
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, 2019

(Dollars in Thousands)

	General Fund			
	Original Budget	Final Budget	Actual	Final/Actual Variance Positive (Negative)
Revenues:				
Taxes:				
Individual and Fiduciary Income	\$ 14,183,800	\$ 14,421,600	\$ 15,226,471	\$ 804,871
Sales and Use	3,934,000	3,981,000	3,973,011	(7,989)
Corporation Income	912,000	1,012,200	943,391	(68,809)
Motor Fuel	—	—	—	—
Motor Vehicle Sales and Use	—	—	—	—
Communications Sales and Use	396,500	368,000	361,023	(6,977)
Deeds, Contracts, Wills, and Suits	407,200	377,275	394,062	16,787
Premiums of Insurance Companies	376,600	395,300	382,018	(13,282)
Alcoholic Beverage Sales	239,800	240,000	240,776	776
Tobacco Products	166,400	147,200	151,289	4,089
Estate	—	—	191	191
Public Service Corporations	98,000	98,700	98,890	190
Other Taxes	35,891	37,854	47,197	9,343
Rights and Privileges	85,117	87,804	93,225	5,421
Sales of Property and Commodities	32,478	32,007	25,021	(6,986)
Assessments and Receipts for Support of Special Services	4,540	4,900	5,808	908
Institutional Revenue	41,735	43,525	37,937	(5,588)
Interest, Dividends, and Rents	67,801	70,443	103,670	33,227
Fines, Forfeitures, Court Fees, Penalties, and Escheats	216,205	213,709	224,783	11,074
Federal Grants and Contracts	10,431	10,431	10,573	142
Receipts from Cities, Counties, and Towns	11,158	11,497	11,216	(281)
Private Donations, Gifts and Contracts	168	233	965	732
Tobacco Master Settlement	48,000	58,667	56,487	(2,180)
Other	262,348	192,019	203,940	11,921
Total Revenues	21,530,172	21,804,364	22,591,944	787,580
Expenditures:				
Current:				
General Government	2,574,740	2,591,762	2,446,484	145,278
Education	9,093,983	9,212,771	9,109,073	103,698
Transportation	59	256	203	53
Resources and Economic Development	488,891	518,768	432,029	86,739
Individual and Family Services	7,140,627	7,338,134	7,208,024	130,110
Administration of Justice	2,894,241	2,938,324	2,904,663	33,661
Capital Outlay	8,438	11,127	2,575	8,552
Total Expenditures	22,200,979	22,611,142	22,103,051	508,091
Revenues Over (Under) Expenditures	(670,807)	(806,778)	488,893	1,295,671
Other Financing Sources (Uses):				
Transfers:				
Transfers In	847,477	904,470	938,306	33,836
Transfers Out	(419,792)	(408,301)	(414,827)	(6,526)
Bonds Issued	—	—	—	—
Premium on Debt Issuance	—	—	—	—
Total Other Financing Sources (Uses)	427,685	496,169	523,479	27,310
Revenues and Other Sources Over (Under)				
Expenditures and Other Uses	(243,122)	(310,609)	1,012,372	1,322,981
Fund Balance, July 1	1,786,964	1,786,964	1,786,964	—
Fund Balance, June 30	\$ 1,543,842	\$ 1,476,355	\$ 2,799,336	\$ 1,322,981

See notes on page 199 in this section.

Special Revenue Funds

Commonwealth Transportation Fund

Original Budget	Final Budget	Actual	Final/Actual Variance Positive (Negative)
\$ —	\$ —	\$ —	\$ —
1,467,556	1,533,955	1,463,348	(70,607)
—	—	—	—
1,049,430	1,126,965	1,060,135	(66,830)
952,600	917,500	972,021	54,521
—	—	—	—
48,300	43,600	47,771	4,171
168,655	168,655	168,654	(1)
—	—	—	—
—	—	—	—
—	—	—	—
48,500	49,567	132,852	83,285
1,203,511	676,972	738,886	61,914
556	556	4,031	3,475
14,204	17,224	20,157	2,933
—	—	—	—
10,845	9,686	75,514	65,828
14,042	14,460	23,438	8,978
1,110,695	669,946	1,050,583	380,637
152,324	152,195	296,461	144,266
25	25	6,651	6,626
—	—	—	—
1,319	195,029	151,742	(43,287)
6,242,562	5,576,335	6,212,244	635,909
84,882	156,582	78,668	77,914
2,370	2,370	2,313	57
6,517,501	7,461,018	5,383,394	2,077,624
25,769	26,109	19,585	6,524
—	—	—	—
10,684	10,684	10,684	—
76,610	71,400	28,811	42,589
6,717,816	7,728,163	5,523,455	2,204,708
(475,254)	(2,151,828)	688,789	2,840,617
1,000	1,000	16,113	15,113
(419,135)	(470,382)	(447,081)	23,301
311,715	311,715	311,715	—
29,921	29,921	29,921	—
(76,499)	(127,746)	(89,332)	38,414
(551,753)	(2,279,574)	599,457	2,879,031
3,109,645	3,109,645	3,109,645	—
\$ 2,557,892	\$ 830,071	\$ 3,709,102	\$ 2,879,031

Continued on next page

**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, 2019

(Dollars in Thousands)

	Special Revenue Funds			
	Federal Trust			Final/Actual Variance Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes:				
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	—	—	134	134
Sales of Property and Commodities	—	2,813	—	(2,813)
Assessments and Receipts for Support of Special Services	—	—	—	—
Institutional Revenue	—	—	—	—
Interest, Dividends, and Rents	2,349	323	1,461	1,138
Fines, Forfeitures, Court Fees, Penalties, and Escheats	1,955	1,830	324	(1,506)
Federal Grants and Contracts	9,692,664	10,320,149	10,286,288	(33,861)
Receipts from Cities, Counties, and Towns	—	—	—	—
Private Donations, Gifts and Contracts	—	—	—	—
Tobacco Master Settlement	—	—	—	—
Other	243,404	212,118	218,306	6,188
Total Revenues	9,940,372	10,537,233	10,506,513	(30,720)
Expenditures:				
Current:				
General Government	152,940	165,888	122,112	43,776
Education	1,127,476	1,129,180	1,114,604	14,576
Transportation	34,268	33,017	22,200	10,817
Resources and Economic Development	187,010	234,110	176,032	58,078
Individual and Family Services	8,284,141	8,740,294	8,970,532	(230,238)
Administration of Justice	88,869	98,339	71,958	26,381
Capital Outlay	65,668	136,405	20,556	115,849
Total Expenditures	9,940,372	10,537,233	10,497,994	39,239
Revenues Over (Under) Expenditures	—	—	8,519	8,519
Other Financing Sources (Uses):				
Transfers:				
Transfers In	—	—	1,503	1,503
Transfers Out	—	—	(10,022)	(10,022)
Bonds Issued	—	—	—	—
Premium on Debt Issuance	—	—	—	—
Total Other Financing Sources (Uses)	—	—	(8,519)	(8,519)
Revenues and Other Sources Over (Under)	—	—	—	—
Expenditures and Other Uses	—	—	—	—
Fund Balance, July 1	—	—	—	—
Fund Balance, June 30	\$ —	\$ —	\$ —	\$ —

See notes on page 199 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, 2019, to the fund balance on a modified accrual basis follows.

Fund Balance Comparison Budgetary Basis to GAAP Basis			
<i>(Dollars in Thousands)</i>			
	General Fund	Commonwealth Transportation Fund	Federal Trust Fund
Fund Balance, Basis of Budgeting	\$ 2,799,336	\$ 3,709,102	\$ —
Adjustments from Budget to Modified Accrual:			
Net Accrued Revenues:			
Taxes	744,886	143,327	—
Tax Refunds	(892,370)	—	—
Other Revenue/Other Sources	132,483	121,131	1,212,585
Deferral of Up-front SCA payment	—	(45,000)	—
Medicaid Payable	(469,505)	—	(963,696)
Net Accrued Expenditures/Other Uses	(712,157)	(467,049)	(121,214)
Fund Reclassification - Budget to Modified Accrual	—	(578,793)	—
Fund Balance, Modified Accrual Basis	<u>\$ 1,602,673</u>	<u>\$ 2,882,718</u>	<u>\$ 127,675</u>

- 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, 2019, except the Literary Fund which has no approved budget.

<i>(Dollars in Thousands)</i>			
	General Fund (8)	Commonwealth Transportation Fund (9)	Federal Trust Fund (9)
Appropriations (1)	\$ 22,200,979	\$ 6,717,816	\$ 9,940,372
Supplemental Appropriations:			
Reappropriations (2)	105,191	91,390	72,307
Subsequent Executive (3)	181,386	340,287	112,405
Subsequent Legislative (4)	459,000	677,181	502,602
Capital Outlay and Operating Reversions (5)	(1,522)	(1)	(6,002)
Transfers (6)	(307,882)	(21,901)	(13,223)
Capital Outlay Adjustment (7)	(26,010)	(76,609)	(71,228)
Appropriations, as adjusted	<u>\$ 22,611,142</u>	<u>\$ 7,728,163</u>	<u>\$ 10,537,233</u>

- Represents the budget appropriated through Chapter 2, 2018 Acts of Assembly Special Session 1, as amended by Chapter 854, 2019 Acts of Assembly.
- Actions taken to reappropriate any prior year unexpended balances per authority of the language in the Appropriation Act.
- 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).
- Actions taken by the Governor and the General Assembly to adjust the budget.
- Represents reversions of unexpended capital outlay and operating balances.
- Represents transfers required by the Appropriation Act. Transfers out are reduced by approximately \$1.7 billion (General Fund) and \$10.9 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.
- 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.
- Budgetary reductions totaling \$354.2 million are excluded since they were not available for disbursement during the current fiscal year.
- Appropriations do not include food stamp issuances of \$1.0 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, 2019

(Dollars in Thousands)

Change in the Net Pension Liability	VRS State				
	2019	2018	2017	2016	2015
Total pension liability:					
Service cost	\$ 375,965	\$ 370,235	\$ 369,779	\$ 375,149	\$ 369,120
Interest	1,606,772	1,562,819	1,533,764	1,482,951	1,436,064
Benefit changes	—	—	—	—	—
Difference between actual and expected experience	(327,289)	(85,975)	(245,642)	59,923	—
Assumption changes	—	76,965	—	—	—
Benefit payments	(1,296,803)	(1,234,388)	(1,195,198)	(1,136,102)	(1,081,866)
Refunds of contributions	(30,236)	(30,837)	(25,240)	(27,724)	(25,036)
Net change in total pension liability	328,409	658,819	437,463	754,197	698,282
Total pension liability - beginning	23,617,412	22,958,593	22,521,130	21,766,933	21,068,651
Total pension liability - ending (a)	\$ 23,945,821	\$ 23,617,412	\$ 22,958,593	\$ 22,521,130	\$ 21,766,933
Plan fiduciary net position:					
Contributions - employer	\$ 548,158	\$ 535,424	\$ 722,617	\$ 480,657	\$ 343,259
Contributions - member	201,920	201,391	200,184	195,582	198,035
Net investment income	1,302,241	1,963,811	277,166	728,083	2,243,999
Benefit payments	(1,296,803)	(1,234,388)	(1,195,198)	(1,136,102)	(1,081,866)
Refunds of contributions	(30,236)	(30,837)	(25,240)	(27,724)	(25,036)
Administrative expense	(11,481)	(11,612)	(10,140)	(10,302)	(12,341)
Other	28,502	(1,743)	(122)	(154)	123
Net change in plan fiduciary net position	742,301	1,422,046	(30,733)	230,040	1,666,173
Plan fiduciary net position - beginning	17,789,888	16,367,842	16,398,575	16,168,535	14,502,362
Plan fiduciary net position - ending (b)	18,532,189	17,789,888	16,367,842	16,398,575	16,168,535
Net pension liability - ending (a-b)	\$ 5,413,632	\$ 5,827,524	\$ 6,590,751	\$ 6,122,555	\$ 5,598,398
Plan fiduciary net position as a percentage of the total pension liability (b/a)	77.4%	75.3%	71.3%	72.8%	74.3%
Covered payroll (c)	\$ 4,152,368	\$ 4,020,893	\$ 3,977,759	\$ 3,878,632	\$ 3,861,712
Net pension liability as a percentage of covered payroll ((a-b)/c)	130.4%	144.9%	165.7%	157.9%	145.0%

(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 2019 net pension liability measurement date is June 30, 2018, as reported in Note 17.

See notes on page 208 in this section.

VRS Teacher

2019	2018	2017	2016	2015
\$ 885,510	\$ 830,475	\$ 828,856	\$ 828,901	\$ 831,501
3,099,338	3,016,207	2,931,065	2,834,138	2,722,788
—	—	—	—	—
(440,308)	(642,745)	(391,881)	(212,089)	—
—	218,559	—	—	—
(2,241,927)	(2,147,781)	(2,081,069)	(1,980,353)	(1,874,636)
(40,578)	(39,521)	(35,067)	(36,058)	(36,103)
1,262,035	1,235,194	1,251,904	1,434,539	1,643,550
45,417,520	44,182,326	42,930,422	41,495,883	39,852,333
<u>\$ 46,679,555</u>	<u>\$ 45,417,520</u>	<u>\$ 44,182,326</u>	<u>\$ 42,930,422</u>	<u>\$ 41,495,883</u>

\$ 1,292,988	\$ 1,137,976	\$ 1,062,338	\$ 1,267,250	\$ 853,634
391,490	392,730	380,314	373,525	371,241
2,421,157	3,632,291	516,704	1,327,047	4,042,441
(2,241,927)	(2,147,781)	(2,081,069)	(1,980,353)	(1,874,636)
(40,578)	(39,521)	(35,067)	(36,058)	(36,103)
(20,945)	(21,123)	(18,859)	(18,238)	(22,036)
(2,167)	(3,238)	(222)	(284)	217
1,800,018	2,951,334	(175,861)	932,889	3,334,758
33,119,545	30,168,211	30,344,072	29,411,183	26,076,425
34,919,563	33,119,545	30,168,211	30,344,072	29,411,183
<u>\$ 11,759,992</u>	<u>\$ 12,297,975</u>	<u>\$ 14,014,115</u>	<u>\$ 12,586,350</u>	<u>\$ 12,084,700</u>

74.8 % 72.9 % 68.3 % 70.7 % 70.9 %

\$ 8,086,986 \$ 7,891,783 \$ 7,624,612 \$ 7,434,932 \$ 7,313,025

145.4 % 155.8 % 183.8 % 169.3 % 165.2 %

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

Fiscal Year Ended June 30, 2019

(Dollars in Thousands)

Change in the Net Pension Liability	VRS Political Subdivisions				
	2019	2018	2017	2016	2015
Total pension liability:					
Service cost	\$ 544,762	\$ 541,594	\$ 535,322	\$ 530,945	\$ 524,758
Interest	1,472,680	1,422,753	1,362,892	1,309,484	1,243,386
Benefit changes	10,811	36,652	2,053	1,135	—
Difference between actual and expected experience	(43,177)	(205,649)	(87,268)	(185,419)	—
Assumption changes	—	(64,510)	—	—	—
Benefit payments	(1,010,021)	(941,856)	(893,585)	(819,201)	(754,706)
Refunds of contributions	(41,324)	(42,068)	(37,380)	(36,898)	(36,876)
Net change in total pension liability	933,731	746,916	882,034	800,046	976,562
Total pension liability - beginning	21,564,004	20,817,088	19,935,054	19,135,008	18,158,446
Total pension liability - ending (a)	\$ 22,497,735	\$ 21,564,004	\$ 20,817,088	\$ 19,935,054	\$ 19,135,008
Plan fiduciary net position:					
Contributions - employer	\$ 490,286	\$ 477,563	\$ 543,947	\$ 533,877	\$ 539,366
Contributions - member	241,339	238,636	231,934	227,060	225,555
Net investment income	1,415,456	2,113,973	300,995	761,164	2,272,284
Benefit payments	(1,010,021)	(941,856)	(893,585)	(819,201)	(754,706)
Refunds of contributions	(41,324)	(42,068)	(37,380)	(36,898)	(36,876)
Administrative expense	(12,236)	(12,220)	(10,696)	(10,358)	(12,153)
Other	(30,924)	(1,887)	(130)	(162)	120
Net change in plan fiduciary net position	1,052,576	1,832,141	135,085	655,482	2,233,590
Plan fiduciary net position - beginning	19,250,247	17,418,106	17,283,021	16,627,539	14,393,949
Plan fiduciary net position - ending (b)	20,302,823	19,250,247	17,418,106	17,283,021	16,627,539
Net pension liability - ending (a-b)	\$ 2,194,912	\$ 2,313,757	\$ 3,398,982	\$ 2,652,033	\$ 2,507,469
Plan fiduciary net position as a percentage of the total pension liability (b/a)	90.2%	89.3%	83.7%	86.7%	86.9%
Covered payroll (c)	\$ 4,932,344	\$ 4,765,842	\$ 4,628,806	\$ 4,513,335	\$ 4,434,764
Net pension liability as a percentage of covered payroll ((a-b)/c)	44.5%	48.5%	73.4%	58.8%	56.5%

SPORS

2019	2018	2017	2016	2015
\$ 18,187	\$ 18,880	\$ 18,700	\$ 18,847	\$ 18,341
71,251	74,042	72,618	70,350	67,978
—	—	—	—	—
(7,248)	(5,327)	(14,711)	(2,890)	—
—	(68,707)	—	—	—
(58,197)	(57,814)	(53,515)	(53,338)	(50,467)
(867)	(630)	(584)	(375)	(685)
23,126	(39,556)	22,508	32,594	35,167
1,047,402	1,086,958	1,064,450	1,031,856	996,689
<u>\$ 1,070,528</u>	<u>\$ 1,047,402</u>	<u>\$ 1,086,958</u>	<u>\$ 1,064,450</u>	<u>\$ 1,031,856</u>

\$ 35,806	\$ 31,888	\$ 33,655	\$ 28,427	\$ 42,683
6,311	5,701	5,759	5,680	5,646
58,148	87,265	12,634	32,466	98,682
(58,197)	(57,814)	(53,515)	(53,338)	(50,467)
(867)	(630)	(584)	(375)	(685)
(509)	(926)	(590)	(471)	(431)
(63)	(99)	(23)	(27)	—
40,629	65,385	(2,664)	12,362	95,428
796,073	730,688	733,352	720,990	625,562
836,702	796,073	730,688	733,352	720,990
<u>\$ 233,826</u>	<u>\$ 251,329</u>	<u>\$ 356,270</u>	<u>\$ 331,098</u>	<u>\$ 310,866</u>

78.2 % 76.0 % 67.2 % 68.9 % 69.9 %

\$ 124,003	\$ 111,395	\$ 114,395	\$ 110,059	\$ 112,010
188.6 %	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, 2019

(Dollars in Thousands)

Change in the Net Pension Liability	VaLORS				
	2019	2018	2017	2016	2015
Total pension liability:					
Service cost	\$ 45,179	\$ 47,189	\$ 45,608	\$ 47,531	\$ 46,504
Interest	136,289	135,453	129,756	124,579	119,040
Benefit changes	—	—	—	—	—
Difference between actual and expected experience	(26,111)	(1,457)	4,997	(4,849)	—
Assumption changes	—	(63,457)	—	—	—
Benefit payments	(104,776)	(96,224)	(92,270)	(84,990)	(78,412)
Refunds of contributions	(5,604)	(4,938)	(4,524)	(4,797)	(4,665)
Net change in total pension liability	44,977	16,566	83,567	77,474	82,467
Total pension liability - beginning	2,002,184	1,985,618	1,902,051	1,824,577	1,742,110
Total pension liability - ending (a)	\$ 2,047,161	\$ 2,002,184	\$ 1,985,618	\$ 1,902,051	\$ 1,824,577
Plan fiduciary net position:					
Contributions - employer	\$ 73,793	\$ 73,816	\$ 79,392	\$ 62,084	\$ 67,483
Contributions - member	17,496	17,598	17,574	17,081	17,908
Net investment income	98,292	146,039	20,899	52,312	156,786
Benefit payments	(104,776)	(96,224)	(92,270)	(84,990)	(78,412)
Refunds of contributions	(5,604)	(4,938)	(4,524)	(4,797)	(4,665)
Administrative expense	(861)	(1,540)	(940)	(743)	(681)
Other	(247)	(310)	(38)	(44)	—
Net change in plan fiduciary net position	78,093	134,441	20,093	40,903	158,419
Plan fiduciary net position - beginning	1,345,887	1,211,446	1,191,353	1,150,450	992,031
Plan fiduciary net position - ending (b)	1,423,980	1,345,887	1,211,446	1,191,353	1,150,450
Net pension liability - ending (a-b)	\$ 623,181	\$ 656,297	\$ 774,172	\$ 710,698	\$ 674,127
Plan fiduciary net position as a percentage of the total pension liability (b/a)	69.6%	67.2%	61.0%	62.6%	63.1%
Covered payroll (c)	\$ 345,531	\$ 344,468	\$ 345,504	\$ 338,562	\$ 352,492
Net pension liability as a percentage of covered payroll ((a-b)/c)	180.4%	190.5%	224.1%	209.9%	191.2%

JRS

	2019	2018	2017	2016	2015
\$	19,228	\$ 22,144	\$ 21,978	\$ 23,254	\$ 24,024
	43,799	42,081	42,820	41,759	40,013
	—	—	(15,552)	—	—
	(15,786)	(14,774)	(18,681)	(9,107)	—
	—	16,114	—	—	—
	(41,165)	(40,895)	(41,341)	(40,205)	(37,984)
	—	—	—	—	—
	6,076	24,670	(10,776)	15,701	26,053
	646,275	621,605	632,381	616,680	590,627
\$	652,351	\$ 646,275	\$ 621,605	\$ 632,381	\$ 616,680

\$	28,096	\$ 27,612	\$ 41,502	\$ 31,503	\$ 27,727
	3,231	3,272	3,236	3,015	3,051
	37,466	56,029	8,112	20,051	60,833
	(41,165)	(40,895)	(41,341)	(40,205)	(37,984)
	—	—	—	—	—
	(326)	(594)	(363)	(283)	(268)
	(42)	(64)	(15)	(17)	—
	27,260	45,360	11,131	14,064	53,359
	512,749	467,389	456,258	442,194	388,835
	540,009	512,749	467,389	456,258	442,194
\$	112,342	\$ 133,526	\$ 154,216	\$ 176,123	\$ 174,486

82.8%	79.3%	75.2%	72.1%	71.7%
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\$	68,245	\$ 66,826	\$ 66,621	\$ 61,092	\$ 61,020
	164.6%	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
VIRGINIA RETIREMENT SYSTEM (VRS) - STATE					
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%
2013	485,577	325,452	160,125	3,715,205	8.76%
2012	309,930	117,696	192,234	3,663,475	3.21%
2011	294,363	74,113	220,250	3,479,484	2.13%
2010	285,209	176,751	108,458	3,556,222	4.97%
VIRGINIA RETIREMENT SYSTEM (VRS) - TEACHER					
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%
2013	1,203,856	837,028	366,828	7,178,629	11.66%
2012	903,655	443,078	460,577	6,999,653	6.33%
2011	891,237	271,306	619,931	6,903,465	3.93%
2010	839,550	450,218	389,332	7,090,791	6.35%
VIRGINIA RETIREMENT SYSTEM (VRS) - POLITICAL SUBDIVISIONS					
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%
2013	537,657	525,385	12,272	4,321,565	12.16%
2012	400,879	400,879	—	4,142,150	9.68%
2011	391,531	391,531	—	4,078,580	9.60%
2010	363,982	363,982	—	4,125,087	8.82%

See notes on page 208 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
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STATE POLICE OFFICERS' RETIREMENT SYSTEM (SPORS)

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%
2013	34,535	26,193	8,342	105,872	24.74%
2012	26,250	11,441	14,809	102,701	11.14%
2011	24,570	7,460	17,110	96,128	7.76%
2010	23,791	15,714	8,077	98,757	15.91%

VIRGINIA LAW OFFICERS' RETIREMENT SYSTEM (VaLORS)

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%
2013	66,463	50,392	16,071	340,489	14.80%
2012	55,306	24,481	30,825	347,181	7.05%
2011	53,686	17,255	36,431	337,010	5.12%
2010	57,894	39,027	18,867	345,020	11.31%

JUDICIAL RETIREMENT SYSTEM (JRS)

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%
2013	32,185	27,028	5,157	59,481	45.44%
2012	27,631	18,907	8,724	59,053	32.02%
2011	28,101	17,303	10,798	60,058	28.81%
2010	23,638	17,065	6,573	62,139	27.46%

Notes for Pension Schedules

	VRS			SPORS	VaLORS	JRS
	State	Teacher	Political Subdivisions			
Valuation Date	June 30, 2018	June 30, 2018	June 30, 2018	June 30, 2018	June 30, 2018	June 30, 2018
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:						
Investment Rate of Return*	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
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%	4.50%
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.

As discussed in Note 17, visit the Virginia Retirement System's website at 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, 2019

(Dollars in Thousands)

Change in the Net OPEB Liability	RHIC		VSDP	
	2019	2018	2019	2018
Total OPEB liability:				
Service cost	\$ 19,645	\$ 19,231	\$ 27,527	\$ 27,884
Interest	66,883	66,641	15,503	15,810
Benefit changes	—	—	—	—
Difference between actual and expected experience	745	—	(11,237)	—
Assumption changes	—	(12,229)	—	(17,511)
Benefit payments	(69,117)	(71,256)	(31,073)	(30,056)
Refunds of contributions	—	—	—	—
Net change in total OPEB liability	18,156	2,387	720	(3,873)
Total OPEB liability - beginning	990,028	987,641	237,013	240,886
Total OPEB liability - ending (a)	\$ 1,008,184	\$ 990,028	\$ 237,733	\$ 237,013
Plan fiduciary net position:				
Contributions - employer	\$ 79,416	\$ 75,058	\$ 27,260	\$ 24,130
Contributions - member	—	—	—	—
Net investment income	5,706	7,706	32,073	48,206
Benefit payments	(69,117)	(71,256)	(31,073)	(30,056)
Third-party administrator charges	—	—	(6,637)	(7,001)
Administrative expense	(149)	(131)	(961)	(717)
Other	536	(546)	(35)	(54)
Net change in plan fiduciary net position	16,392	10,831	20,627	34,508
Plan fiduciary net position - beginning	79,516	68,685	442,334	407,826
Plan fiduciary net position - ending (b)	95,908	79,516	462,961	442,334
Net OPEB liability (asset) - ending (a-b)	\$ 912,276	\$ 910,512	\$ (225,228)	\$ (205,321)
Plan fiduciary net position as a percentage of the total OPEB liability (b/a)	9.5%	8.0%	194.7 %	186.6 %
Covered payroll (c)	\$ 6,762,917	\$ 6,489,069	\$ 3,972,637	\$ 3,799,590
Net OPEB liability (asset) as a percentage of covered payroll ((a-b)/c)	13.5%	14.0%	(5.7%)	(5.4%)

(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 2019 net OPEB liability measurement date is June 30, 2018, as reported in Note 19.

See notes on page 214 in this section.

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

Fiscal Year Ended June 30, 2019

(Dollars in Thousands)

	GLI		LODA	
	2019	2018	2019	2018
Commonwealth's proportion of the net OPEB liability	30.5%	30.3%	59.9%	60.9%
Commonwealth's proportionate share of the net OPEB liability	\$ 463,787	\$ 456,387	\$ 187,869	\$ 160,064
Commonwealth's covered payroll	\$ 5,836,331	\$ 5,621,670	N/A	N/A
Commonwealth's covered employee payroll	N/A	N/A	\$ 440,535	\$ 431,978
Commonwealth's proportionate share of the net OPEB liability as a percentage of its covered payroll / covered employee payroll	7.9%	8.1%	42.6%	37.1%
Plan fiduciary net position as a percentage of the total OPEB liability	51.2%	48.9%	0.6%	1.3%

- (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 2019 net OPEB liability measurement date is June 30, 2018, 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 214 in this section.

RHIC: Non-State (3)

Constitutional Officers		Social Service Employees		Registrars	
2019	2018	2019	2018	2019	2018
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
\$ 26,351	\$ 25,766	\$ 12,903	\$ 12,725	\$ 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
11.1%	8.6%	9.3%	7.9%	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
RETIREE HEALTH INSURANCE CREDIT						
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%
2013	59,618	56,779	2,839	5,677,848	N/A	1.0%
2012	60,222	7,686	52,536	5,681,295	N/A	0.1%
2011	57,193	5,395	51,798	5,395,598	N/A	0.1%
2010	66,523	43,195	23,328	5,452,717	N/A	0.8%
VIRGINIA SICKNESS AND DISABILITY PROGRAM (Also referred to Disability Insurance Trust Fund)						
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%
2013	21,032	17,043	3,989	3,626,208	N/A	0.5%
2012	30,285	1,096	29,189	4,037,955	N/A	0.0%
2011	28,646	—	28,646	3,819,462	N/A	—
2010	76,530	30,861	45,669	3,904,606	N/A	0.8%
GROUP LIFE INSURANCE (1)						
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%
2013	27,002	24,455	2,547	5,094,773	N/A	0.5%
2012	22,039	15,527	6,512	5,008,786	N/A	0.3%
2011	21,052	13,397	7,655	4,784,622	N/A	0.3%
2010	17,496	9,899	7,597	4,859,947	N/A	0.2%

- (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 214 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
LINE OF DUTY TRUST FUND (1) (2)						
2019	\$ 14,486	\$ 8,042	\$ 6,444	N/A	\$ 462,799	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%
RETIREE HEALTH INSURANCE CREDIT: NON-STATE (3) For Constitutional Officers						
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
RETIREE HEALTH INSURANCE CREDIT: NON-STATE (3) (For Social Services Employees)						
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
RETIREE HEALTH INSURANCE CREDIT: NON-STATE (3) (For Registrars)						
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
Valuation Date	June 30, 2018	June 30, 2018	June 30, 2018	June 30, 2018
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method (1)	Level Percent of Pay, Closed	Level Percent of Pay, Closed	Level Percent of Pay, Closed	Level Percent of Pay, Open
Payroll Growth Rate:				
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
Asset Valuation Method				
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
Actuarial Assumptions:				
Investment Rate of Return (2)	7.0%	7.0%	7.0%	4.8%
Projected Salary Increases (3)				
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	4.5%	4.5%	N/A	N/A
Medical Trend Assumptions (Under Age 65)	N/A	N/A	N/A	7.3% to 4.8%
Medical Trend Assumptions (Ages 65 and Older)	N/A	N/A	N/A	5.5% to 4.8%
Year of Ultimate Trend Rate (Under Age 65)	N/A	N/A	N/A	Fiscal Year Ended 2028
Year of Ultimate Trend Rate (Ages 65 and Older)	N/A	N/A	N/A	Fiscal Year Ended 2023

(1) The amortization period of the Unfunded Actuarial Accrued Liability (UAAL) was a closed 30-year period for the June 30, 2013 balance and closed 20-year period for each subsequent year. The Line of Duty Act Program amortization period is 30 years for the UAAL.

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

(3) 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.

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

Fiscal Year Ended June 30, 2019

(Dollars in Thousands)

Change in the OPEB Liability	PMRH	
	2019	2018
Total OPEB liability:		
Service cost	\$ 94,665	\$ 116,627
Interest cost	49,279	47,346
Changes of benefit terms	—	—
Difference between expected and actual experience	(191,000)	(61,865)
Changes of assumptions	(211,762)	(326,082)
Benefit payments	(34,446)	(43,244)
Net change in total OPEB liability	(293,264)	(267,218)
Total OPEB liability - beginning	1,298,904	1,566,122
Total OPEB liability - ending (a)	\$ 1,005,640	\$ 1,298,904
Covered employee payroll (b)	\$ 5,485,993	\$ 5,229,024
Total OPEB liability as a percentage of covered employee payroll (a/b)	18.3%	24.8%

- (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 2019 total OPEB liability measurement date is June 30, 2018, 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, 2017 valuation based on recent experience:

- Spousal Coverage - reduced the rate from 50.0% to 35.0%.
- Retiree Participation - reduced the rate from 70.0% to 60.0%.

Spousal coverage and retiree participation were both reduced based on a blend of recent experience and the prior year assumptions. The mortality assumption was modified slightly to reflect mortality improvement projection scale BB to 2020. Additionally, the discount rate was increased from 3.6% to 3.9% based on the Bond Buyers GO 20 Municipal Bond Index.

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	2010	2011	2012	2013
1. Required contribution and investment revenue:				
Earned	\$ 5,485	\$ 4,131	\$ 5,019	\$ 5,043
Ceded (a)	—	—	—	—
Net earned	5,485	4,131	5,019	5,043
2. Unallocated expenses	1,269	1,310	1,382	1,273
3. Estimated incurred claims and expenses, end of policy year:				
Incurred	3,404	3,213	5,390	3,394
Ceded (a)	—	—	—	—
Net incurred	3,404	3,213	5,390	3,394
4. Net paid (cumulative) as of:				
End of policy year	412	396	1,677	335
One year later	2,236	1,940	4,468	3,401
Two years later	5,237	3,943	7,554	8,118
Three years later	6,744	4,317	8,137	8,278
Four years later	7,013	4,380	8,991	7,702
Five years later	7,653	4,392	9,034	7,747
Six years later	7,937	4,401	9,200	7,946
Seven years later	7,951	4,417	9,200	
Eight years later	7,951	4,669		
Nine years later	7,951			
5. Reestimated ceded claims and expenses (a)	—	—	—	—
6. Reestimated incurred claims and expenses:				
End of policy year	3,404	3,213	5,390	3,394
One year later	6,096	3,919	8,704	9,397
Two years later	8,428	4,523	9,107	9,939
Three years later	8,640	4,570	9,727	10,333
Four years later	8,692	4,474	9,368	8,213
Five years later	7,894	4,444	9,307	7,980
Six years later	8,108	4,456	9,206	8,057
Seven years later	7,978	4,417	9,206	
Eight years later	7,966	4,669		
Nine years later	7,951			
7. Increase (decrease) in estimated net incurred claims and expense from end of policy year	4,547	1,456	3,816	4,663

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 222 in this section.

	2014	2015	2016	2017	2018	2019
\$	8,500	\$ 8,487	\$ 8,733	\$ 13,213	\$ 13,232	\$ 13,236
	—	—	—	—	—	—
	8,500	8,487	8,733	13,213	13,232	13,236
	1,435	1,331	1,357	1,460	1,603	1,530
	4,025	4,696	6,893	4,235	10,155	9,160
	—	—	—	—	—	—
	4,025	4,696	6,893	4,235	10,155	9,160
	367	922	1,206	836	1,979	1,075
	3,210	3,270	4,680	3,195	5,573	
	4,291	5,844	6,557	4,203		
	5,002	8,280	8,841			
	5,386	9,122				
	6,509					
	—	—	—	—	—	—
	4,025	4,696	6,893	4,235	10,155	9,160
	6,454	6,775	10,307	4,820	11,598	
	6,979	8,961	9,908	5,031		
	8,045	8,836	9,764			
	6,771	9,312				
	7,289					
	3,264	4,616	2,871	796	1,443	—

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	2010	2011	2012	2013
1. Required contribution and investment revenue:				
Earned	\$ 240,305	\$ 246,730	\$ 259,135	\$ 284,526
Ceded (a)	—	—	—	—
Net earned	240,305	246,730	259,135	284,526
2. Unallocated expenses	15,936	15,849	16,701	18,781
3. Estimated incurred claims and expenses, end of policy year:				
Incurred	215,376	213,694	250,019	277,455
Ceded (a)	—	—	—	—
Net incurred	215,376	213,694	250,019	277,455
4. Net paid (cumulative) as of:				
End of policy year	214,371	209,365	235,058	267,256
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	215,376	213,694	250,019	277,455
One year later	215,376	213,694	250,019	277,455
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.

See Notes on page 222 in this section.

	2014	2015	2016	2017	2018	2019
\$	320,678	\$ 343,470	\$ 392,778	\$ 430,247	\$ 464,631	\$ 481,856
	—	—	—	—	—	—
	320,678	343,470	392,778	430,247	464,631	481,856
	17,738	22,748	25,422	26,650	27,497	26,334
	290,557	327,154	386,227	419,841	433,437	446,606
	—	—	—	—	—	—
	290,557	327,154	386,227	419,841	433,437	446,606
	291,711	329,099	379,376	417,869	421,802	443,931
	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					
	—	—	—	—	—	—
	290,557	327,154	386,227	419,841	433,437	446,606
	290,557	327,154	386,227	419,841	433,437	
	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	2010	2011	2012	2013
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 222 in this section.

2014	2015	2016	2017	2018	2019
N/A	N/A	N/A	N/A	\$ 19,910	\$ 17,790
N/A	N/A	N/A	N/A	—	—
N/A	N/A	N/A	N/A	19,910	17,790
N/A	N/A	N/A	N/A	832	594
N/A	N/A	N/A	N/A	17,210	16,786
N/A	N/A	N/A	N/A	—	—
N/A	N/A	N/A	N/A	17,210	16,786
N/A	N/A	N/A	N/A	14,779	17,302
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	17,210	16,786
N/A	N/A	N/A	N/A	17,210	
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

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.