,233	27,453	36,686

Virginia Retirement System
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Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55558	Mecklenburg County Schools	20,395	—	4,641	(6,781)	(71)	—	18,184	39,597	57,781
55559	Middlesex County School Board	18,563	—	4,139	(2,592)	(64)	—	20,046	33,557	53,603
55560	Montgomery County School Board	36,950	—	8,896	(14,192)	(135)	(1)	31,518	78,255	109,773
55562	Nelson County Public Schools	33,176	—	5,551	(16,347)	(83)	1	22,298	49,032	71,330
55563	New Kent County Schools	17,073	—	3,567	(4,107)	(56)	—	16,477	30,964	47,441
55565	Northampton County Schools	5,283	—	912	(3,510)	(13)	—	2,672	8,899	11,571
55566	Northumberland Co School Bd	21,848	—	3,174	(3,005)	(54)	—	21,963	21,678	43,641
55567	Nottoway County School Board	12,691	—	3,139	(2,547)	(47)	(1)	13,235	26,124	39,359
55568	Orange County Public Schools	41,477	—	9,104	(9,640)	(137)	—	40,804	75,393	116,197
55569	Page County Public Schools	34,199	—	6,312	(10,967)	(100)	—	29,444	54,062	83,506
55570	Patrick County Public Schools	29,848	—	5,922	(8,361)	(92)	(1)	27,316	47,971	75,287
55571	Pittsylvania County School Bd	45,930	—	6,004	(26,368)	(86)	—	25,480	47,078	72,558
55572	Powhatan County School Board	24,220	—	6,969	(6,285)	(104)	—	24,800	60,581	85,381
55573	Prince Edward County Schools	11,501	—	2,631	(2,088)	(40)	—	12,004	22,132	34,136
55574	Prince George County School Bd	35,302	—	8,504	(16,938)	(122)	—	26,746	77,723	104,469
55576	Prince William County Schools	117,701	—	218,096	(136,673)	(2,999)	—	196,125	2,331,529	2,527,654
55577	Pulaski County School Board	30,055	—	6,628	(8,435)	(99)	—	28,149	55,019	83,168
55578	Rappahannock County Schools	289	—	5,670	(2,212)	(77)	(1)	3,669	61,461	65,130
55579	Richmond County Public Schools	859	—	148	(540)	(2)	(1)	464	1,353	1,817
55580	Roanoke County School Board	98,568	—	11,962	(39,946)	(193)	1	70,392	94,634	165,026
55581	Rockbridge County Schools	16,271	—	4,041	(5,077)	(62)	—	15,173	36,848	52,021

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2024

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55582	Rockingham County School Board	81,323	—	51,913	(83,892)	(711)	—	48,633	554,329	602,962
55583	Russell County School Board	97,051	—	14,896	(36,967)	(232)	1	74,749	123,133	197,882
55584	Scott County Schools	24,961	—	6,411	(7,353)	(98)	—	23,921	56,352	80,273
55585	Shenandoah County School Board	43,052	—	7,721	(21,084)	(116)	1	29,574	66,063	95,637
55586	Smyth County School Board	38,328	—	8,052	(13,853)	(122)	—	32,405	69,077	101,482
55587	Southampton County School Bd	11,392	—	2,961	(1,008)	(46)	—	13,299	24,510	37,809
55588	Spotsylvania County School Bd	74,297	—	16,932	(22,775)	(257)	—	68,197	141,981	210,178
55589	Stafford County Schools	69,219	—	39,309	(49,825)	(539)	—	58,164	400,916	459,080
55590	Surry County Public Schools	15,966	—	3,431	(5,997)	(51)	(1)	13,348	30,321	43,669
55591	Sussex County School Board	15,027	—	2,997	(2,198)	(47)	—	15,779	23,098	38,877
55592	Tazewell County Schools	84,694	—	14,773	(41,340)	(220)	1	57,908	128,207	186,115
55593	Warren County School Board	17,477	—	3,167	(9,281)	(48)	(1)	11,314	28,506	39,820
55595	Washington County School Board	40,285	—	2,182	(27,612)	(36)	—	14,819	14,524	29,343
55596	Westmoreland County School Bd	14,265	—	3,409	(6,611)	(50)	—	11,013	30,456	41,469
55597	Wise Co Schools	21,609	—	17,081	(29,041)	(228)	(1)	9,420	185,560	194,980
55598	Wythe County School Board	16,265	—	1,306	(18,292)	9	—	(712)	14,310	13,598
55599	York County School Board	51,791	—	12,514	(26,036)	(183)	—	38,086	118,533	156,619
55600	Accomack County School Board	36,512	—	8,310	(11,776)	(125)	—	32,921	71,799	104,720
55601	Bristol Virginia School System	7,931	—	1,693	(4,578)	(24)	1	5,023	15,864	20,887
55602	Buena Vista City Public Schools	5,555	—	1,080	(1,656)	(17)	1	4,963	8,796	13,759
55603	Amelia County Public Schools	8,578	—	1,618	(4,192)	(24)	—	5,980	13,879	19,859

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
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Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55605	Danville School Board	25,073	—	6,484	(4,607)	(101)	—	26,849	54,697	81,546
55606	Franklin City Public Schools	—	—	3,211	(3,438)	(42)	(1)	(270)	36,256	35,986
55608	Harrisonburg City School Bd	26,858	—	6,598	(5,342)	(101)	—	28,013	55,105	83,118
55609	Hopewell Public Schools	22,909	—	4,240	(11,450)	(63)	(1)	15,635	37,093	52,728
55610	Lynchburg School Board	35,094	—	8,155	(14,442)	(123)	(1)	28,683	74,787	103,470
55611	Fauquier County School Board	93,848	—	20,512	(23,196)	(314)	—	90,850	170,266	261,116
55612	Brunswick County Public Schools	7,034	—	6,113	(7,359)	(84)	—	5,704	65,103	70,807
55614	Portsmouth School Board	96,240	—	20,832	(28,787)	(319)	1	87,967	176,228	264,195
55615	Campbell County School Board	30,785	—	18,161	(38,338)	(245)	—	10,363	198,243	208,606
55616	Richmond City Schools	133,410	—	32,311	(35,282)	(490)	—	129,949	282,996	412,945
55617	Roanoke City Schools	11,175	—	11,178	(439)	(161)	—	21,753	111,196	132,949
55619	Staunton City School Board	12,050	—	2,424	(11,276)	(32)	—	3,166	25,341	28,507
55620	Suffolk City School Board	87,570	—	20,514	(20,344)	(318)	—	87,422	174,784	262,206
55622	Craig County School Board	4,589	—	932	(1,501)	(14)	1	4,007	7,825	11,832
55623	Martinsville City Sb	14,133	—	2,815	(2,880)	(45)	1	14,024	21,792	35,816
55624	Appomattox Regional Governor'S School	592	—	238	—	(4)	—	826	2,094	2,920
55625	Colonial Heights City Schools	11,669	—	3,168	(1,704)	(48)	1	13,086	26,594	39,680
55632	City of Manassas School Board	26,899	—	22,053	(27,158)	(299)	—	21,495	232,896	254,391
55633	Franklin County Schools	31,042	—	40,878	(36,737)	(560)	—	34,623	439,489	474,112
55634	Frederick Co School Board	65,848	—	16,304	(17,076)	(246)	—	64,830	143,099	207,929
55635	City of Salem Schools	20,302	—	8,644	(14,918)	(119)	—	13,909	87,222	101,131

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
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Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55636	Manassas Park City Schools	1,060	—	6,569	(1,808)	(90)	(2)	5,729	70,216	75,945
55637	Newport News Public Schools	45,602	—	23,774	74	(350)	—	69,100	220,700	289,800
55638	Town of West Point Public Schools	1,580	—	715	—	(11)	1	2,285	6,488	8,773
55708	Waynesboro City School	9,918	—	2,052	(3,823)	(31)	(1)	8,115	17,380	25,495
55710	Valley Vo-Tech Center	1,098	—	162	(270)	(3)	2	989	1,107	2,096
55711	New Horizons Technical Center	2,067	—	592	(683)	(9)	—	1,967	5,491	7,458
55713	Galax City Schools	7,136	—	1,931	(1,278)	(30)	—	7,759	16,755	24,514
55714	Norton City Schools	4,786	—	975	(1,674)	(15)	—	4,072	8,281	12,353
55802	Williamsburg-James City Schools	31,877	—	39,859	(33,338)	(549)	1	37,850	425,796	463,646
55803	Poquoson City School Board	7,908	—	1,269	(5,652)	(18)	—	3,507	11,789	15,296
55806	Fredericksburg City Public Schools	10,688	—	2,816	(2,961)	(43)	—	10,500	24,162	34,662
55807	Hampton City Schools	78,521	—	14,537	(14,962)	(236)	—	77,860	121,890	199,750
55813	Buchanan County School Board	61,834	—	9,096	(30,624)	(141)	—	40,165	81,791	121,956
55815	Northern Neck Regional Vocational Center	365	—	115	—	(2)	1	479	960	1,439
55853	Northern Neck Soil and Water Conservation District	569	—	54	—	(1)	—	622	—	622
55859	Williamsburg Area Transit Authority	6,051	—	3,175	(26)	(47)	1	9,154	29,931	39,085
55860	Middle Peninsula Juvenile Detention Commission	4,363	—	3,506	(391)	(50)	(1)	7,427	34,481	41,908
55866	Hampton Roads Transportation Accountability Comm	928	—	629	—	(9)	—	1,548	6,071	7,619
55867	Pamunkey Regional Library	5,340	—	1,818	(3,422)	(27)	1	3,710	18,291	22,001

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
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Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55868	Northern Virginia Transportation Authority	851	—	1,455	(35)	(21)	1	2,251	14,903	17,154
55874	Meherrin River Regional Jail Authority	3,694	—	13,115	(1,252)	(183)	—	15,374	137,583	152,957
55883	Western Virginia Regional Jail Authority	5,604	—	21,500	(3,090)	(299)	—	23,715	225,107	248,822
55886	Russell County PSA	960	—	2,120	(479)	(30)	2	2,573	22,221	24,794
55897	Prince William County Service Authority	35,182	—	58,004	(17,872)	(810)	(1)	74,503	602,950	677,453
55904	Appalachian Juvenile Commission	11,258	—	5,048	(5,419)	(73)	—	10,814	49,243	60,057
55909	Henry County Public Service Authority	11,386	—	6,225	(9,546)	(88)	—	7,977	65,556	73,533
55914	Rappahannock Juvenile Center	11,967	—	6,233	(9,118)	(88)	—	8,994	64,130	73,124
55918	Amherst County Service Auth	3,330	—	5,093	(2,809)	(70)	—	5,544	53,599	59,143
55919	Pepper's Ferry Reg Wastewater	4,651	—	4,875	(3,117)	(68)	(1)	6,340	50,663	57,003
55926	Scott County Soil & Water Conservation District	365	—	177	—	(3)	—	539	1,611	2,150
55927	New River Resource Authority	—	—	3,289	(279)	(45)	(1)	2,964	35,091	38,055
55929	Greensville County Water and Sewer Authority	884	—	6,165	(1,535)	(85)	—	5,429	65,777	71,206
55930	Petersburg Redevelopment and Housing Authority	4,461	—	3,260	(4,167)	(45)	—	3,509	34,208	37,717
55932	Va Coalfield Economic Dev Auth	885	—	738	(378)	(10)	(1)	1,234	7,523	8,757

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2024

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55940	Monacan Soil and Water Conservation District	530		1,163	(726)	(16)	—	951	12,386	13,337
55944	Central Virginia Waste Management Authority	893	—	1,452	(651)	(20)	—	1,674	15,244	16,918
55947	Tidewater Youth Services Commission	9,584	—	4,733	(8,484)	(66)	—	5,767	49,220	54,987
55954	Potomac and Rappahannock Trans	19,044	—	4,405	(2,621)	(69)	—	20,759	36,019	56,778
55957	Wise County Redevelopment and Housing Authority	3,563	—	1,793	(3,902)	(25)	2	1,431	19,440	20,871
55961	Pamunkey Regional Jail	17,569	—	6,407	(2,436)	(98)	1	21,443	57,981	79,424
55964	Virginia Biotechnology Research Park Authority	1,057	—	232	(1,079)	(3)	—	207	2,640	2,847
55977	Southside Regional Jail	10,179	—	7,341	(5,870)	(104)	—	11,546	74,698	86,244
55978	Evergreen Soil and Water Conservation District	249	—	122	—	(2)	—	369	1,127	1,496
55979	Roanoke Higher Education Authority	2,610	—	4,125	(841)	(57)	2	5,839	41,685	47,524
55982	Daniel Boone Soil and Water Conservation District	566	—	281	—	(4)	—	843	2,565	3,408
55983	Southside Behavioral Health	10,677	—	26,382	(16,615)	(363)	—	20,081	283,967	304,048
55995	Holston River Soil and Water Conservation District	524	—	246	—	(4)	1	767	2,250	3,017
		<u>\$ 7,599,740</u>	<u>\$ —</u>	<u>\$ 3,963,661</u>	<u>\$ (4,465,170)</u>	<u>\$ (56,204)</u>	<u>\$ (1,589)</u>	<u>\$ 7,040,438</u>	<u>\$ 40,057,228</u>	<u>\$ 47,097,666</u>

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

Virginia Retirement System
Political Subdivision Health Insurance Credit Plans
Notes to GASB No. 75 Schedules
For the Plan Year Ended June 30, 2024

Note 1. Summary of Significant Accounting Policies

Description of the Entity

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

Administration and Management

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

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

The System issues an *Annual Comprehensive Financial Report* (Annual Report) containing the financial statements and required supplementary information for all of the System's pension and other employee benefit trust funds. A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at varetire.org/pdf/publications/2024-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500. The pension and other employee benefit trust funds administered by the VRS are classified as fiduciary funds and are included in the basic financial statements of the Commonwealth of Virginia.

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

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

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

Plan Description

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

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

POLITICAL SUBDIVISION HEALTH INSURANCE CREDIT PROGRAM (HIC) PLAN PROVISIONS

Eligible Employees

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

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

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

Benefit Amounts

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

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

Health Insurance Credit Program Notes:

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

Contributions

The contribution requirement for active employees is governed by § 51.1-1402(E) of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. For the year ended June 30, 2024, the employer contribution rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Note 3. Long-Term Expected Rate of Return

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

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

Asset Class (Strategy)	Long-Term Target Asset Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return*
Public Equity	32.00%	6.70%	2.14%
Fixed Income	16.00%	5.40%	0.86%
Credit Strategies	16.00%	8.10%	1.30%
Real Assets	15.00%	7.20%	1.08%
Private Equity	15.00%	8.70%	1.31%
PIP – Private Investment Partnerships	1.00%	8.00%	0.08%
Diversifying Strategies	6.00%	5.80%	0.35%
Cash	2.00%	3.00%	0.06%
Leverage	(3.00%)	3.50%	(0.11%)
Total	100.00%		7.07%
* Expected arithmetic nominal return			7.07%

** The above allocation provides a one-year expected return of 7.07% (includes 2.50% inflation assumption). 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 7.10%, including expected inflation of 2.50%.*

On June 15, 2023, the VRS Board elected a long-term rate of return of 6.75%, which was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

Note 4. Additional Financial and Actuarial Information

Additional financial information supporting the preparation of the VRS Political Subdivision Plan Schedules (including the financial statements and the unmodified audit opinion thereon, and required supplementary information) is presented in the separately issued VRS 2024 Annual Report. A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at varetire.org/pdf/publications/2024-annual-report.pdf, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.