



Cavanaugh Macdonald

CONSULTING, LLC

The experience and dedication you deserve

January 24, 2012

Ms. Cynthia W. Comer
Policy, Planning and Compliance Director
Virginia Retirement System
1200 E. Main Street
Richmond, VA 23219

Dear Ms. Comer:

Enclosed are 13 original bound copies of the "Report on the Actuarial Valuation of the Virginia Retirement System" prepared as of June 30, 2011.

Please let us know if you have any questions concerning the report.

Sincerely,

Jose I. Fernandez, ASA, FCA, EA, MAAA
Principal and Consulting Actuary

TJC/JIF:lam

Enclosure

\\fileserver\shared\Virgina RS\2011\Valuations\Pension\Non-Local DB\Valuation VRS 2011 with Locals (Linked).doc

3550 Busbee Pkwy, Suite 250, Kennesaw, GA 30144

Phone (678) 388-1700 • Fax (678) 388-1730

www.CavMacConsulting.com

Offices in Englewood, CO • Kennesaw, GA • Bellevue, NE • Hilton Head Island, SC



Cavanaugh Macdonald
CONSULTING, LLC

The experience and dedication you deserve



Virginia
Retirement
System

**Report on the Actuarial Valuation for
Virginia Retirement System**

Prepared as of June 30, 2011





Cavanaugh Macdonald

CONSULTING, LLC

The experience and dedication you deserve

January 24, 2012

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

Dear Trustees:

We are pleased to submit the results of the annual actuarial valuation for the following divisions of the Virginia Retirement System (VRS), prepared as of June 30, 2011.

- State Employees
- Teachers
- State Police (SPORS)
- Judicial
- Virginia Law Officers (VaLORS)

In addition, this report includes information in aggregate on the actuarial valuations of the Political Subdivisions participating in VRS as of June 30, 2011. We have prepared and provided separately, actuarial valuation reports for each of the Political Subdivisions. Please refer to the individual reports for the valuation results, summary of actuarial assumptions and methods, and plan provisions for each of the Political Subdivision plans.

The purpose of this report is to provide a summary of the funded status of VRS as of June 30, 2011, to recommend rates of contribution and to provide accounting information under Governmental Accounting Standards Board Statements No. 25 and 27 (GASB 25 and 27). While not verifying the data at source, the actuary performed tests for consistency and reasonability.

The valuation results indicate that the employer contribution rates shown in the table below are sufficient to fund the normal cost for all members and finance the unfunded accrued liability of the plans. For comparison, in the table below we present the recommended employer contribution rates based on the June 30, 2011 actuarial valuations and the employer contribution rates adopted for fiscal years ending in 2011 and 2012.

Employer Contribution Rates			
Division	Recommended FY 2013 and 2014	6/30/2010 Valuation	Adopted FY 2011 & 2012 (4th Quarter)
State Employees	13.07%	13.29%	2.13% & 6.58%
Teachers	16.77	17.41	3.93% & 6.33%
State Police	32.62	33.31	7.76% & 21.16%
Judicial	54.11	55.13	28.81% & 42.58%
Virginia Law Officers	19.52	20.31	5.12% & 13.09%
Political Subdivisions (Average Rates)	10.63	11.00	8.00%*

*Average of rates adopted for all of FY 2011 and 2012

3550 Busbee Pkwy, Suite 250, Kennesaw, GA 30144

Phone (678) 388-1700 • Fax (678) 388-1730

www.CavMacConsulting.com

Offices in Englewood, CO • Kennesaw, GA • Bellevue, NE • Hilton Head Island, SC



Below are the contribution rates adopted for the first three quarters of the 2012 fiscal year:

- State – 2.08%
- Teachers – 6.33%
- State Police (SPORS) – 7.73%
- Judicial – 28.65%
- Virginia Law Officers (VaLORS) – 5.07%

Contribution rates for VRS employers are established every two years. The actuarially calculated employer contribution rates based on the June 30, 2010 results presented in this report are for informational purposes only.

The promised benefits of VRS are included in the calculated contribution rates which are developed using the entry age normal cost method. The valuation takes into account the differentiation between Plan 1 members, employees hired prior to July 1, 2010, and Plan 2 members, new employees hired on or after July 1, 2010. Five-year smoothed market value of assets is used for actuarial valuation purposes. Gains and losses are reflected in the unfunded accrued liability. In accordance with the supplemental contribution provision of House Bill 30, the portion of the unfunded accrued liability with respect to deferred contributions for the 2010 -2012 biennium is amortized using a level-dollar, closed, 10 year period. The balance of the unfunded accrued liability is being amortized by regular annual contributions as a level percentage of payroll within a 30-year period, on the assumption that payroll will increase by 3% annually and the amortization period will decrease by one year until reaching the minimum period of 20 years. The June 30, 2011 valuation reflects an increase in the amortization period from 20 to 30 years to phase-in the impact of the previously adopted change in the assumed annual rate of return from 7.5% to 7.0%. The assumptions recommended by the actuary and adopted by the Board are in the aggregate reasonably related to the experience under the Fund and to reasonable expectations of anticipated experience under the Fund and meet the parameters for the disclosures under GASB 25 and 27.

We have prepared the Schedule of Funding Progress and Trend Information shown in the financial section of the Comprehensive Annual Financial Report and all supporting schedules, including the Schedule of Active Member Data, the Solvency Test and the Analysis of Financial Experience shown in the actuarial section of the Comprehensive Annual Financial Report. For completeness, the table of Changes in Unfunded Actuarial Accrued Liabilities in Section VII, the Solvency Test in Schedule A, and the Retiree and Beneficiary Data in Schedule H include the information with respect to the Political Subdivisions participating in VRS. All historical information that references a valuation date prior to June 30, 2008 was prepared by a previous actuarial firm.

This is to certify that the independent consulting actuary is a member of the American Academy of Actuaries and has experience in performing valuations for public retirement systems, that the valuation was prepared in accordance with principles of practice prescribed by the Actuarial Standards Board, and that the actuarial calculations were performed by qualified actuaries in accordance with accepted actuarial procedures, based on the current provisions of the System and on actuarial assumptions that are internally consistent and reasonably based on the actual experience of the System.

Future actuarial results may differ significantly from the current results presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Since the potential impact of such factors is outside the scope of a normal annual actuarial valuation, an analysis of the range of results is not presented herein.



The undersigned are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

The Table of Contents, which immediately follows, outlines the material contained in the report.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Thomas J. Cavanaugh', with a stylized, flowing script.

Thomas J. Cavanaugh, FSA, FCA, EA, MAAA
Chief Executive Officer

A handwritten signature in blue ink, appearing to read 'Jose I. Fernandez', with a stylized, flowing script.

Jose I. Fernandez, ASA, FCA, EA, MAAA
Principal and Consulting Actuary

TJC/JIF:lam



Table of Contents

<u>Section</u>	<u>Item</u>	<u>Page No.</u>
I	Summary of Principal Results	2
II	Membership Data	10
III	Assets	11
IV	Comments on Valuation	12
V	Contribution Rates	17
VI	Accounting Information	19
VII	Derivation of Experience Gains and Losses	23

Schedule

A	Valuation Balance Sheet and Solvency Test	25
B	Development of the Actuarial Value of Assets	35
C	Summary of Changes in Net Assets	40
D	Outline of Actuarial Assumptions and Methods	46
E	Actuarial Cost Method	75
F	Summary of Main Plan Provisions as Interpreted For Valuation Purposes	76
G	Schedules of Active Member Data	111
H	Schedules of Retiree and Beneficiary Data	116



Section I – Summary of Principal Results

- For convenience of reference, the principal results of the valuation and a comparison with the preceding year's results for State Employees, Teachers, State Police, Judicial and Virginia Law Officers are summarized below. In addition, we present a summary of the valuation results for the political subdivisions.

**STATE EMPLOYEES
(\$ IN THOUSANDS)**

VALUATION DATE	June 30, 2011	June 30, 2010
Members:		
Active	75,820	76,033
Long Term Disability	2,087	2,573
Retirees and Beneficiaries	52,480	50,600
Inactive, Vested	10,195	9,806
Inactive, Non-Vested	19,739	18,792
Inactive, active elsewhere in VRS	<u>9,363</u>	<u>9,682</u>
Total	169,684	167,486
Annual Covered Payroll	\$ 3,686,259	\$ 3,514,396
Annual Retirement Benefits	\$ 912,995	\$ 861,362
Total Assets:		
Actuarial Value	\$ 14,406,275	\$ 14,700,854
Market Value	13,992,901	12,384,638
Actuarial Accrued Liability	\$ 20,407,958	\$ 19,539,453
Unfunded Actuarial Accrued Liability (UAAL)		
10-Year Payback of Deferred Contributions	\$ 278,155	N/A
Balance of UAAL	<u>5,723,528</u>	<u>4,838,599</u>
Total UAAL	\$ 6,001,683	\$ 4,838,599
RECOMMENDED CONTRIBUTIONS FOR FISCAL YEAR ENDING*	2013 & 2014	Informational Purposes
Employer Contribution Rate:		
Normal Cost (net of employee contributions)	3.55 %	3.64 %
Amortization of Deferred Contributions	1.00 %	N/A
Amortization of Balance of UAAL	<u>8.52 %</u>	<u>9.65 %</u>
Annual Recommended Contribution	13.07 %	13.29 %
Amortization Period		
Deferred Contributions	10 years	N/A
Balance of UAAL	30 years	20 years

* The adopted contribution rates for fiscal years ending 2011 and 2012 are 2.13% and 2.08% (first 3 quarters) and 6.58% (fourth quarter), respectively.



Section I – Summary of Principal Results

TEACHERS
(\$ IN THOUSANDS)

VALUATION DATE	June 30, 2011	June 30, 2010
Members:		
Active	146,152	148,462
Retirees and Beneficiaries	71,010	66,934
Inactive, Vested	17,146	16,393
Inactive, Non-Vested	27,342	27,020
Inactive, active elsewhere in VRS	<u>5,304</u>	<u>5,237</u>
Total	266,954	264,046
Annual Covered Payroll	\$ 6,922,130	\$ 7,119,889
Annual Retirement Benefits	\$ 1,501,649	\$ 1,393,163
Total Assets:		
Actuarial Value	\$ 25,166,124	\$ 25,447,677
Market Value	24,520,362	21,517,178
Actuarial Accrued Liability	\$ 37,771,732	\$ 37,088,576
Unfunded Actuarial Accrued Liability (UAAL)		
10-Year Payback of Deferred Contributions	\$ 741,432	N/A
Balance of UAAL	<u>11,864,176</u>	<u>11,640,899</u>
Total UAAL	\$ 12,605,608	\$ 11,640,899
RECOMMENDED CONTRIBUTIONS FOR FISCAL YEAR ENDING*	2013 & 2014	Informational Purposes
Employer Contribution Rate:		
Normal Cost (net of employee contributions)	5.93 %	5.95 %
Amortization of Deferred Contributions	1.43 %	N/A
Amortization of Balance of UAAL	<u>9.41 %</u>	<u>11.46 %</u>
Annual Recommended Contribution	16.77 %	17.41 %
Amortization Period		
Deferred Contributions	10 years	N/A
Balance of UAAL	30 years	20 years

*The adopted contribution rates for fiscal years ending 2011 and 2012 are 3.93% and 6.33%, respectively.



Section I – Summary of Principal Results

**STATE POLICE
(\$ IN THOUSANDS)**

VALUATION DATE	June 30, 2011	June 30, 2010
Members:		
Active	1,738	1,767
Long-Term Disability	8	0
Retirees and Beneficiaries	1,289	1,240
Inactive, Vested	93	87
Inactive, Non-Vested	120	113
Inactive, active elsewhere in VRS	<u>210</u>	<u>210</u>
Total	3,458	3,417
Annual Covered Payroll	\$ 99,669	\$ 97,601
Annual Retirement Benefits	\$ 43,768	\$ 41,226
Total Assets:		
Actuarial Value	\$ 616,603	\$ 633,415
Market Value	598,686	533,962
Actuarial Accrued Liability	\$ 985,704	\$ 948,892
Unfunded Actuarial Accrued Liability (UAAL)		
10-Year Payback of Deferred Contributions	\$ 23,086	N/A
Balance of UAAL	<u>346,015</u>	<u>315,477</u>
Total UAAL	\$ 369,101	\$ 315,477
RECOMMENDED CONTRIBUTIONS FOR FISCAL YEAR ENDING*	2013 & 2014	Informational Purposes
Employer Contribution Rate:		
Normal Cost (net of employee contributions)	10.49 %	10.65 %
Amortization of Deferred Contributions	3.08 %	N/A
Amortization of Balance of UAAL	<u>19.05 %</u>	<u>22.66 %</u>
Annual Recommended Contribution	32.62 %	33.31 %
Amortization Period		
Deferred Contributions	10 years	N/A
Balance of UAAL	30 years	20 years

*The adopted contribution rates for fiscal years ending 2011 and 2012 are 7.76% and 7.73% (first 3 quarters) and 21.16% (fourth quarter), respectively.



Section I – Summary of Principal Results

JUDICIAL
(\$ IN THOUSANDS)

VALUATION DATE	June 30, 2011	June 30, 2010
Members:		
Active	394	408
Retirees and Beneficiaries	459	463
Inactive, Vested	8	10
Inactive, Non-Vested	0	1
Inactive, active elsewhere in VRS	<u>4</u>	<u>3</u>
Total	865	885
Annual Covered Payroll	\$ 58,919	\$ 61,021
Annual Retirement Benefits	\$ 30,559	\$ 30,356
Total Assets:		
Actuarial Value	\$ 371,051	\$ 372,096
Market Value	361,401	314,794
Actuarial Accrued Liability	\$ 569,494	\$ 559,920
Unfunded Actuarial Accrued Liability (UAAL)		
10-Year Payback of Deferred Contributions	\$ 14,585	N/A
Balance of UAAL	<u>183,858</u>	<u>187,824</u>
Total UAAL	\$ 198,443	\$ 187,824
RECOMMENDED CONTRIBUTIONS FOR FISCAL YEAR ENDING*	2013 & 2014	Informational Purposes
Employer Contribution Rate:		
Normal Cost (net of employee contributions)	33.69 %	33.55 %
Amortization of Deferred Contributions	3.29 %	N/A
Amortization of Balance of UAAL	<u>17.13 %</u>	<u>21.58 %</u>
Annual Recommended Contribution	54.11 %	55.13 %
Amortization Period		
Deferred Contributions	10 years	N/A
Balance of UAAL	30 years	20 years

*The adopted contribution rates for fiscal years ending 2011 and 2012 are 28.81% and 28.65% (first 3 quarters) and 42.58% (fourth quarter), respectively.



Section I – Summary of Principal Results

**VIRGINIA LAW OFFICERS
(\$ IN THOUSANDS)**

VALUATION DATE	June 30, 2011	June 30, 2010
Members:		
Active	9,631	9,734
Long Term Disability	525	0
Retirees and Beneficiaries	2,730	2,428
Inactive, Vested	569	482
Inactive, Non-Vested	2,932	2,633
Inactive, active elsewhere in VRS	<u>1,927</u>	<u>2,369</u>
Total	18,314	17,646
Annual Covered Payroll	\$ 356,240	\$ 346,040
Annual Retirement Benefits	\$ 57,030	\$ 51,498
Total Assets:		
Actuarial Value	\$ 926,082	\$ 925,443
Market Value	910,666	792,429
Actuarial Accrued Liability	\$ 1,683,191	\$ 1,579,321
Unfunded Actuarial Accrued Liability (UAAL)		
10-Year Payback of Deferred Contributions	\$ 48,155	N/A
Balance of UAAL	<u>708,954</u>	<u>653,878</u>
Total UAAL	\$ 757,109	\$ 653,878
RECOMMENDED CONTRIBUTIONS FOR FISCAL YEAR ENDING*	2013 & 2014	Informational Purposes
Employer Contribution Rate:		
Normal Cost (net of employee contributions)	6.80 %	7.06 %
Amortization of Deferred Contributions	1.80 %	N/A
Amortization of Balance of UAAL	<u>10.92 %</u>	<u>13.25 %</u>
Annual Recommended Contribution	19.52 %	20.31 %
Amortization Period		
Deferred Contributions	10 years	N/A
Balance of UAAL	30 years	20 years

* The adopted contribution rates for fiscal years ending 2011 and 2012 are 5.12% and 5.07% (first 3 quarters) and 13.09% (fourth quarter), respectively.



Section I – Summary of Principal Results

**POLITICAL SUBDIVISIONS
(\$ IN THOUSANDS)**

VALUATION DATE	June 30, 2011
Number of Political Subdivisions in VRS:	579
Members:	
Active	104,385
Long Term Disability	0
Retirees and Beneficiaries*	37,552
Inactive, Vested*	12,148
Inactive, Non-Vested*	29,132
Inactive, active elsewhere in VRS	<u>26,613</u>
Total	209,830
Annual Covered Payroll	\$ 4,100,470
Annual Retirement Benefits	\$ 585,297
Total Assets:**	
Actuarial Value	\$ 12,986,598
Market Value	12,767,072
Actuarial Accrued Liability**	\$ 17,005,070
Unfunded Actuarial Accrued Liability (UAAL)**	4,018,472
Average Annual Contribution (net of employee contributions)	10.63 %
Amortization Period	30 years

* Includes count for each plan from which members are receiving pension benefits or entitled to deferred vested benefits. Therefore, members with benefits from more than one political subdivision are counted more than once.

** Includes Political Subdivisions with no active members.



Section I – Summary of Principal Results

2. Comments on the valuation results as of June 30, 2011 are given in Section IV and further discussion of the contribution level for each plan is set out in Section V.
3. Schedule B shows the development of the actuarial value of assets. Schedule D and Schedule E of this report outline the full set of actuarial assumptions and methods used in the current valuation. Changes to the actuarial assumptions and methods since the previous valuation include increasing the amortization period to 30 years for the unfunded accrued liability less the VRS deferred contributions defined under HB 30, to phase-in the impact of the previously adopted change in the assumed annual rate of return from 7.5% to 7.0%. The deferred contributions are amortized using a level-dollar, closed, 10 year period.
4. The valuation takes into account the effect of amendments to VRS through the valuation date. The main provisions of VRS, as summarized in Schedule F, were taken into account in the current valuation. The valuation takes into account the differentiation between Plan 1 members, employees hired prior to July 1, 2010, and Plan 2 members, new employees hired on or after July 1, 2010.
5. In accordance with the supplemental contribution provision of House Bill 30, Item 469, the portion of the unfunded accrued liability with respect to deferred contributions for the 2010-2012 biennium will be paid back to the plans over a 10-year period. Below we provide an estimate of the deferred contributions as provided by VRS.

DIVISION	Estimated Deferred Contributions (\$ in thousands)		
	2011 Fiscal Year	2012 Fiscal Year	Total
State Employees	\$ 154,836	\$ 123,319	\$ 278,155
Teachers	453,558	287,874	741,432
State Police	12,881	10,205	23,086
Virginia Law Officers	26,860	21,296	48,155
Judicial	8,270	6,315	14,585
Total	\$ 656,405	\$ 449,009	\$ 1,105,413



Section II – Membership Data

- Data regarding the membership of VRS for use as a basis of the valuation was furnished by VRS. The following table shows the number of active members and their annual compensation as of June 30, 2011 on the basis of which the valuation was prepared.

TABLE 1

THE NUMBER AND ANNUAL COMPENSATION OF ACTIVE MEMBERS AS OF JUNE 30, 2011 (\$ IN THOUSANDS)

DIVISION	NUMBER	COMPENSATION
State Employees	75,820	\$3,686,259
Teachers	146,152	6,922,130
State Police	1,738	99,669
Judicial	394	58,919
Virginia Law Officers	9,631	356,240
Political Subdivisions	<u>104,385</u>	<u>4,100,470</u>
Total	338,120	\$15,223,687

- The following table shows a five-year history of active member valuation data. The data as of June 30, 2011 includes the political subdivisions, while the data for valuation dates prior to June 30, 2011 does not include the political subdivisions.

TABLE 2

SCHEDULE OF TOTAL ACTIVE MEMBER VALUATION DATA

VALUATION DATE	NUMBER	ANNUAL PAYROLL (\$ IN THOUSANDS)	ANNUAL AVERAGE PAY	% CHANGE IN AVERAGE PAY
6/30/2011	338,120	\$ 15,223,687	\$ 45,025	(4.44)%
6/30/2010	236,404	11,138,947	47,118	(0.19)%
6/30/2009	239,437	11,303,072	47,207	2.11 %
6/30/2008	239,420	11,068,331	46,230	3.50 %
6/30/2007	236,693	10,571,538	44,664	4.50 %



Section II – Membership Data

3. The following table shows the number and annual retirement benefits payable to retired members and survivors on the roll of VRS as of the valuation date.

TABLE 3
THE NUMBER AND ANNUAL RETIREMENT BENEFITS
OF RETIRED MEMBERS AND SURVIVORS OF DECEASED MEMBERS
ON THE ROLL AS OF JUNE 30, 2011
(\$ IN THOUSANDS)

TYPE OF RETIREMENT	DIVISION						TOTAL
	STATE EMPLOYEES	TEACHERS	STATE POLICE	JUDICIAL	VIRGINIA LAW OFFICERS	POLITICAL SUBDIVISIONS	
Service:							
Number	43,392	64,494	919	317	2,382	36,195	147,699
Annual Benefits	\$795,508	\$1,387,360	\$35,348	\$24,337	\$53,140	\$457,447	\$2,753,140
Disability:							
Number	4,604	4,154	198	1	202	7,424	16,583
Annual Benefits	\$67,083	\$83,751	\$5,795	\$99	\$2,791	\$101,253	\$260,772
Survivors:							
Number	4,484	2,362	172	141	146	3,246	10,551
Annual Benefits	\$50,404	\$30,538	\$2,625	\$6,123	\$1,099	\$26,597	\$117,386
Total:							
Number	52,480	71,010	1,289	459	2,730	46,865	174,833
Annual Benefits	\$912,995	\$1,501,649	\$43,768	\$30,559	\$57,030	\$585,297	\$3,131,298

4. The five tables of Schedule G, which can be found at the end of this document, show the distribution by age and service of the number and average annual compensation of active members for each division included in the valuation.



Section III – Assets

- Schedule C, appearing on pages 40 to 45, shows the additions and deductions to the assets of VRS for the year preceding the valuation date and a reconciliation of the fund balances at market value. As of June 30, 2011, the market value of assets used to determine the actuarial value of assets for each division is shown below:

TABLE 4

**COMPARISON OF MARKET VALUE OF ASSETS
(\$ IN THOUSANDS)**

DIVISION	JUNE 30, 2011 MARKET VALUE	JUNE 30, 2010 MARKET VALUE
State Employees	\$13,992,901	\$12,384,638
Teachers	24,520,362	21,517,178
State Police	598,686	533,962
Judicial	361,401	314,794
Virginia Law Officers	910,666	792,429
Political Subdivisions	<u>12,767,072</u>	<u>10,744,000</u>
Total Market Value of Assets	\$53,151,088	\$46,287,001

- Schedule B shows the development of the actuarial value of assets as of June 30, 2011. The following table shows the actuarial value of assets allocated among all divisions.

TABLE 5

**COMPARISON OF ACTUARIAL VALUE OF ASSETS
(\$ IN THOUSANDS)**

DIVISION	JUNE 30, 2011 ACTUARIAL VALUE	JUNE 30, 2010 ACTUARIAL VALUE
State Employees	\$14,406,275	\$14,700,854
Teachers	25,166,124	25,447,677
State Police	616,603	633,415
Judicial	371,051	372,096
Virginia Law Officers	926,082	925,443
Political Subdivisions	<u>12,986,598</u>	<u>12,580,044</u>
Total Actuarial Value of Assets	\$54,472,733	\$54,659,529



Section IV – Comments on Valuation

State Employees

1. The total valuation balance sheet on account of benefits as of June 30, 2011 shows that the State Employees plan has total prospective benefit liabilities of \$22,570,009,259, of which \$9,977,569,049 is for the prospective benefits payable on account of present retired members and survivors of deceased members, \$866,594,678 is for the prospective benefits payable on account of present inactive members, and \$11,725,845,532 is for the prospective benefits payable on account of present active members. Against these benefit liabilities the State Employees plan has a total present actuarial value of assets of \$14,406,275,000 as of June 30, 2011. The difference of \$8,163,734,259 between the total liabilities and the total present actuarial value of assets represents the present value of contributions to be made in the future on account of benefits. Of this amount, \$1,375,653,210 is the present value of future contributions expected to be made by members (at the rate of 5% of salary), and the balance of \$6,788,081,049 represents the present value of future contributions payable by the employers.
2. The employers' contributions to the State Employees plan on account of retirement benefits consist of normal contributions and accrued liability contributions. The valuation indicates that employer normal contributions at the rate of 3.55% of salary are required. This is net of the 5% employee contribution.
3. Prospective employer normal contributions at the above rate have a present value of \$786,398,410. When this amount is subtracted from \$6,788,081,049, which is the present value of the total future contributions to be made by the employers, there remains \$6,001,682,639 as the amount of future accrued liability contributions.
4. It is recommended that the accrued liability contribution rate payable by employers on account of retirement benefits be set at 9.52% of salary. This rate is sufficient to liquidate the unfunded accrued liability of \$6,001,682,639 over a closed 10-year period as level-dollar amounts with respect to the deferred contributions and over 30 years for the balance of the unfunded accrued liability, on the assumption that the aggregate payroll for State employees will increase by 3% each year.



Section IV – Comments on Valuation

Teachers

1. The total valuation balance sheet on account of benefits as of June 30, 2011 shows that the Teachers plan has total prospective benefit liabilities of \$44,015,632,402, of which \$18,261,203,780 is for the prospective benefits payable on account of present retired members and survivors of deceased members, \$805,067,929 is for the prospective benefits payable on account of present inactive members, and \$24,949,360,693 is for the prospective benefits payable on account of present active members. Against these benefit liabilities the Teachers plan has a total present actuarial value of assets of \$25,166,124,000 as of June 30, 2011. The difference of \$18,849,508,402 between the total liabilities and the total present actuarial value of assets represents the present value of contributions to be made in the future on account of benefits. Of this amount, \$3,085,249,191 is the present value of future contributions expected to be made by members (at the rate of 5% of salary), and the balance of \$15,764,259,211 represents the present value of future contributions payable by the employers.
2. The employers' contributions to the Teachers plan on account of retirement benefits consist of normal contributions and accrued liability contributions. The valuation indicates that employer normal contributions at the rate of 5.93% of salary are required. This is net of the 5% employee contribution.
3. Prospective employer normal contributions at the above rate have a present value of \$3,158,650,808. When this amount is subtracted from \$15,764,259,211, which is the present value of the total future contributions to be made by the employers, there remains \$12,605,608,403 as the amount of future accrued liability contributions.
4. It is recommended that the accrued liability contribution rate payable by the employers on account of retirement benefits be set at 10.84% of salary. This rate is sufficient to liquidate the unfunded accrued liability of \$12,605,608,403 over a closed 10-year period as level-dollar amounts with respect to the deferred contributions and over 30 years for the balance of the unfunded accrued liability, on the assumption that the aggregate payroll for Teachers will increase by 3% each year.



Section IV – Comments on Valuation

State Police (SPORS)

1. The total valuation balance sheet on account of benefits as of June 30, 2011 shows that the SPORS plan has total prospective benefit liabilities of \$1,120,372,498, of which \$524,833,318 is for the prospective benefits payable on account of present retired members and survivors of deceased members, \$15,263,720 is for the prospective benefits payable on account of present inactive members, and \$580,275,461 is for the prospective benefits payable on account of present active members. Against these benefit liabilities SPORS has a total present actuarial value of assets of \$616,603,000 as of June 30, 2011. The difference of \$503,769,498 between the total liabilities and the total present actuarial value of assets represents the present value of contributions to be made in the future on account of benefits. Of this amount, \$43,202,068 is the present value of future contributions expected to be made by members (at the rate of 5% of salary), and the balance of \$460,567,430 represents the present value of future contributions payable by the employers.
2. The employers' contributions to SPORS on account of retirement benefits consist of normal contributions and accrued liability contributions. The valuation indicates that employer normal contributions at the rate of 10.49% of salary are required. This is net of the 5% employee contribution.
3. Prospective employer normal contributions at the above rate have a present value of \$91,466,708. When this amount is subtracted from \$460,567,430, which is the present value of the total future contributions to be made by the employers, there remains \$369,100,722 as the amount of future accrued liability contributions.
4. It is recommended that the accrued liability contribution rate payable by the employers on account of retirement benefits be set at 22.13% of salary. This rate is sufficient to liquidate the unfunded accrued liability of \$369,100,722 over a closed 10-year period as level-dollar amounts with respect to the deferred contributions and over 30 years for the balance of the unfunded accrued liability, on the assumption that the aggregate payroll for SPORS employees will increase by 3% each year.



Section IV – Comments on Valuation

Judicial

1. The total valuation balance sheet on account of benefits as of June 30, 2011 shows that the Judicial plan has total prospective benefit liabilities of \$701,928,041, of which \$308,341,453 is for the prospective benefits payable on account of present retired members and survivors of deceased members, \$4,081,323 is for the prospective benefits payable on account of present inactive members, and \$389,505,265 is for the prospective benefits payable on account of present active members. Against these benefit liabilities the Judicial plan has a total present actuarial value of assets of \$371,051,000 as of June 30, 2011. The difference of \$330,877,041 between the total liabilities and the total present actuarial value of assets represents the present value of contributions to be made in the future on account of benefits. Of this amount, \$18,100,203 is the present value of future contributions expected to be made by members (at the rate of 5% of salary), and the balance of \$312,776,838 represents the present value of future contributions payable by the employers.
2. The employers' contributions to the Judicial plan on account of retirement benefits consist of normal contributions and accrued liability contributions. The valuation indicates that employer normal contributions at the rate of 33.69% of salary are required. This is net of the 5% employee contribution.
3. Prospective employer normal contributions at the above rate have a present value of \$114,333,472. When this amount is subtracted from \$312,776,838, which is the present value of the total future contributions to be made by the employers, there remains \$198,443,366 as the amount of future accrued liability contributions.
4. It is recommended that the accrued liability contribution rate payable by employers on account of retirement benefits be set at 20.42% of salary. This rate is sufficient to liquidate the unfunded accrued liability of \$198,443,366 over a closed 10-year period as level-dollar amounts with respect to the deferred contributions and over 30 years for the balance of the unfunded accrued liability, on the assumption that the aggregate payroll for Judicial employees will increase by 3% each year.



Section IV – Comments on Valuation

Virginia Law Officers (VaLORS)

1. The total valuation balance sheet on account of benefits as of June 30, 2011 shows that VaLORS has total prospective benefit liabilities of \$1,942,669,933, of which \$681,105,350 is for the prospective benefits payable on account of present retired members and survivors of deceased members, \$82,525,736 is for the prospective benefits payable on account of present inactive members, and \$1,179,038,847 is for the prospective benefits payable on account of present active members. Against these benefit liabilities VaLORS has a total present actuarial value of assets of \$926,082,000 as of June 30, 2011. The difference of \$1,016,587,933 between the total liabilities and the total present actuarial value of assets represents the present value of contributions to be made in the future on account of benefits. Of this amount, \$121,282,122 is the present value of future contributions expected to be made by members (at the rate of 5% of salary), and the balance of \$895,305,811 represents the present value of future contributions payable by the employers.
2. The employers' contributions to VaLORS on account of retirement benefits consist of normal contributions and accrued liability contributions. The valuation indicates that employer normal contributions at the rate of 6.80% of salary are required. This is net of the 5% employee contribution.
3. Prospective employer normal contributions at the above rate have a present value of \$138,196,844. When this amount is subtracted from \$895,305,811, which is the present value of the total future contributions to be made by the employers, there remains \$757,108,967 as the amount of future accrued liability contributions.
4. It is recommended that the accrued liability contribution rate payable by employers on account of retirement benefits be set at 12.72% of salary. This rate is sufficient to liquidate the unfunded accrued liability of \$757,108,967 over a closed 10-year period as level-dollar amounts with respect to the deferred contributions and over 30 years for the balance of the unfunded accrued liability, on the assumption that the aggregate payroll for VaLORS employees will increase by 3% each year.



Section V – Contribution Rates

1. The actuarially determined employer contribution rates for each division based on the June 30, 2011 actuarial valuation are shown in the following table:

TABLE 6

Division	Employer Contribution Rate
State Employees	13.07%
Teachers	16.77
State Police	32.62
Judicial	54.11
Virginia Law Officers	19.52

The rates shown are net of 5% member contributions.



Section V – Contribution Rates

2. The table below shows the development of the normal contribution rate, the unfunded accrued liability (UAL), amortization period and the actuarially recommended contribution rate for each division as of June 30, 2011.

TABLE 7
EMPLOYER CONTRIBUTION RATE
EXPRESSED AS PERCENT OF ACTIVE MEMBER PAYROLL

	State Employees	Teachers	State Police	Judicial	Virginia Law Officers
<u>Contribution for</u>					
Normal Cost					
Service Retirement Benefits	6.63%	9.01%	12.46%	33.89%	8.40%
Disability Benefits	0.67%	0.65%	1.07%	2.91%	0.51%
Survivor Benefits	0.41%	0.30%	0.71%	1.89%	0.56%
Separation Benefits	<u>0.84%</u>	<u>0.97%</u>	<u>1.25%</u>	<u>0.00%</u>	<u>2.33%</u>
Total	8.55%	10.93%	15.49%	38.69%	11.80%
Member Current Contributions	<u>5.00%</u>	<u>5.00%</u>	<u>5.00%</u>	<u>5.00%</u>	<u>5.00%</u>
Employer Normal Cost	3.55%	5.93%	10.49%	33.69%	6.80%
Amortization of UAAL (<i>net of deferred contributions</i>) *	1.00%	1.43%	3.08%	3.29%	1.80%
Amortization of Deferred Contributions *	8.52%	9.41%	19.05%	17.13%	10.92%
Actuarially Recommended Employer Contribution Rate to pay Normal Cost and amortize UAAL	13.07%	16.77%	32.62%	54.11%	19.52%

* The amortization period of the unfunded less the deferred contribution begins at 30 years on June 30, 2011 and will decrease by one each year until reaching the minimum period of 20 years. The deferred contribution, as defined under HB30, is to be amortized using a level-dollar, closed, 10 year period.



Section VI – Accounting Information

1. Governmental Accounting Standards Board Statements 25 and 27 set forth certain items of required supplementary information to be disclosed in the financial statements of VRS and the employer. One such item is a distribution of the number of members by type of membership, as follows:

**NUMBER OF ALL MEMBERS
AS OF June 30, 2011**

GROUP	COUNT					
	State Employees	Teachers	State Police	Judicial	Virginia Law Officers	Political Subdivisions
Active Members	75,820	146,152	1,738	394	9,631	104,385
LTD	2,087	0	8	0	525	0
Total Active Members	77,907	146,152	1,746	394	10,156	104,385
Inactive Members						
Vested	10,195	17,146	93	8	569	12,148
Non-Vested	19,739	27,342	120	0	2,932	29,132
Active Elsewhere in VRS	9,363	5,304	210	4	1,927	26,613
Total Inactive Members	39,297	49,792	423	12	5,428	67,893
Retirees						
Service	43,392	64,494	919	317	2,382	28,374
Disabled	4,604	4,154	198	1	202	6,450
Beneficiaries	4,484	2,362	172	141	146	2,728
Total Retirees	52,480	71,010	1,289	459	2,730	37,552
Totals	169,684	266,954	3,458	865	18,314	209,830



Section VI – Accounting Information

2. Another such item is the schedule of funding progress as shown below.

**SCHEDULE OF FUNDING PROGRESS
(\$ IN THOUSANDS)**

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
STATE EMPLOYEES						
6/30/2011	\$14,406,275	\$20,407,958	\$6,001,683	70.6 %	\$3,686,259	162.8 %
6/30/2010	14,700,854	19,539,453	4,838,599	75.2 %	3,514,396	137.7 %
6/30/2009	15,049,901	17,925,879	2,875,978	84.0 %	3,619,478	79.5 %
6/30/2008	15,046,348	17,096,942	2,050,594	88.0 %	3,640,692	56.3 %
6/30/2007	13,857,342	16,279,781	2,422,439	85.1 %	3,467,388	69.9 %
6/30/2006	12,542,390	15,064,062	2,521,672	83.3 %	3,301,286	76.4 %
TEACHERS						
6/30/2011	\$25,166,124	\$37,771,732	\$12,605,608	66.6 %	\$6,922,130	182.1 %
6/30/2010	25,447,677	37,088,576	11,640,899	68.6 %	7,119,889	163.5 %
6/30/2009	25,764,665	33,860,514	8,095,849	76.1 %	7,160,842	113.1 %
6/30/2008	25,502,482	31,958,321	6,455,839	79.8 %	6,896,432	93.6 %
6/30/2007	23,204,871	29,669,838	6,464,967	78.2 %	6,604,643	97.9 %
6/30/2006	20,731,192	27,274,064	6,542,872	76.0 %	6,195,421	105.6 %
STATE POLICE						
6/30/2011	\$616,603	\$985,704	\$369,101	62.6 %	\$99,669	370.3 %
6/30/2010	633,415	948,892	315,477	66.8 %	97,601	323.2 %
6/30/2009	646,960	879,180	232,220	73.6 %	100,974	230.0 %
6/30/2008	646,277	844,195	197,918	76.6 %	102,466	193.2 %
6/30/2007	594,985	806,028	211,043	73.8 %	100,785	209.4 %
6/30/2006	538,646	729,927	191,281	73.8 %	93,742	204.1 %
JUDICIAL						
6/30/2011	\$371,051	\$569,494	\$198,443	65.2 %	\$58,919	336.8 %
6/30/2010	372,096	559,920	187,824	66.5 %	61,021	307.8 %
6/30/2009	378,212	521,463	143,251	72.5 %	62,709	228.4 %
6/30/2008	373,850	494,768	120,918	75.6 %	60,486	199.9 %
6/30/2007	340,200	442,498	102,298	76.9 %	57,687	177.3 %
6/30/2006	302,734	424,398	121,664	71.3 %	54,289	224.1 %
VIRGINIA LAW OFFICERS						
6/30/2011	\$926,082	\$1,683,191	\$757,109	55.0 %	\$356,240	212.5 %
6/30/2010	925,443	1,579,321	653,878	58.6 %	346,040	189.0 %
6/30/2009	912,922	1,411,844	498,922	64.7 %	359,070	138.9 %
6/30/2008	873,473	1,281,477	408,004	68.2 %	368,255	110.8 %
6/30/2007	766,243	1,165,979	399,736	65.7 %	341,035	117.2 %
6/30/2006	656,668	1,096,368	439,700	59.9 %	320,869	137.0 %
POLITICAL SUBDIVISIONS						
6/30/2011	\$ 12,986,598	\$ 17,005,070	\$4,018,472	76.4 %	\$ 4,100,470	98.0 %



Section VI – Accounting Information

3. The information presented in the required supplementary schedules was determined as part of the actuarial valuation at June 30, 2011.

	State Employees	Teachers	State Police	Judicial	Virginia Law Officers	Political Subdivisions
Valuation Date	6/30/2011	6/30/2011	6/30/2011	6/30/2011	6/30/2011	6/30/2011
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method*	Level percent, open	Level percent, open	Level percent, open	Level percent, open	Level percent, open	Level percent, open
Payroll Growth Rate	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Remaining amortization period	10 and 30 years*	10 and 30 years*	10 and 30 years*	10 and 30 years*	10 and 30 years*	30 years*
Asset valuation method	5 year Smoothed Market	5 year Smoothed Market	5 year Smoothed Market	5 year Smoothed Market	5 year Smoothed Market	5 year Smoothed Market
Actuarial assumptions:						
Investment rate of return**	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Projected salary increases**	3.75 – 5.60%	3.75 – 6.20%	3.50 – 4.75%	4.50%	3.50 – 4.75%	3.75 – 5.60% General Employees 3.5% - 4.75% Public Safety
Post-Retirement Benefit Increases:	compounded annually	compounded annually	compounded annually	compounded annually	compounded annually	compounded annually
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%

* For non political subdivisions:

The amortization period of the unfunded less the deferred contribution begins at 30 years on June 30, 2011 and will decrease by one each year until reaching the minimum period of 20 years. The deferred contribution, as defined under HB30, is to be amortized using a level-dollar, closed, 10 year period.

For political subdivisions:

The amortization period of the unfunded begins at 30 years on June 30, 2011 and will decrease by one each year until reaching the minimum period of 20 years

** Includes inflation at 2.50%.



Section VI – Accounting Information

SCHEDULE OF ADOPTED EMPLOYER CONTRIBUTIONS

Fiscal Year Ending	Annual Required Contribution (ARC)*	Percent of ARC Contributed
State Employees		
2011	2.13 %	100 %
2010	6.26 %	100 %
2009	6.23 %	100 %
2008	5.74 %	100 %
2007	5.74 %	100 %
Teachers		
2011	3.93 %	100 %
2010	8.81 %	100 %
2009	8.81 %	100 %
2008	9.20 %	100 %
2007	9.20 %	100 %
State Police		
2011	7.76 %	100 %
2010	20.05 %	100 %
2009	20.05 %	100 %
2008	16.71 %	100 %
2007	16.71 %	100 %
Judicial		
2011	28.81 %	100 %
2010	34.51 %	100 %
2009	34.51 %	100 %
2008	36.47 %	100 %
2007	36.47 %	100 %
Virginia Law Officers		
2011	5.12 %	100 %
2010	14.23 %	100 %
2009	14.23 %	100 %
2008	14.96 %	100 %
2007	14.96 %	100 %

* Reported in the Comprehensive Annual Financial Report as a percentage of Covered Payroll, including revisions adopted by the General Assembly of the actuarially determined rates.



Section VII – Derivation of Experience Gains and Losses

**CHANGES IN UNFUNDED ACTUARIAL ACCRUED LIABILITIES (UAAL)
DURING FISCAL YEAR 2011
(\$ IN THOUSANDS)**

	State Employees	Teachers	State Police	Judicial	Virginia Law Officers	Local Agencies	Total
A. Calculation of Expected Unfunded Actuarial Accrued Liability							
1. UAAL as of June 30,2010	\$ 4,838,599	\$ 11,640,899	\$ 315,477	\$ 187,824	\$ 653,878	\$ 3,592,328	\$ 21,229,005
2. Normal Cost for previous year	303,627	779,624	15,272	23,523	41,720	499,376	1,663,142
3. Actual contributions during the year	(252,107)	(622,907)	(12,343)	(20,338)	(34,423)	(605,768)	(1,547,886)
4. Interest at previous year's rate of 0.07							
a. on UAAL	338,702	814,863	22,083	13,148	45,771	251,463	1,486,030
b. on normal cost	21,254	54,574	1,069	1,647	2,920	34,956	116,420
c. on contributions	(8,824)	(21,802)	(432)	(712)	(1,205)	(21,202)	(54,177)
d. total: (a)+(b)+(c)	\$ 351,132	\$ 847,635	\$ 22,720	\$ 14,083	\$ 47,486	\$ 265,217	\$ 1,548,273
5. Expected UAAL as of June 30, 2011 A1+A2+A3+A4	5,241,251	12,645,251	341,126	205,092	708,661	3,751,153	22,892,534
6. Actual UAAL as of June 30, 2011	6,001,683	12,605,608	369,101	198,443	757,109	4,018,440	23,950,384
7. Total Gain/(Loss): A5-A6	\$ (760,432)	\$ 39,643	\$ (27,975)	\$ 6,649	\$ (48,448)	\$ (267,287)	\$ (1,057,850)
B. Calculation of Asset Gain/(Loss)							
1. Actuarial Value of Assets (AVA) as of June 30,2010	\$ 14,700,854	\$ 25,447,677	\$ 633,415	\$ 372,096	\$ 925,443	\$ 12,580,044	\$ 54,659,529
2. Contributions during the year	\$ 252,107	\$ 622,907	\$ 12,343	\$ 20,338	\$ 34,423	\$ 605,768	\$ 1,547,886
3. Benefit payments during the year	(958,210)	(1,635,790)	(46,538)	(32,120)	(63,800)	(627,981)	(3,364,439)
4. Interest at previous year's rate of 0.07							
a. on AVA at beginning of year	\$ 1,029,060	\$ 1,781,337	\$ 44,339	\$ 26,047	\$ 64,781	\$ 880,603	\$ 3,826,167
b. on contributions	8,824	21,802	432	712	1,205	21,202	54,177
c. on benefit payments	(33,537)	(57,253)	(1,629)	(1,124)	(2,233)	(21,979)	(117,755)
d. total: (a)+(b)+(c)	\$ 1,004,347	\$ 1,745,886	\$ 43,142	\$ 25,635	\$ 63,753	\$ 879,826	\$ 3,762,589
5. Expected AVA as of June 30, 2011 B1+B2+B3+B4	14,999,098	26,180,680	642,362	385,949	959,819	13,437,657	56,605,565
6. Actual AVA as of June 30, 2011	14,406,275	25,166,124	616,603	371,051	926,082	12,986,598	54,472,733
7. Gain/(Loss) on assets: B6-B5	\$ (592,823)	\$ (1,014,556)	\$ (25,759)	\$ (14,898)	\$ (33,737)	\$ (451,059)	\$ (2,132,832)
C. Calculation of Liability Gain/(Loss)							
1. Gain/(Loss) due to changes in actuarial assumptions	0	0	0	0	0	0	\$ -
2. Gain/(Loss) due to plan amendments	0	0	0	0	0	0	0
3. Gain/(Loss) due to change in methods	0	0	0	0	0	0	0
4. Liability Experience Gain/(Loss): A7-B7-C1-C2	\$ (167,609)	\$ 1,054,199	\$ (2,216)	\$ 21,547	\$ (14,711)	\$ 183,772	\$ 1,074,982

* Required Employer Contributions are based on the Annual Required Contribution (ARC) as of the previous valuation date. The ARC is based on amortizing the UAAL over 20 years. Local Agencies does not include Political Subdivisions with no active members in VRS.



Section VII – Derivation of Experience Gains and Losses

**GAINS & LOSSES
DURING FISCAL YEAR 2011
(\$ IN MILLIONS)**

Type of Activity	State Employees	Teachers	State Police	Judges	Virginia Law Officers	Political Subdivisions
Age & Service Retirements. If members retire at older ages, there is a gain. If younger ages, a loss.	\$17.6	\$168.0	\$6.3	\$9.1	(\$4.5)	(\$9.8)
Disability Before Retirement. If disability claims are less than assumed, there is a gain. If more claims, a loss.	(\$18.2)	\$17.2	(\$0.9)	\$1.6	(\$6.1)	(\$3.1)
Death-in Service Benefits. If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	\$2.0	(\$9.2)	\$0.3	\$0.2	\$1.2	\$4.3
Withdrawal from Employment. If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	(\$52.4)	(\$126.2)	(\$0.9)	\$1.3	(\$3.5)	(\$48.7)
Pay Increases. If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	(\$198.3)	\$773.6	(\$7.7)	\$7.7	(\$12.8)	\$230.9
New Members. Additional unfunded accrued liability will produce a loss.	(\$8.5)	(\$28.7)	\$0.0	\$0.0	(\$0.6)	(\$9.2)
Death after Retirement. If retirees live longer than assumed, there is a loss. If not as long, a gain.	(\$3.0)	(\$22.9)	(\$3.7)	(\$0.5)	\$2.3	\$27.8
Data and Other Adjustments.	(\$11.8)	\$88.4	\$0.1	(\$0.3)	\$3.2	(\$5.6)
Benefit Payments. If benefit payments are greater than expected, there is a loss. If the benefits payments are less, a gain.	(\$21.8)	(\$62.4)	(\$2.2)	(\$1.3)	(\$1.5)	(\$71.1)
Cost of Living Allowance (COLA). If COLA is greater than expected, there is a loss. If COLA is less, a gain.	\$126.8	\$256.3	\$6.6	\$3.6	\$7.6	\$68.4
Investment Income. If there is a greater investment income than assumed, there is a gain. If less income, a loss.	(\$592.8)	(\$1,014.6)	(\$25.8)	(\$14.9)	(\$33.7)	(\$451.1)
Gain or (Loss) During Year	(\$760.4)	\$39.5	(\$27.9)	\$6.5	(\$48.4)	(\$267.2)
Non-Recurring Items. Adjustments for plan amendments, assumption changes, etc.	0.0	0.0	0.0	0.0	0.0	0.0
Expected Contributions vs. Actual Contributions. If the difference in the actual contribution to the plan is more or less than what was expected based on the previous valuation then there will be a gain or loss associated with this difference.	(426.9)	(1,062.7)	(27.2)	(18.2)	(58.1)	(151.0)
Total Gain or (Loss) During Year	(\$1,187.3)	(\$1,023.2)	(\$55.1)	(\$11.7)	(\$106.5)	(\$418.2)



Schedule A – Balance Sheet

STATE EMPLOYEES
As Of June 30, 2011

PRESENT AND PROSPECTIVE ASSETS		
Actuarial Value of Assets		\$ 14,406,275,000
Present value of future members' contributions		1,375,653,210
Present value of future employer contributions		
Normal contributions	\$ 786,398,410	
Unfunded accrued liability contributions	<u>6,001,682,639</u>	
Total prospective employer contributions		<u>6,788,081,049</u>
Total Present and Prospective Assets		<u><u>\$ 22,570,009,259</u></u>
ACTUARIAL LIABILITIES		
Present value of benefits payable on account of retired members and survivors of deceased members now drawing retirement benefits		\$ 9,977,569,049
Present value of prospective benefits payable on account of inactive members		866,594,678
Present value of prospective benefits payable on account of present active members:		
Service retirement benefits	\$10,587,061,817	
Disability retirement benefits	459,122,585	
Survivor benefits	422,361,453	
Separation benefits	<u>257,299,677</u>	
Total		<u>11,725,845,532</u>
Total Actuarial Liabilities		<u><u>\$ 22,570,009,259</u></u>



Schedule A – Balance Sheet

TEACHERS
As Of June 30, 2011

PRESENT AND PROSPECTIVE ASSETS	
Actuarial Value of Assets	\$ 25,166,124,000
Present value of future members' contributions	3,085,249,191
Present value of future employer contributions	
Normal contributions	\$ 3,158,650,808
Unfunded accrued liability contributions	<u>12,605,608,403</u>
Total prospective employer contributions	<u>15,764,259,211</u>
Total Present and Prospective Assets	<u><u>\$ 44,015,632,402</u></u>
ACTUARIAL LIABILITIES	
Present value of benefits payable on account of retired members and survivors of deceased members now drawing retirement benefits	\$ 18,261,203,780
Present value of prospective benefits payable on account of inactive members	805,067,929
Present value of prospective benefits payable on account of present active members:	
Service retirement benefits	\$ 22,876,350,917
Disability retirement benefits	812,603,459
Survivor benefits	563,302,533
Separation benefits	<u>697,103,784</u>
Total	<u>24,949,360,693</u>
Total Actuarial Liabilities	<u><u>\$ 44,015,632,402</u></u>



Schedule A – Balance Sheet

STATE POLICE
As Of June 30, 2011

PRESENT AND PROSPECTIVE ASSETS		
Actuarial Value of Assets	\$	616,603,000
Present value of future members' contributions		43,202,068
Present value of future employer contributions		
Normal contributions	\$	91,466,708
Unfunded accrued liability contributions		<u>369,100,722</u>
Total prospective employer contributions		<u>460,567,430</u>
Total Present and Prospective Assets	\$	<u><u>1,120,372,498</u></u>
ACTUARIAL LIABILITIES		
Present value of benefits payable on account of retired members and survivors of deceased members now drawing retirement benefits	\$	524,833,318
Present value of prospective benefits payable on account of inactive members		15,263,720
Present value of prospective benefits payable on account of present active members:		
Service retirement benefits	\$	517,929,679
Disability retirement benefits		24,454,267
Survivor benefits		14,686,086
Separation benefits		<u>23,205,429</u>
Total		<u>580,275,461</u>
Total Actuarial Liabilities	\$	<u><u>1,120,372,499</u></u>



Schedule A – Balance Sheet

JUDICIAL
As Of June 30, 2011

PRESENT AND PROSPECTIVE ASSETS		
Actuarial Value of Assets	\$	371,051,000
Present value of future members' contributions		18,100,203
Present value of future employer contributions		
Normal contributions	\$ 114,333,472	
Unfunded accrued liability contributions	<u>198,443,366</u>	
Total prospective employer contributions		<u>312,776,838</u>
Total Present and Prospective Assets	\$	<u><u>701,928,041</u></u>
ACTUARIAL LIABILITIES		
Present value of benefits payable on account of retired members and survivors of deceased members now drawing retirement benefits	\$	308,341,453
Present value of prospective benefits payable on account of inactive members		4,081,323
Present value of prospective benefits payable on account of present active members:		
Service retirement benefits	\$ 360,319,395	
Disability retirement benefits	13,966,721	
Survivor benefits	15,219,149	
Separation benefits	<u>-</u>	
Total		<u>389,505,265</u>
Total Actuarial Liabilities	\$	<u><u>701,928,041</u></u>



Schedule A – Balance Sheet

VIRGINIA LAW OFFICERS
As Of June 30, 2011

PRESENT AND PROSPECTIVE ASSETS		
Actuarial Value of Assets		\$ 926,082,000
Present value of future members' contributions		121,282,122
Present value of future employer contributions		
Normal contributions	\$ 138,196,844	
Unfunded accrued liability contributions	<u>757,108,967</u>	
Total prospective employer contributions		<u>895,305,811</u>
Total Present and Prospective Assets		<u><u>\$ 1,942,669,933</u></u>
ACTUARIAL LIABILITIES		
Present value of benefits payable on account of retired members and survivors of deceased members now drawing retirement benefits		\$ 681,105,350
Present value of prospective benefits payable on account of inactive members		82,525,736
Present value of prospective benefits payable on account of present active members:		
Service retirement benefits	\$ 983,606,877	
Disability retirement benefits	31,435,012	
Survivor benefits	32,349,208	
Separation benefits	<u>131,647,750</u>	
Total		<u>1,179,038,847</u>
Total Actuarial Liabilities		<u><u>\$ 1,942,669,933</u></u>



Schedule A – Balance Sheet

POLITICAL SUBDIVISIONS
As Of June 30, 2011

PRESENT AND PROSPECTIVE ASSETS		
Actuarial Value of Assets		\$ 12,986,597,804
Present value of future members' contributions		1,639,636,894
Present value of future employer contributions		
Normal contributions	\$ 2,076,574,046	
Unfunded accrued liability contributions	<u>4,018,472,250</u>	
Total prospective employer contributions		<u>6,095,046,296</u>
Total Present and Prospective Assets		<u><u>\$ 20,721,280,994</u></u>
ACTUARIAL LIABILITIES		
Present value of benefits payable on account of retired members and survivors of deceased members now drawing retirement benefits		\$ 6,674,407,995
Present value of prospective benefits payable on account of inactive members		954,677,014
Present value of prospective benefits payable on account of present active members:		
Service retirement benefits	\$11,023,744,589	
Disability retirement benefits	1,083,660,131	
Survivor benefits	430,443,373	
Separation benefits	<u>554,347,892</u>	
Total		<u>13,092,195,985</u>
Total Actuarial Liabilities		<u><u>\$ 20,721,280,994</u></u>



Schedule A – Solvency Test

SOLVENCY TEST

Virginia Retirement System (State Employees, Teachers, and Political Subdivisions)
(\$ in thousands)

Valuation Date	Aggregate Accrued Liabilities For				Actuarial Value of Assets	Portion of Accrued Liabilities Covered by Actuarial Value of Assets		
	(1) Active Member Contributions	(2) Retirees, Survivors and Inactive Members	(3) Active Members (Employer Financed Portion)	Total		(1)	(2)	(3)
6/30/2011	\$9,116,662	\$37,539,539	\$28,528,577	\$75,184,778	\$52,558,997	100.00%	100.00%	20.69%
6/30/2010	9,246,421	35,117,915	28,436,065	72,800,401	52,728,575	100.00	100.00	29.41
6/30/2009	8,876,564	31,589,747	25,856,699	66,323,010	53,185,033	100.00	100.00	49.19
6/30/2008	8,389,773	29,225,652	24,939,054	62,554,479	52,548,375	100.00	100.00	59.88
6/30/2007	8,154,046	26,339,386	23,623,041	58,116,473	47,815,450	100.00	100.00	56.39

State Employees Retirement System
(\$ in thousands)

Valuation Date	Aggregate Accrued Liabilities For				Actuarial Value of Assets	Portion of Accrued Liabilities Covered by Actuarial Value of Assets		
	(1) Active Member Contributions	(2) Retirees, Survivors and Inactive Members	(3) Active Members (Employer Financed Portion)	Total		(1)	(2)	(3)
6/30/2011	\$2,475,123	\$10,844,164	\$7,088,671	\$20,407,958	\$14,406,275	100.00%	100.00%	15.33%
6/30/2010	2,511,650	10,279,653	6,748,150	19,539,453	14,700,854	100.00	100.00	28.30
6/30/2009	2,501,163	9,024,592	6,400,124	17,925,879	15,049,901	100.00	100.00	55.06
6/30/2008	2,398,033	8,411,441	6,287,468	17,096,942	15,046,348	100.00	100.00	67.39
6/30/2007	2,361,187	7,707,539	6,211,055	16,279,781	13,857,242	100.00	100.00	61.00



Schedule A – Solvency Test

Teachers Retirement System
(\$ in thousands)

Valuation Date	Aggregate Accrued Liabilities For				Actuarial Value of Assets	Portion of Accrued Liabilities Covered by Actuarial Value of Assets		
	(1) Active Member Contributions	(2) Retirees, Survivors and Inactive Members	(3) Active Members (Employer Financed Portion)	Total		(1)	(2)	(3)
6/30/2011	\$4,394,657	\$19,066,272	\$14,310,803	\$37,771,732	\$25,166,124	100.00%	100.00%	11.92%
6/30/2010	4,376,385	17,935,907	14,776,284	37,088,576	25,447,677	100.00	100.00	21.22
6/30/2009	4,155,034	16,383,311	13,322,169	33,860,514	25,764,665	100.00	100.00	39.23
6/30/2008	3,922,647	15,181,246	12,854,428	31,958,321	25,502,482	100.00	100.00	49.78
6/30/2007	3,826,300	13,670,111	12,173,427	29,669,838	23,204,871	100.00	100.00	46.89

Political Subdivisions Retirement System
(\$ in thousands)

Valuation Date	Aggregate Accrued Liabilities For				Actuarial Value of Assets	Portion of Accrued Liabilities Covered by Actuarial Value of Assets		
	(1) Active Member Contributions	(2) Retirees, Survivors and Inactive Members	(3) Active Members (Employer Financed Portion)	Total		(1)	(2)	(3)
6/30/2011	\$2,246,882	\$7,629,103	\$7,129,103	\$17,005,088	\$12,986,598	100.00%	100.00%	43.63%
6/30/2010	2,358,386	6,902,355	6,911,631	16,172,372	12,580,044	100.00	100.00	48.02
6/30/2009	2,220,367	6,181,844	6,134,406	14,536,617	12,370,467	100.00	100.00	64.69
6/30/2008	2,069,093	5,632,966	5,797,158	13,499,217	11,999,545	100.00	100.00	74.13
6/30/2007	1,966,559	4,961,736	5,238,559	12,166,854	10,753,337	100.00	100.00	73.02



Schedule A – Solvency Test

State Police Retirement System
(\$ in thousands)

Valuation Date	Aggregate Accrued Liabilities For				Actuarial Value of Assets	Portion of Accrued Liabilities Covered by Actuarial Value of Assets		
	(1) Active Member Contributions	(2) Retirees, Survivors and Inactive Members	(3) Active Members (Employer Financed Portion)	Total		(1)	(2)	(3)
6/30/2011	\$74,943	\$540,097	\$370,664	\$985,704	\$616,603	100.00%	100.00%	0.42%
6/30/2010	77,759	510,491	360,642	948,892	633,415	100.00	100.00	12.52
6/30/2009	74,662	474,622	329,896	879,180	646,960	100.00	100.00	29.61
6/30/2008	71,160	444,025	329,010	844,195	646,277	100.00	100.00	39.84
6/30/2007	70,796	408,085	327,147	806,028	594,985	100.00	100.00	35.49

Judicial Retirement System
(\$ in thousands)

Valuation Date	Aggregate Accrued Liabilities For				Actuarial Value of Assets	Portion of Accrued Liabilities Covered by Actuarial Value of Assets		
	(1) Active Member Contributions	(2) Retirees, Survivors and Inactive Members	(3) Active Members (Employer Financed Portion)	Total		(1)	(2)	(3)
6/30/2011	\$37,981	\$312,423	\$219,091	\$569,494	\$371,051	100.00%	100.00%	9.42%
6/30/2010	43,217	310,305	206,398	559,920	372,096	100.00	100.00	9.00
6/30/2009	41,793	287,543	192,127	521,463	378,212	100.00	100.00	25.44
6/30/2008	38,785	271,276	184,707	494,768	373,850	100.00	100.00	34.54
6/30/2007	38,675	242,825	160,998	442,498	340,200	100.00	100.00	36.46



Schedule A – Solvency Test

Virginia Law Officers Retirement System
(\$ in thousands)

Valuation Date	Aggregate Accrued Liabilities For				Actuarial Value of Assets	Portion of Accrued Liabilities Covered by Actuarial Value of Assets		
	(1) Active Member Contributions	(2) Retirees, Survivors and Inactive Members	(3) Active Members (Employer Financed Portion)	Total		(1)	(2)	(3)
6/30/2011	\$174,963	\$763,631	\$744,597	\$1,683,191	\$926,082	100.00%	98.40%	0.00%
6/30/2010	186,792	682,378	710,151	1,579,321	925,443	100.00	100.00	7.92
6/30/2009	181,760	581,887	648,197	1,411,844	912,922	100.00	100.00	23.03
6/30/2008	173,039	510,878	597,560	1,281,477	873,473	100.00	100.00	31.72
6/30/2007	169,393	458,383	538,203	1,165,979	766,243	100.00	100.00	25.73

All Retirement Systems Combined
(\$ in thousands)

Valuation Date	Aggregate Accrued Liabilities For				Actuarial Value of Assets	Portion of Accrued Liabilities Covered by Actuarial Value of Assets		
	(1) Active Member Contributions	(2) Retirees, Survivors and Inactive Members	(3) Active Members (Employer Financed Portion)	Total		(1)	(2)	(3)
6/30/2011	\$9,404,549	\$39,155,690	\$29,862,929	\$78,423,167	\$54,472,733	100.00%	100.00%	19.80%
6/30/2010	9,554,189	36,621,088	29,713,256	75,888,534	54,659,529	100.00	100.00	28.55
6/30/2009	9,174,779	32,933,799	27,026,919	69,135,497	55,123,127	100.00	100.00	48.15
6/30/2008	8,672,757	30,451,831	26,050,331	65,174,919	54,441,975	100.00	100.00	58.80
6/30/2007	8,432,910	27,448,679	24,649,389	60,530,978	49,516,878	100.00	100.00	55.32



Schedule B – Development of Actuarial Value of Assets

STATE EMPLOYEES
FOR THE YEAR ENDING June 30, 2011
(\$ IN THOUSANDS)

(1)	Actuarial Value Beginning of Year	\$	14,700,854
(2)	Market Value End of Year	\$	13,992,901
(3)	Market Value Beginning of Year	\$	12,384,638
(4)	Cash Flow		
	a. Contributions	\$	252,107
	b. Benefit Payments		(958,210)
	c. Administrative Expenses		(11,522)
	d. Net Transfers		(131)
	e. Net Cash Flow: [(4)a + (4)b + (4)c + (4)d]	\$	(717,756)
(5)	Investment Income		
	a. Market total: (2) – (3) – (4)e	\$	2,326,019
	b. Assumed Rate		7.00%
	c. Amount of Immediate Recognition [(3) x (5)b] + [(4)e - (4)c] x (5)b x 0.5] - (4)c	\$	853,729
	d. Amount for Phased-in Recognition: (5)a – (5)c	\$	1,472,290
(6)	Phased-In Recognition of Investment Income		
	a. Current Year: 0.20 x (5)d	\$	294,458
	b. First Prior Year		174,123
	c. Second Prior Year		(860,345)
	d. Third Prior Year		(392,887)
	e. Fourth Prior Year		354,099
	f. Total Recognized Investment Gain	\$	(430,552)
(7)	Actuarial Value End of Year: [(1) + (4) + (5)c + (6)f]	\$	14,406,275



Schedule B – Development of Actuarial Value of Assets

TEACHERS
FOR THE YEAR ENDING June 30, 2011
(\$ IN THOUSANDS)

(1)	Actuarial Value Beginning of Year	\$	25,447,677
(2)	Market Value End of Year	\$	24,520,362
(3)	Market Value Beginning of Year	\$	21,517,178
(4)	Cash Flow		
	a. Contributions	\$	622,907
	b. Benefit Payments		(1,635,790)
	c. Administrative Expenses		(19,638)
	d. Net Transfers		1
	e. Net Cash Flow: [(4)a + (4)b + (4)c + (4)d]	\$	(1,032,520)
(5)	Investment Income		
	a. Market total: (2) – (3) – (4)e	\$	4,035,704
	b. Assumed Rate		7.00%
	c. Amount of Immediate Recognition [(3) x (5)b] + [(4)e - (4)c] x (5)b x 0.5] - (4)c	\$	1,490,389
	d. Amount for Phased-in Recognition: (5)a – (5)c	\$	2,545,315
(6)	Phased-In Recognition of Investment Income		
	a. Current Year: 0.20 x (5)d	\$	509,063
	b. First Prior Year		293,625
	c. Second Prior Year		(1,451,149)
	d. Third Prior Year		(660,590)
	e. Fourth Prior Year		569,629
	f. Total Recognized Investment Gain	\$	(739,422)
(7)	Actuarial Value End of Year: [(1) + (4) + (5)c + (6)f]	\$	25,166,124



Schedule B – Development of Actuarial Value of Assets

STATE POLICE
FOR THE YEAR ENDING June 30, 2011
(\$ IN THOUSANDS)

(1)	Actuarial Value Beginning of Year	\$	633,415
(2)	Market Value End of Year	\$	598,686
(3)	Market Value Beginning of Year	\$	533,962
(4)	Cash Flow		
	a. Contributions	\$	12,343
	b. Benefit Payments		(46,538)
	c. Administrative Expenses		(413)
	d. Net Transfers		-
	e. Net Cash Flow: [(4)a + (4)b + (4)c + (4)d]	\$	(34,608)
(5)	Investment Income		
	a. Market total: (2) – (3) – (4)e	\$	99,332
	b. Assumed Rate		7.00%
	c. Amount of Immediate Recognition [(3) x (5)b] + [(4)e - (4)c] x (5)b x 0.5] - (4)c	\$	36,593
	d. Amount for Phased-in Recognition: (5)a – (5)c	\$	62,739
(6)	Phased-In Recognition of Investment Income		
	a. Current Year: 0.20 x (5)d	\$	12,548
	b. First Prior Year		7,368
	c. Second Prior Year		(36,662)
	d. Third Prior Year		(16,888)
	e. Fourth Prior Year		14,837
	f. Total Recognized Investment Gain	\$	(18,797)
(7)	Actuarial Value End of Year: [(1) + (4) + (5)c + (6)f]	\$	616,603



Schedule B – Development of Actuarial Value of Assets

JUDICIAL
FOR THE YEAR ENDING June 30, 2011
(\$ IN THOUSANDS)

(1)	Actuarial Value Beginning of Year	\$	372,096
(2)	Market Value End of Year	\$	361,401
(3)	Market Value Beginning of Year	\$	314,794
(4)	Cash Flow		
	a. Contributions	\$	20,338
	b. Benefit Payments		(32,120)
	c. Administrative Expenses		(271)
	d. Net Transfers		-
	e. Net Cash Flow: [(4)a + (4)b + (4)c + (4)d]	\$	(12,053)
(5)	Investment Income		
	a. Market total: (2) – (3) – (4)e	\$	58,660
	b. Assumed Rate		7.00%
	c. Amount of Immediate Recognition [(3) x (5)b] + [(4)e - (4)c] x (5)b x 0.5] - (4)c	\$	21,895
	d. Amount for Phased-in Recognition: (5)a – (5)c	\$	36,765
(6)	Phased-In Recognition of Investment Income		
	a. Current Year: 0.20 x (5)d	\$	7,353
	b. First Prior Year		4,277
	c. Second Prior Year		(21,088)
	d. Third Prior Year		(9,717)
	e. Fourth Prior Year		8,288
	f. Total Recognized Investment Gain	\$	(10,887)
(7)	Actuarial Value End of Year: [(1) + (4) + (5)c + (6)f]	\$	371,051



Schedule B – Development of Actuarial Value of Assets

VIRGINIA LAW OFFICERS
FOR THE YEAR ENDING June 30, 2011
(\$ IN THOUSANDS)

(1)	Actuarial Value Beginning of Year	\$	925,443
(2)	Market Value End of Year	\$	910,666
(3)	Market Value Beginning of Year	\$	792,429
(4)	Cash Flow		
	a. Contributions	\$	34,423
	b. Benefit Payments		(63,800)
	c. Administrative Expenses		(681)
	d. Net Transfers		130
	e. Net Cash Flow: [(4)a + (4)b + (4)c + (4)d]	\$	(29,928)
(5)	Investment Income		
	a. Market total: (2) – (3) – (4)e	\$	148,165
	b. Assumed Rate		7.00%
	c. Amount of Immediate Recognition [(3) x (5)b] + [(4)e - (4)c] x (5)b x 0.5] - (4)c	\$	55,127
	d. Amount for Phased-in Recognition: (5)a – (5)c	\$	93,038
(6)	Phased-In Recognition of Investment Income		
	a. Current Year: 0.20 x (5)d	\$	18,608
	b. First Prior Year		10,260
	c. Second Prior Year		(49,227)
	d. Third Prior Year		(22,173)
	e. Fourth Prior Year		17,972
	f. Total Recognized Investment Gain	\$	(24,560)
(7)	Actuarial Value End of Year: [(1) + (4) + (5)c + (6)f]	\$	926,082



Schedule B – Development of Actuarial Value of Assets

POLITICAL SUBDIVISIONS
FOR THE YEAR ENDING June 30, 2011
(\$ IN THOUSANDS)

(1) Actuarial Value Beginning of Year	\$	12,580,044
(2) Market Value End of Year	\$	12,767,072
(3) Market Value Beginning of Year	\$	10,744,000
(4) Cash Flow		
a. Contributions	\$	605,908
b. Benefit Payments		(627,981)
c. Administrative Expenses		(9,421)
d. Net Transfers		-
e. Net Cash Flow: [(4)a + (4)b + (4)c + (4)d]	\$	(31,494)
(5) Investment Income		
a. Market total: (2) – (3) – (4)e	\$	2,054,566
b. Assumed Rate		7.00%
c. Amount of Immediate Recognition [(3) x (5)b] + [(4)e - (4)c] x (5)b x 0.5] - (4)c	\$	760,728
d. Amount for Phased-in Recognition: (5)a – (5)c	\$	1,293,838
(6) Phased-In Recognition of Investment Income		
a. Current Year: 0.20 x (5)d	\$	258,768
b. First Prior Year		140,754
c. Second Prior Year		(684,826)
d. Third Prior Year		(307,323)
e. Fourth Prior Year		269,947
f. Total Recognized Investment Gain	\$	(322,680)
(7) Actuarial Value End of Year: [(1) + (4) + (5)c + (6)f]	\$	12,986,598



Schedule C – Summary of Changes in Net Assets

**STATE EMPLOYEES
FOR THE YEAR ENDING June 30, 2011
(\$ IN THOUSANDS)**

Additions for the Year

Contributions:	
Members	\$ 10,916
Members (paid by employer)	168,306
Employers	<u>72,885</u>
Total	\$ 252,107
Miscellaneous Revenue	-
Net Investment Income	<u>2,326,019</u>
TOTAL	\$ <u>2,578,126</u>

Deductions for the Year

Benefit Payments	\$ 931,893
Refunds	26,317
Transfers	131
Administrative Expenses	<u>11,522</u>
TOTAL	\$ <u>969,863</u>

Excess of Additions Over Deductions \$ 1,608,263

Reconciliation of Asset Balances

Market Value of Assets as of 6/30/2010	\$ 12,384,638
Excess of Additions over Deductions	<u>1,608,263</u>
Market Value of Assets as of 6/30/2011*	<u>\$ 13,992,901</u>

*The Market Value of Assets shown above is used in the determination of the Actuarial Value of Assets (Schedule B).



Schedule C – Summary of Changes in Net Assets

TEACHERS
FOR THE YEAR ENDING June 30, 2011
(\$ IN THOUSANDS)

Additions for the Year

Contributions:	
Members	\$ 6,581
Members (paid by employer)	344,549
Employers	<u>271,777</u>
Total	\$ 622,907
Miscellaneous Revenue	-
Net Investment Income	<u>4,035,704</u>
TOTAL	\$ 4,658,611

Deductions for the Year

Benefit Payments	\$ 1,599,208
Refunds	36,582
Transfers	(1)
Administrative Expenses	<u>19,638</u>
TOTAL	<u>\$ 1,655,427</u>

Excess of Additions Over Deductions \$ 3,003,184

Reconciliation of Asset Balances

Market Value of Assets as of 6/30/2010	\$ 21,517,178
Excess of Additions over Deductions	<u>3,003,184</u>
Market Value of Assets as of 6/30/2011*	<u>\$ 24,520,362</u>

*The Market Value of Assets shown above is used in the determination of the Actuarial Value of Assets (Schedule B).



Schedule C – Summary of Changes in Net Assets

**STATE POLICE
FOR THE YEAR ENDING June 30, 2011
(\$ IN THOUSANDS)**

Additions for the Year

Contributions:	
Members	\$ 121
Members (paid by employer)	4,742
Employers	<u>7,480</u>
Total	\$ 12,343
Miscellaneous Revenue	-
Net Investment Income	<u>99,332</u>
TOTAL	\$ <u>111,675</u>

Deductions for the Year

Benefit Payments	\$ 46,259
Refunds	279
Transfers	-
Administrative Expenses	<u>413</u>
TOTAL	\$ <u>46,951</u>

Excess of Additions Over Deductions \$ 64,724

Reconciliation of Asset Balances

Market Value of Assets as of 6/30/2010	\$ 533,962
Excess of Additions over Deductions	<u>64,724</u>
Market Value of Assets as of 6/30/2011*	<u>\$ 598,686</u>

*The Market Value of Assets shown above is used in the determination of the Actuarial Value of Assets (Schedule B).



Schedule C – Summary of Changes in Net Assets

**JUDICIAL
FOR THE YEAR ENDING June 30, 2011
(\$ IN THOUSANDS)**

Additions for the Year

Contributions:	
Members	\$ 32
Members (paid by employer)	3,003
Employers	<u>17,303</u>
Total	\$ 20,338
Miscellaneous Revenue	-
Net Investment Income	<u>58,660</u>
TOTAL	\$ 78,998

Deductions for the Year

Benefit Payments	\$ 32,115
Refunds	5
Transfers	-
Administrative Expenses	<u>271</u>
TOTAL	<u>\$ 32,391</u>

Excess of Additions Over Deductions \$ 46,607

Reconciliation of Asset Balances

Market Value of Assets as of 6/30/2010	\$ 314,794
Excess of Additions over Deductions	<u>46,607</u>
Market Value of Assets as of 6/30/2011*	<u>\$ 361,401</u>

*The Market Value of Assets shown above is used in the determination of the Actuarial Value of Assets (Schedule B).



Schedule C – Summary of Changes in Net Assets

**VIRGINIA LAW OFFICERS
FOR THE YEAR ENDING June 30, 2011
(\$ IN THOUSANDS)**

Additions for the Year

Contributions:	
Members	\$ 941
Members (paid by employer)	16,102
Employers	<u>17,380</u>
Total	\$ 34,423
Miscellaneous Revenue	-
Net Investment Income	<u>148,165</u>
TOTAL	\$ <u>182,588</u>

Deductions for the Year

Benefit Payments	\$ 59,749
Refunds	4,051
Transfers	(130)
Administrative Expenses	<u>681</u>
TOTAL	\$ <u>64,351</u>

Excess of Additions Over Deductions \$ 118,237

Reconciliation of Asset Balances

Market Value of Assets as of 6/30/2010	\$ 792,429
Excess of Additions over Deductions	<u>118,237</u>
Market Value of Assets as of 6/30/2011*	<u>\$ 910,666</u>

*The Market Value of Assets shown above is used in the determination of the Actuarial Value of Assets (Schedule B).



Schedule C – Summary of Changes in Net Assets

**POLITICAL SUBDIVISIONS
FOR THE YEAR ENDING June 30, 2011
(\$ IN THOUSANDS)**

Additions for the Year

Contributions:	
Members	\$ 9,032
Members (paid by employer)	199,705
Employers	<u>397,171</u>
Total	\$ 605,908
Miscellaneous Revenue	-
Net Investment Income	<u>2,054,566</u>
TOTAL	\$ <u>2,660,474</u>

Deductions for the Year

Benefit Payments	\$ 594,671
Refunds	33,310
Transfers	-
Administrative Expenses	<u>9,421</u>
TOTAL	\$ <u>637,402</u>

Excess of Additions Over Deductions \$ 2,023,072

Reconciliation of Asset Balances

Market Value of Assets as of 6/30/2010	\$ 10,744,000
Excess of Additions over Deductions	<u>2,023,072</u>
Market Value of Assets as of 6/30/2011*	\$ 12,767,072

*The Market Value of Assets shown above is used in the determination of the Actuarial Value of Assets (Schedule B).



Schedule D – Outline of Actuarial Assumptions and Methods

Assumptions and Methods which apply to all VRS Plans

Investment Return Rate:	7.00% per annum, compounded annually (net of administrative expenses).
Inflation Assumption:	2.50% per year.
Actuarial Cost Method:	Entry age normal cost method. Actuarial gains and losses are reflected in the unfunded actuarial accrued liability. See Section E for a detailed explanation.
Funding Period:	30 years from valuation date. The amortization period of the unfunded less the deferred contribution, will decrease by one each year until reaching the minimum period of 20 years. The deferred contribution, as defined under HB30, is to be amortized using a level-dollar, closed, 10 year period.
Payroll Growth Rate:	3% per annum.
Asset Valuation Method:	The method of valuing assets is intended to recognize a “smoothed” market value of assets. Under this method, the difference between actual return on market value from investment experience and the expected return on market value is recognized over a five-year period. The resulting actuarial value of assets cannot be less than 80% or more than 120% of the market value of assets.
Cost-of-living Increase:	2.5% per year compounded annually. The temporary supplement for SPORS and VaLORS members is assumed to be adjusted biennially based on increases of 2.5% per annum compounded annually.
Percent Electing a Deferred Termination Benefit:	Terminating members are assumed to elect a return of contributions or a deferred annuity, whichever is most valuable benefit at the time of termination. Termination benefits are assumed to commence at normal retirement age.
Marriage Assumption:	100% of active employees are assumed to be married, with spouses the same age as participants.



Schedule D – State Employees’ Actuarial Assumptions and Methods

STATE EMPLOYEES
Plan Specific Assumptions and Methods

MORTALITY RATES:

Pre-Retirement:

1994 Group Annuity Mortality Tables for males and females with a one year setback in age for males and females.

Post-Retirement:

1994 Group Annuity Mortality Tables for males and females with a one year setback in age for males and females.

Post-Disablement:

70% of PBGC Disabled Mortality Table 5a for Males.
90% of PBGC Disabled Mortality Table 6a for Females.

Mortality Rates				
Age	Male		Female	
	Pre- and Post-retirement	Post-disablement	Pre- and Post-retirement	Post-disablement
20	0.0484%	3.3810%	0.0280%	2.3670%
25	0.0624	3.3810	0.0291	2.3670
30	0.0779	2.5340	0.0331	2.1330
35	0.0849	1.9460	0.0449	1.9260
40	0.0999	1.9740	0.0652	1.8810
45	0.1458	2.2540	0.0923	2.0160
50	0.2326	2.6810	0.1310	2.3130
55	0.3979	3.3740	0.2084	2.6550
60	0.7090	4.2210	0.3863	2.9790
65	1.2940	4.7460	0.7621	3.3300
70	2.1729	5.1730	1.2709	3.6990
75	3.4051	5.8940	2.0381	4.4280
80	5.5861	7.8960	3.5362	6.7140
85	8.9613	11.7740	6.0979	10.1520
90	13.9452	17.6750	10.4594	15.1380

14% of pre-retirement deaths are assumed to be service related.



Schedule D – State Employees’ Actuarial Assumptions and Methods

RETIREMENT RATES: The following rates of retirement are assumed for members eligible to retire from Plan 1.

Separations from Active Service due to Retirement				
Percentage of Members Separating within the Next Year				
Age	Male		Female	
	Less than 30 Years of Service	More than 30 Years of Service	Less than 30 Years of Service	More than 30 Years of Service
<=49	0.00%	0.00%	0.00%	0.00%
50	3.00	10.00	3.22	10.00
51	3.00	10.00	3.07	10.00
52	3.00	10.00	3.00	10.00
53	3.00	10.00	3.00	10.00
54	3.00	10.00	3.50	10.00
55	5.00	10.00	5.00	10.00
56	5.00	10.00	5.00	10.00
57	4.50	10.00	4.50	10.00
58	4.00	10.00	5.50	10.00
59	5.00	10.00	5.50	10.00
60	5.00	10.00	5.50	15.00
61	10.00	15.00	10.00	20.00
62	15.00	25.00	15.00	30.00
63	15.00	20.00	15.00	20.00
64	15.00	20.00	15.00	20.00
65	40.00	30.00	40.00	40.00
66	40.00	25.00	40.00	30.00
67	40.00	25.00	40.00	25.00
68	40.00	20.00	40.00	25.00
69	40.00	20.00	40.00	20.00
>=70	100.00	100.00	100.00	100.00



Schedule D – State Employees’ Actuarial Assumptions and Methods

RETIREMENT RATES: The following rates of retirement are assumed for members eligible to retire from Plan 2.

Separations from Active Service due to Retirement				
Percentage of Members Separating within the Next Year				
Age	Male		Female	
	Reduced Retirement	Unreduced Retirement	Reduced Retirement	Unreduced Retirement
<=49	0.00%	0.00%	0.00%	0.00%
50	0.00	10.00	0.00	10.00
51	0.00	10.00	0.00	10.00
52	0.00	10.00	0.00	10.00
53	0.00	10.00	0.00	10.00
54	0.00	10.00	0.00	10.00
55	0.00	10.00	0.00	10.00
56	0.00	10.00	0.00	10.00
57	0.00	10.00	0.00	10.00
58	0.00	10.00	0.00	10.00
59	0.00	10.00	0.00	10.00
60	5.00	10.00	5.50	15.00
61	10.00	15.00	10.00	20.00
62	15.00	25.00	15.00	30.00
63	15.00	20.00	15.00	20.00
64	15.00	20.00	15.00	20.00
65	40.00	30.00	40.00	40.00
66	40.00	25.00	40.00	30.00
67	40.00	25.00	40.00	25.00
68	40.00	20.00	40.00	25.00
69	40.00	20.00	40.00	20.00
>=70	100.00	100.00	100.00	100.00



Schedule D – State Employees’ Actuarial Assumptions and Methods

DISABILITY RATES: As shown below for selected ages. 14% of disability cases are assumed to be service related.

Separations from Active Service due to Disability Percentage of Members Separating within the Next Year		
Age	Male	Female
20	0.1000%	0.0100%
25	0.1000	0.1000
30	0.2000	0.1500
35	0.2000	0.2500
40	0.2000	0.2900
45	0.4000	0.3400
50	0.5000	0.5500
55	0.6000	0.8100
60	0.8000	1.0000
65	0.7000	0.9000



Schedule D – State Employees’ Actuarial Assumptions and Methods

TERMINATION RATES: The following withdrawal rates for members of Plan 1 are used based on age and years of service. (For causes other than death, disability, or retirement)

Separations from Active Service due to Termination Percentage of Male Members Separating within the Next Year											
Age	Years of Service										
	0	1	2	3	4	5	6	7	8	9	>=10
20	26.0%	26.0%	26.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	0.0%
25	22.0	22.0	22.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	0.0
30	20.0	20.0	20.0	11.5	11.5	11.5	11.5	11.5	11.5	11.5	5.0
35	17.0	17.0	17.0	9.5	9.5	9.5	9.5	9.5	9.5	9.5	4.5
40	15.0	15.0	15.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	3.4
45	14.0	14.0	14.0	7.5	7.5	7.5	7.5	7.5	7.5	7.5	2.3
50	12.0	12.0	12.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	2.0
55	10.0	10.0	10.0	5.5	5.5	5.5	5.5	5.5	5.5	5.5	0.0
60	12.0	12.0	12.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	0.0
65	12.0	12.0	12.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	0.0

Separations from Active Service due to Termination Percentage of Female Members Separating within the Next Year											
Age	Years of Service										
	0	1	2	3	4	5	6	7	8	9	>=10
20	30.0%	30.0%	30.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	0.0%
25	25.5	25.5	25.5	16.0	16.0	16.0	16.0	16.0	16.0	16.0	0.0
30	22.5	22.5	22.5	14.0	14.0	14.0	14.0	14.0	14.0	14.0	6.0
35	19.0	19.0	19.0	11.5	11.5	11.5	11.5	11.5	11.5	11.5	5.0
40	16.5	16.5	16.5	9.0	9.0	9.0	9.0	9.0	9.0	9.0	3.6
45	14.0	14.0	14.0	7.5	7.5	7.5	7.5	7.5	7.5	7.5	2.5
50	13.5	13.5	13.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	2.0
55	12.0	12.0	12.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	0.0
60	12.5	12.5	12.5	6.0	6.0	6.0	6.0	6.0	6.0	6.0	0.0
65	13.0	13.0	13.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	0.0



Schedule D – State Employees’ Actuarial Assumptions and Methods

TERMINATION RATES: The following withdrawal rates for members of Plan 2 are used based on age and years of service. (For causes other than death, disability, or retirement)

Separations from Active Service due to Termination Percentage of Male Members Separating within the Next Year											
Age	Years of Service										
	0	1	2	3	4	5	6	7	8	9	>=10
20	26.0%	26.0%	26.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	0.0%
25	22.0	22.0	22.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	0.0
30	20.0	20.0	20.0	11.5	11.5	11.5	11.5	11.5	11.5	11.5	5.0
35	17.0	17.0	17.0	9.5	9.5	9.5	9.5	9.5	9.5	9.5	4.5
40	15.0	15.0	15.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	3.4
45	14.0	14.0	14.0	7.5	7.5	7.5	7.5	7.5	7.5	7.5	2.3
50	12.0	12.0	12.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	2.0
55	10.0	10.0	10.0	5.5	5.5	5.5	5.5	5.5	5.5	5.5	0.4
60	12.0	12.0	12.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	0.0
65	12.0	12.0	12.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	0.0

Separations from Active Service due to Termination Percentage of Female Members Separating within the Next Year											
Age	Years of Service										
	0	1	2	3	4	5	6	7	8	9	>=10
20	30.0%	30.0%	30.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	0.0%
25	25.5	25.5	25.5	16.0	16.0	16.0	16.0	16.0	16.0	16.0	0.0
30	22.5	22.5	22.5	14.0	14.0	14.0	14.0	14.0	14.0	14.0	6.0
35	19.0	19.0	19.0	11.5	11.5	11.5	11.5	11.5	11.5	11.5	5.0
40	16.5	16.5	16.5	9.0	9.0	9.0	9.0	9.0	9.0	9.0	3.6
45	14.0	14.0	14.0	7.5	7.5	7.5	7.5	7.5	7.5	7.5	2.5
50	13.5	13.5	13.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	2.0
55	12.0	12.0	12.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	0.4
60	12.5	12.5	12.5	6.0	6.0	6.0	6.0	6.0	6.0	6.0	0.0
65	13.0	13.0	13.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	0.0



Schedule D – State Employees’ Actuarial Assumptions and Methods

SALARY INCREASE RATES: The following salary increase rates are used. Inflation rate of 2.50% plus productivity component of 1.25% plus step-rate/promotional component as shown:

Pay Increase Assumptions for an Individual Member			
Years of Service	Annual Step Rate/ Promotional Rates	Inflation & Productivity (Economy)	Total Increase (Next Year)
1	1.85%	3.75%	5.60%
2	1.85	3.75	5.60
3	1.25	3.75	5.00
4	0.95	3.75	4.70
5	0.95	3.75	4.70
6	0.95	3.75	4.70
7	0.85	3.75	4.60
8	0.75	3.75	4.50
9	0.50	3.75	4.25
10	0.50	3.75	4.25
11-19	0.15	3.75	3.90
20 or more	0.00	3.75	3.75

DISABILITY ELECTION: All active members hired on or after January 1, 1999 will enter the Virginia Sickness and Disability Program (VSDP) and will not be eligible to receive non-VSDP disability benefits. For members hired before January 1, 1999 we measure the liabilities based upon the member’s actual election contained in the valuation data.



Schedule D – Teachers’ Actuarial Assumptions and Methods

TEACHERS
Plan Specific Assumptions and Methods

MORTALITY RATES:

Pre-Retirement:

1994 Group Annuity Mortality Tables for males and females with a one year setback in age for males and females.

Post-Retirement:

1994 Group Annuity Mortality Tables for males and females with a three year setback in age for males and females.

Post-Disablement:

70% of PBGC Disabled Mortality Table 5a for Males.
90% of PBGC Disabled Mortality Table 6a for Females.

Mortality Rates						
Age	Male			Female		
	Pre-retirement	Post-retirement	Post-disablement	Pre-retirement	Post-retirement	Post-disablement
20	0.0484%	0.0430%	3.3810%	0.0280%	0.0262%	2.3670%
25	0.0624	0.0556	3.3810	0.0291	0.0289	2.3670
30	0.0779	0.0727	2.5340	0.0331	0.0302	2.1330
35	0.0849	0.0839	1.9460	0.0449	0.0397	1.9260
40	0.0999	0.0891	1.9740	0.0652	0.0551	1.8810
45	0.1458	0.1252	2.2540	0.0923	0.0825	2.0160
50	0.2326	0.1899	2.6810	0.1310	0.1112	2.3130
55	0.3979	0.3213	3.3740	0.2084	0.1734	2.6550
60	0.7090	0.5581	4.2210	0.3863	0.2919	2.9790
65	1.2940	1.0147	4.7460	0.7621	0.5832	3.3300
70	2.1729	1.8034	5.1730	1.2709	1.0764	3.6990
75	3.4051	2.8481	5.8940	2.0381	1.6506	4.4280
80	5.5861	4.5171	7.8960	3.5362	2.8366	6.7140
85	8.9613	7.5532	11.7740	6.0979	4.9153	10.1520
90	13.9452	11.5671	17.6750	10.4594	8.4023	15.1380

5% of pre-retirement deaths are assumed to be service related.



Schedule D – Teachers’ Actuarial Assumptions and Methods

RETIREMENT RATES: The following rates of retirement are assumed for members eligible to retire from Plan 1.

Separations from Active Service due to Retirement				
Percentage of Members Separating within the Next Year				
Age	Male		Female	
	Less than 30 Years of Service	More than 30 Years of Service	Less than 30 Years of Service	More than 30 Years of Service
<=49	0.00%	0.00%	0.00%	0.00%
50	2.00	17.50	2.00	15.00
51	2.00	17.50	2.40	15.00
52	2.00	17.50	2.70	15.00
53	2.30	17.50	2.40	15.00
54	4.00	17.50	3.70	15.00
55	5.70	22.50	6.10	22.50
56	4.60	22.50	5.40	22.50
57	4.50	22.50	5.70	22.50
58	6.60	22.50	6.20	22.50
59	7.00	22.50	7.50	22.50
60	7.50	22.50	8.50	22.50
61	11.00	30.00	12.00	30.00
62	17.00	35.00	17.00	40.00
63	14.00	35.00	16.00	35.00
64	18.00	30.00	16.50	25.00
65	40.00	40.00	40.00	40.00
66	40.00	35.00	40.00	35.00
67	40.00	20.00	40.00	30.00
68	40.00	20.00	40.00	25.00
69	40.00	20.00	40.00	20.00
>=70	100.00	100.00	100.00	100.00



Schedule D – Teachers’ Actuarial Assumptions and Methods

RETIREMENT RATES: The following rates of retirement are assumed for members eligible to retire from Plan 2.

Separations from Active Service due to Retirement Percentage of Members Separating within the Next Year				
Age	Male		Female	
	Reduced Retirement	Unreduced Retirement	Reduced Retirement	Unreduced Retirement
<=49	0.00%	0.00%	0.00%	0.00%
50	0.00	17.50	0.00	15.00
51	0.00	17.50	0.00	15.00
52	0.00	17.50	0.00	15.00
53	0.00	17.50	0.00	15.00
54	0.00	17.50	0.00	15.00
55	0.00	22.50	0.00	22.50
56	0.00	22.50	0.00	22.50
57	0.00	22.50	0.00	22.50
58	0.00	22.50	0.00	22.50
59	0.00	22.50	0.00	22.50
60	7.50	22.50	8.50	22.50
61	11.00	30.00	12.00	30.00
62	17.00	35.00	17.00	40.00
63	14.00	35.00	16.00	35.00
64	18.00	30.00	16.50	25.00
65	40.00	40.00	40.00	40.00
66	40.00	35.00	40.00	35.00
67	40.00	20.00	40.00	30.00
68	40.00	20.00	40.00	25.00
69	40.00	20.00	40.00	20.00
>=70	100.00	100.00	100.00	100.00



Schedule D – Teachers’ Actuarial Assumptions and Methods

DISABILITY RATES: As shown below for selected ages. 5% of disability cases are assumed to be service related.

Separations from Active Service due to Disability Percentage of Members Separating within the Next Year		
Age	Male	Female
20	0.0000%	0.0000%
25	0.0120	0.0070
30	0.0150	0.0170
35	0.0270	0.0500
40	0.0320	0.0600
45	0.1530	0.0700
50	0.2040	0.1500
55	0.3000	0.3400
60	0.4740	0.4000
65	0.4250	0.5500



Schedule D – Teachers’ Actuarial Assumptions and Methods

TERMINATION RATES: The following withdrawal rates are used based on age and years of service.
(For causes other than death, disability, or retirement)

Separations from Active Service due to Termination Percentage of Male Members Separating within the Next Year											
Age	Years of Service										
	0	1	2	3	4	5	6	7	8	9	>=10
20	20.0%	20.0%	20.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	0.8%
25	15.0	15.0	15.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	0.8
30	15.0	15.0	15.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	4.0
35	14.0	14.0	14.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	3.2
40	14.0	14.0	14.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	2.5
45	15.0	15.0	15.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	1.9
50	13.5	13.5	13.5	7.0	7.0	7.0	7.0	7.0	7.0	7.0	1.5
55	14.0	14.0	14.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	0.0
60	17.0	17.0	17.0	8.3	8.3	8.3	8.3	8.3	8.3	8.3	0.0
>=65	17.0	17.0	17.0	8.3	8.3	8.3	8.3	8.3	8.3	8.3	0.0

Separations from Active Service due to Termination Percentage of Female Members Separating within the Next Year											
Age	Years of Service										
	0	1	2	3	4	5	6	7	8	9	>=10
20	17.0%	17.0%	17.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	0.0%
25	14.0	14.0	14.0	12.5	12.5	12.5	12.5	12.5	12.5	12.5	15.0
30	17.0	17.0	17.0	11.5	11.5	11.5	11.5	11.5	11.5	11.5	5.0
35	15.0	15.0	15.0	9.7	9.7	9.7	9.7	9.7	9.7	9.7	4.0
40	12.5	12.5	12.5	7.7	7.7	7.7	7.7	7.7	7.7	7.7	2.8
45	11.5	11.5	11.5	6.3	6.3	6.3	6.3	6.3	6.3	6.3	2.0
50	11.8	11.8	11.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	1.7
55	12.5	12.5	12.5	5.7	5.7	5.7	5.7	5.7	5.7	5.7	0.0
60	13.0	13.0	13.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	0.0
>=65	13.0	13.0	13.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	0.0



Schedule D – Teachers’ Actuarial Assumptions and Methods

SALARY INCREASE RATES: The following salary increase rates are used. Inflation rate of 2.50% plus productivity component of 1.25% plus step-rate/promotional component as shown:

Pay Increase Assumptions for an Individual Member			
Years of Service	Annual Step Rate/ Promotional Rates	Inflation & Productivity (Economy)	Total Increase (Next Year)
1	2.45%	3.75%	6.20%
2	2.35	3.75	6.10
3	2.35	3.75	6.10
4	1.95	3.75	5.70
5	1.95	3.75	5.70
6	1.95	3.75	5.70
7	1.85	3.75	5.60
8	1.85	3.75	5.60
9	1.85	3.75	5.60
10	1.35	3.75	5.10
11	1.35	3.75	5.10
12	1.35	3.75	5.10
13	1.25	3.75	5.00
14	1.25	3.75	5.00
15	1.15	3.75	4.90
16	1.15	3.75	4.90
17	1.05	3.75	4.80
18	0.95	3.75	4.70
19	0.95	3.75	4.70
20 or more	0	3.75	3.75

**STATE POLICE
Plan Specific Assumptions and Methods**

MORTALITY RATES:

Pre-Retirement:

1994 Group Annuity Mortality Tables for males and females with a one year setback in age for males and females.



Schedule D – State Police Actuarial Assumptions and Methods

Post-Retirement:

1994 Group Annuity Mortality Tables for males and females with a four year setback in age for males and females.

Post-Disablement:

70% of PBGC Disabled Mortality Table 5a for Males.
90% of PBGC Disabled Mortality Table 6a for Females.

Mortality Rates						
Age	Male			Female		
	Pre-retirement	Post-retirement	Post-disablement	Pre-retirement	Post-retirement	Post-disablement
20	0.0484%	0.0391%	3.3810%	0.0280%	0.0242%	2.3670%
25	0.0624	0.0530	3.3810	0.0291	0.0286	2.3670
30	0.0779	0.0696	2.5340	0.0331	0.0294	2.1330
35	0.0849	0.0821	1.9460	0.0449	0.0373	1.9260
40	0.0999	0.0862	1.9740	0.0652	0.0512	1.8810
45	0.1458	0.1156	2.2540	0.0923	0.0768	2.0160
50	0.2326	0.1722	2.6810	0.1310	0.1033	2.3130
55	0.3979	0.2872	3.3740	0.2084	0.1568	2.6550
60	0.7090	0.4949	4.2210	0.3863	0.2563	2.9790
65	1.2940	0.8986	4.7460	0.7621	0.5093	3.3300
70	2.1729	1.6239	5.1730	1.2709	0.9694	3.6990
75	3.4051	2.5951	5.8940	2.0381	1.4953	4.4280
80	5.5861	4.0858	7.8960	3.5362	2.5325	6.7140
85	8.9613	6.8615	11.7740	6.0979	4.3952	10.1520
90	13.9452	10.5792	17.6750	10.4594	7.5347	15.1380

60% of pre-retirement deaths are assumed to be service related.



Schedule D – State Police Actuarial Assumptions and Methods

RETIREMENT RATES: The following rates of retirement are assumed for members eligible to retire.

Separations from Active Service due to Retirement Percentage of Members Separating within the Next Year		
Age	Both Sexes	
	Less than 25 Years of Service	More than 25 Years of Service
<=49	0.00%	0.00%
50	10.00	15.00
51	10.00	15.00
52	10.00	15.00
53	10.00	15.00
54	10.00	10.00
55	10.00	15.00
56	10.00	15.00
57	10.00	15.00
58	12.00	20.00
59	12.00	20.00
60	25.00	40.00
61	35.00	40.00
62	50.00	100.00
63	50.00	100.00
>=64	100.00	100.00



Schedule D – State Police Actuarial Assumptions and Methods

DISABILITY RATES: As shown below for selected ages. 60% of disability cases are assumed to be service related.

Separations from Active Service due to Disability Percentage of Members Separating within the Next Year	
Age	Unisex
<=29	0.0000%
30	0.0281
35	0.1341
40	0.2100
45	0.4106
50	0.6750
55	1.0013
>=60	0.0000



Schedule D – State Police Actuarial Assumptions and Methods

TERMINATION RATES: The following withdrawal rates are used based on age and years of service.
(For causes other than death, disability, or retirement)

Separations from Active Service due to Termination Percentage of Male Members Separating within the Next Year											
Age	Years of Service										
	0	1	2	3	4	5	6	7	8	9	>=10
20	7.5%	7.5%	7.5%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	3.0%
25	7.5	7.5	7.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	3.0
30	7.5	7.5	7.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	3.0
35	7.5	7.5	7.5	4.8	4.8	4.8	4.8	4.8	4.8	4.8	2.4
40	7.5	7.5	7.5	4.8	4.8	4.8	4.8	4.8	4.8	4.8	1.8
45	10.0	10.0	10.0	4.5	4.5	4.5	4.5	4.5	4.5	4.5	1.4
50	10.0	10.0	10.0	4.5	4.5	4.5	4.5	4.5	4.5	4.5	1.2
55	10.0	10.0	10.0	6.7	6.7	6.7	6.7	6.7	6.7	6.7	1.2
60	10.0	10.0	10.0	7.5	7.5	7.5	7.5	7.5	7.5	7.5	1.2
65	10.0	10.0	10.0	7.5	7.5	7.5	7.5	7.5	7.5	7.5	1.2

Separations from Active Service due to Termination Percentage of Female Members Separating within the Next Year											
Age	Years of Service										
	0	1	2	3	4	5	6	7	8	9	>=10
20	18.4%	12.5%	10.1%	10.8%	11.6%	12.2%	12.3%	9.6%	7.0%	5.3%	3.6%
25	18.3	13.3	10.8	10.5	10.4	10.5	10.2	8.3	6.6	5.4	4.4
30	18.1	14.4	11.9	10.2	9.1	8.4	7.8	6.9	6.2	5.7	5.5
35	17.0	14.4	12.1	10.0	8.5	7.4	6.7	6.3	6.2	6.0	6.1
40	15.2	13.5	11.7	9.8	8.4	7.4	6.7	6.5	6.4	6.2	6.2
45	12.7	11.7	10.8	9.8	9.0	8.2	7.7	7.5	6.8	6.4	5.9
50	9.4	9.1	9.3	10.0	10.1	10.0	9.8	9.2	7.5	6.6	5.2
55	5.2	5.7	7.4	10.2	11.9	12.6	12.9	11.8	8.4	6.7	4.1
60	1.0	1.3	4.9	10.6	14.2	16.2	17.1	15.1	9.6	6.8	2.6
65	0.0	0.0	1.5	11.1	17.1	20.5	22.2	19.1	11.0	6.9	0.6



Schedule D – State Police Actuarial Assumptions and Methods

SALARY INCREASE RATES: The following salary increase rates are used. Inflation rate of 2.50% plus productivity component of 1.00% plus step-rate/promotional component as shown:

Pay Increase Assumptions for an Individual Member			
Years of Service	Annual Step Rate/ Promotional Rates	Inflation & Productivity (Economy)	Total Increase (Next Year)
1	1.25%	3.50%	4.75%
2	1.25	3.50	4.75
3	1.25	3.50	4.75
4	1.25	3.50	4.75
5	1.15	3.50	4.65
6-9	0.90	3.50	4.40
10-19	0.50	3.50	4.00
20 or more	0.00	3.50	3.50

It is assumed members covered under VSDP receive a 3.50% annual increase in pay while disabled and this adjusted pay is used to determine deferred benefits payable from the System.

DISABILITY ELECTION: All active members hired on or after January 1, 1999 will enter the Virginia Sickness and Disability Program (VSDP) and will not be eligible to receive non-VSDP disability benefits. For members hired before January 1, 1999 we measure the liabilities based upon the member's actual election contained in the valuation data.



Schedule D – Judicial Actuarial Assumptions and Methods

JUDICIAL
Plan Specific Assumptions and Methods

MORTALITY RATES:

Pre-Retirement:

1994 Group Annuity Mortality Tables for males and females with a one year setback in age for males and females.

Post-Retirement:

1994 Group Annuity Mortality Tables for males and females with a one year setback in age for males and females.

Post-Disablement:

70% of PBGC Disabled Mortality Table 5a for Males.
90% of PBGC Disabled Mortality Table 6a for Females.

Mortality Rates				
Percentage of Members within the Next Year				
Age	Male		Female	
	Pre- and Post-retirement	Post-disablement	Pre- and Post-retirement	Post-disablement
20	0.0484%	3.3810%	0.0280%	2.3670%
25	0.0624	3.3810	0.0291	2.3670
30	0.0779	2.5340	0.0331	2.1330
35	0.0849	1.9460	0.0449	1.9260
40	0.0999	1.9740	0.0652	1.8810
45	0.1458	2.2540	0.0923	2.0160
50	0.2326	2.6810	0.1310	2.3130
55	0.3979	3.3740	0.2084	2.6550
60	0.7090	4.2210	0.3863	2.9790
65	1.2940	4.7460	0.7621	3.3300
70	2.1729	5.1730	1.2709	3.6990
75	3.4051	5.8940	2.0381	4.4280
80	5.5861	7.8960	3.5362	6.7140
85	8.9613	11.7740	6.0979	10.1520
90	13.9452	17.6750	10.4594	15.1380

5% of pre-retirement deaths are assumed to be service related.



Schedule D – Judicial Actuarial Assumptions and Methods

RETIREMENT RATES: The following rates of retirement are assumed for members eligible to retire with an unreduced retirement benefit.

Separations from Active Service due to Retirement Percentage of Members Separating within the Next Year								
Age	Service Multiplier = 2.5 Years of Service				Service Multiplier = 3.5 Years of Service			
	<=1	2-11	12	>=13	<1	1-8	9	>=10
<=59	0%	0%	0%	0%	0%	0%	0%	0%
60	0	0	50	50	0	0	50	50
61	0	0	50	15	0	0	50	15
62	0	0	50	15	0	0	50	15
63	0	0	50	15	0	0	50	15
64	0	0	50	15	0	0	50	15
65	0	50	15	15	0	50	50	15
66	0	15	15	15	0	15	15	15
67	0	15	15	15	0	15	15	15
68	0	15	15	15	0	15	15	15
69	0	15	15	15	0	15	15	15
>=70	0	100	100	100	0	100	100	100

DISABILITY RATES: As shown below for selected ages. 5% of disability cases are assumed to be service related.

Separations from Active Service due to Disability Percentage of Members Separating within the Next Year		
Age	Male	Female
<=29	0.0000%	0.0000%
30	0.0070	0.0070
35	0.0370	0.0450
40	0.1420	0.0900
45	0.2920	0.2100
50	0.4800	0.3970
55	0.7120	0.6000
>=60	0.0000	0.0000



Schedule D – Judicial Actuarial Assumptions and Methods

TERMINATION RATES: There are no assumed rates of withdrawal prior to service retirement. (For causes other than death, disability, or retirement).

SALARY INCREASE RATES: Salary increase rates are 4.5%.



Schedule D – Virginia Law Officers’ Actuarial Assumptions and Methods

**VIRGINIA LAW OFFICERS
Plan Specific Assumptions and Methods**

MORTALITY RATES:

Pre-Retirement:

1994 Group Annuity Mortality Tables for males and females with a one year setback in age for males and females.

Post-Retirement:

1994 Group Annuity Mortality Tables for males and females with a four year setback in age for males and females.

Post-Disablement:

70% of PBGC Disabled Mortality Table 5a for Males.
90% of PBGC Disabled Mortality Table 6a for Females.

Mortality Rates						
Age	Male			Female		
	Pre-retirement	Post-retirement	Post-disablement	Pre-retirement	Post-retirement	Post-disablement
20	0.0484%	0.0391%	3.3810%	0.0280%	0.0242%	2.3670%
25	0.0624	0.0530	3.3810	0.0291	0.0286	2.3670
30	0.0779	0.0696	2.5340	0.0331	0.0294	2.1330
35	0.0849	0.0821	1.9460	0.0449	0.0373	1.9260
40	0.0999	0.0862	1.9740	0.0652	0.0512	1.8810
45	0.1458	0.1156	2.2540	0.0923	0.0768	2.0160
50	0.2326	0.1722	2.6810	0.1310	0.1033	2.3130
55	0.3979	0.2872	3.3740	0.2084	0.1568	2.6550
60	0.7090	0.4949	4.2210	0.3863	0.2563	2.9790
65	1.2940	0.8986	4.7460	0.7621	0.5093	3.3300
70	2.1729	1.6239	5.1730	1.2709	0.9694	3.6990
75	3.4051	2.5951	5.8940	2.0381	1.4953	4.4280
80	5.5861	4.0858	7.8960	3.5362	2.5325	6.7140
85	8.9613	6.8615	11.7740	6.0979	4.3952	10.1520
90	13.9452	10.5792	17.6750	10.4594	7.5347	15.1380

60% of pre-retirement deaths are assumed to be service related.



Schedule D – Virginia Law Officers’ Actuarial Assumptions and Methods

RETIREMENT RATES: The following rates of retirement are assumed for members eligible to retire.

Separations from Active Service due to Retirement Percentage of Members Separating within the Next Year		
Age	Unisex	
	Less than 25 Years of Service	More than 25 Years of Service
<=49	0.00%	0.00%
50	9.20	25.00
51	9.00	15.00
52	9.00	15.00
53	9.00	15.00
54	10.00	15.00
55	9.50	20.00
56	9.00	20.00
57	12.00	20.00
58	10.00	25.00
59	12.00	25.00
60	20.00	40.00
61	26.00	50.00
62	40.00	100.00
63	20.00	100.00
64	20.00	100.00
>=65	100.00	100.00



Schedule D – Virginia Law Officers’ Actuarial Assumptions and Methods

DISABILITY RATES: As shown below for selected ages. 60% of disability cases are assumed to be service related.

Separations from Active Service due to Disability Percentage of Members Separating within the Next Year	
Age	Unisex
<=27	0.0000%
28	0.0250
29	0.0250
30	0.0250
35	0.1140
40	0.1810
45	0.2690
50	0.4740
55	0.7820
60	0.6200
61	0.6200
62	0.6200
>=63	0.0000



Schedule D – Virginia Law Officers’ Actuarial Assumptions and Methods

TERMINATION RATES: The following withdrawal rates are used based on age and years of service.
(For causes other than death, disability, or retirement)

Separations from Active Service due to Termination Percentage of Male Members Separating within the Next Year											
Age	Years of Service										
	0	1	2	3	4	5	6	7	8	9	>=10
20	25.0%	25.0%	25.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	5.0%
25	20.0	20.0	20.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	5.0
30	20.0	20.0	20.0	12.5	12.5	12.5	12.5	12.5	12.5	12.5	5.0
35	20.0	20.0	20.0	12.5	12.5	12.5	12.5	12.5	12.5	12.5	5.0
40	15.0	15.0	15.0	10.5	10.5	10.5	10.5	10.5	10.5	10.5	4.0
45	15.0	15.0	15.0	10.5	10.5	10.5	10.5	10.5	10.5	10.5	4.0
50	15.0	15.0	15.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	4.0
55	12.0	12.0	12.0	6.5	6.5	6.5	6.5	6.5	6.5	6.5	4.0
60	12.5	12.5	12.5	7.0	7.0	7.0	7.0	7.0	7.0	7.0	4.0
65	15.0	15.0	15.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	4.0

Separations from Active Service due to Termination Percentage of Female Members Separating within the Next Year											
Age	Years of Service										
	0	1	2	3	4	5	6	7	8	9	>=10
20	20.0%	20.0%	20.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	7.5%
25	20.0	20.0	20.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	7.5
30	20.0	20.0	20.0	12.5	12.5	12.5	12.5	12.5	12.5	12.5	7.5
35	20.0	20.0	20.0	12.5	12.5	12.5	12.5	12.5	12.5	12.5	7.5
40	17.5	17.5	17.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5	6.2
45	17.5	17.5	17.5	8.0	8.0	8.0	8.0	8.0	8.0	8.0	5.9
50	17.5	17.5	17.5	8.0	8.0	8.0	8.0	8.0	8.0	8.0	6.0
55	10.0	10.0	10.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	6.0
60	10.0	10.0	10.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	6.0
65	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	6.0



Schedule D – Virginia Law Officers’ Actuarial Assumptions and Methods

SALARY INCREASE RATES: The following salary increase rates are used. Inflation rate of 2.50% plus productivity component of 1.00% plus step-rate/promotional component as shown:

Pay Increase Assumptions for an Individual Member			
Years of Service	Annual Step Rate/ Promotional Rates	Inflation & Productivity (Economy)	Total Increase (Next Year)
1	1.25%	3.50%	4.75%
2	1.25	3.50	4.75
3	1.25	3.50	4.75
4	1.25	3.50	4.75
5	1.15	3.50	4.65
6-9	0.90	3.50	4.40
10-19	0.50	3.50	4.00
20 or more	0.00	3.50	3.50

It is assumed members covered under VSDP receive a 3.50% annual increase in pay while disabled and this adjusted pay is used to determine deferred benefits payable from the System.

DISABILITY ELECTION: All active members hired on or after January 1, 1999 will enter the Virginia Sickness and Disability Program (VSDP) and will not be eligible to receive non-VSDP disability benefits. For members hired before January 1, 1999 we measure the liabilities based upon the member’s actual election contained in the valuation data.



Schedule D – Summary of Actuarial Assumption and Method Changes

2009 Valuation

1. Changes to the actuarial assumptions as a result of the experience study for the four-year period ending June 30, 2008 are stated below.

SYSTEM	ASSUMPTION CHANGE
State	Increase rates of withdrawals Increase rates of disability retirement up to age 52, females Decrease rates of disability retirement after age 52, all members Decrease rates of service retirement
Teachers	Increase rates of withdrawals Increase rates of disability retirement Decrease rates of service retirement
SPORS	Decrease rates of withdrawals, males Decrease rates of service retirement
VaLORS	Increase rates of withdrawals Decrease rates of disability retirement Change rates of service retirement
Judicial	Increase rates of salary increases

2. For the June 30, 2009 valuation the Board suspended application of the 80%/120% market value of assets corridor on the actuarial value of assets.

2010 Valuation

The investment return rate was decreased from 7.50% per annum to 7.00% per annum.

2011 Valuation

The amortization period of the unfunded less the deferred contribution begins at 30 years on June 30, 2011 and will decrease by one each year until reaching the minimum period of 20 years. The deferred contribution, as defined under HB30, is to be amortized using a level-dollar, closed, 10 year period.



Schedule E – Actuarial Cost Method

ACTUARIAL COST METHOD

1. The valuation is prepared on the projected benefit basis, which is used to determine the present value of each member's expected benefit payable at retirement, disability, termination from service or death. The calculations are based on the member's age, years of service, sex, compensation, expected future salary increases, and an assumed future interest earnings rate (currently 7.00%). The calculations consider the probability of a member's death or termination of employment prior to becoming eligible for a benefit and the probability of the member terminating with a service, disability, or survivor's benefit. The present value of the expected benefits payable to active members is added to the present value of the expected future payments to current benefit recipients to obtain the present value of all expected benefits payable to the present group of members and survivors.
2. The employer contributions required to support the benefits of VRS are determined following a level funding approach, and consist of a normal contribution and an accrued liability contribution.
3. The normal contribution is determined using the "entry age normal" method. Under this method, a calculation is made for pension benefits to determine the uniform and constant percentage rate of employer contribution which, if applied to the compensation of the average new member during the entire period of his anticipated covered service, would be required in addition to the contributions of the member to meet the cost of all benefits payable on his behalf.
4. The unfunded accrued liability is determined by subtracting the current assets and the present value of prospective employer normal contributions and member contributions from the present value of expected benefits to be paid from the VRS. The accrued liability contribution amortizes the balance of the unfunded accrued liability over a period of years from the valuation date.



Schedule F – Summary of Plan Provisions

Benefit Provisions which apply to all VRS Plans

Plan Year:	Twelve-month period ending June 30th.
Administration:	All plans are administered by the Board of Trustees of the Virginia Retirement System.
Employee Contributions:	All active members contribute 5.00% of their creditable compensation per year. The employer may "pick-up" the member's assessments under the provisions of Internal Revenue Code Section 414(h).
Creditable Compensation:	Annual salary minus any overtime pay, payments of a temporary nature, or payments for extra duties.
Optional Forms of Payment:	<p>There are optional forms of payment available on an actuarially equivalent basis, as follows:</p> <p>100% Survivor Option:</p> <p>Payable for the member's life. Upon the member's death, 100% of the benefit continues to the contingent annuitant.</p> <p>50% Survivor Option:</p> <p>Upon the member's death, 50% of the benefit continues to the contingent annuitant.</p> <p>Leveling Option:</p> <p>A temporarily increased retirement allowance payable to a date specified by the member and a reduced retirement allowance (on an actuarially equivalent basis) payable after the specified date for the member's remaining lifetime.</p> <p>Partial Lump Sum Option:</p> <p>The member may elect to receive a lump sum payment equal to the sum of 12, 24, or 36 payments of the standard monthly life annuity. The member's monthly benefit will be actuarially reduced to reflect the lump sum payment. The member may then elect to receive the reduced monthly annuity under any of the other optional forms of payment.</p> <p>Actuarial equivalence is based on tables adopted by the Board of Trustees.</p>



Schedule F – State Employees' Plan Provisions

STATE EMPLOYEES
Plan Specific Benefit Provisions

Effective Date:

- Plan 1: March 1, 1952
- Plan 2: New members on or after July 1, 2010

Type of Plan:

VRS is a qualified governmental defined benefit retirement plan. For Governmental Accounting Standards Board purposes, it is considered an agent multiple-employer PERS with separate cost-sharing pools for state employees and teachers.

Eligibility:

- Plan 1: All full-time, salaried, permanent employees of the Commonwealth of Virginia or of any participating Virginia city, county, town or political subdivision or of any local Virginia school boards hired before July 1, 2010 are eligible to become members of VRS. This summary covers the provisions relating to state employees.
- Plan 2: All full-time, salaried, permanent employees of the Commonwealth of Virginia or of any participating Virginia city, county, town or political subdivision or of any local Virginia school boards hired on or after July 1, 2010 are eligible to become members of VRS. This summary covers the provisions relating to state employees.

Service:

Employees receive credit of one month of service for each month a contribution is made on their behalf to VRS. A member may also purchase credit for certain periods, such as time spent in the military, by paying a purchase rate (5 or 15 percent of the larger of current creditable compensation or final average compensation times the number of years to be purchased). Special rules and limits govern the purchase of additional service.

Average Final Compensation:

- Plan 1: The average of the member's highest 36 consecutive months of salary.
- Plan 2: The average of the member's highest 60 consecutive months of salary.



Schedule F – State Employees' Plan Provisions

Normal Retirement:

Plan 1:

Eligibility:

A member may retire upon Normal Retirement on or after age 65 with credit for 5 years of service.

Annual Benefit:

1.7% of average final compensation (AFC) times years of service.

Payment Form:

Benefits are paid as a monthly life annuity, with a guarantee that if the payments do not exceed the member's contributions plus interest, determined as of the date at retirement, the balance will be paid in a lump sum to the member's beneficiary. Optional forms of payment are available.

Plan 2:

Eligibility:

A member may retire upon Normal Retirement after reaching Social Security normal retirement age plus five years of service.

Annual Benefit:

1.7% of average final compensation (AFC) times years of service.

Payment Form:

Benefits are paid as a monthly life annuity, with a guarantee that if the payments do not exceed the member's contributions plus interest, determined as of the date at retirement, the balance will be paid in a lump sum to the member's beneficiary. Optional forms of payment are available.



Schedule F – State Employees' Plan Provisions

Early Retirement:

Plan 1:

Eligibility:

A member may retire early after reaching age 50 with at least ten years of service credit, or age 55 with credit for at least five years of service.

Annual Benefit:

Calculated the same as the normal retirement benefit, using actual service at retirement and multiplied by a reduction factor. No reduction applies if the member has credit for thirty years of service at retirement and is at least age 50. For members at least age 55, the reduction is 0.5% per month for the first 60 months and 0.4% per month for the next 60 months. This reduction is applied for each month that the retirement age precedes 65, or if more favorable, for each month the service at retirement is less than 30. For members younger than 55 at retirement, the reduction factor determined as though the member were 55 is further reduced by multiplying it by a second factor, to reflect a 0.6% reduction for each month retirement precedes age 55.

Payment Form:

Same as for Normal Retirement above.

Plan 2:

Eligibility:

A member may retire early after reaching age 60 with five years of service, or upon the sum of their age and their service being 90 (Rule of 90).

Annual Benefit:

Calculated the same as the normal retirement benefit, using actual service at retirement and multiplied by a reduction factor. The reduction is an actuarially equivalent factor. No reduction is applied if the sum of the member's age and service is equal to 90.

Payment Form:

Same as for Normal Retirement above.



Schedule F – State Employees' Plan Provisions

Disability Retirement - Non-VSDP: Eligibility:

A member hired prior to 1/1/1999 and who has declined VSDP coverage is eligible from the first day of employment.

Annual Benefit:

For members with less than five years of service credit, the minimum guaranteed benefit. For members with greater than five years of service credit, the greater of the minimum guaranteed benefit and 1.7% of AFC times service credit. Benefit is reduced by Worker's Compensation (if any).

Minimum Guaranteed Benefit:

- **Workers Compensation Guarantee:**
66 2/3% of AFC if member does not qualify for primary Social Security and 50% of AFC if member qualifies for primary Social Security.
- **Special Retirement Allowance Guarantee:**
50% of AFC if member does not qualify for primary Social Security and 33 1/3% of AFC if member qualifies for primary Social Security.

Service Credit:

If disability occurs before age 60, service is the smaller of 1) twice actual service, and 2) rendered service plus the number of years remaining between age at disability and age 60.

Payment Form:

The disability benefit commences immediately upon the member's retirement. Benefits cease upon recovery or reemployment. Disability benefits are payable as a monthly life annuity with a guarantee that, at the member's death, the sum of the member's contributions plus interest as of the date of retirement will be paid in a lump sum to the member's beneficiary. 100% and 50% Survivor Options are also permitted for disability retirement. (A refund of the member's contribution account is paid out for a work-related disability.)



Schedule F – State Employees' Plan Provisions

Disability Retirement – VSDP:

Provisions applying to members entering in 1999 or later and continuing members who have elected this benefit: In lieu of the above benefits, these members will be covered by the Virginia Sickness and Disability Program (VSDP). Under VSDP, these members will receive a deferred benefit payable at age 65 from this plan. The deferred benefit will be computed like a normal retirement benefit. For this calculation, a member's creditable service will include the period of disability, and the Average Final Compensation will be adjusted to reflect increases in the cost-of-living between the date of disability and age 65. If the member dies while disabled before age 65, a death benefit will be determined as though the employee were an active member.

Deferred Termination Benefit:

Plan 1:

Eligibility:

A member with at least five years of service who does not withdraw his/her contributions from the fund is eligible for a deferred termination benefit.

Annual Benefit:

Same as normal retirement benefit, but both AFC and service are determined at the time the member leaves active employment. Benefits may commence unreduced at age 65 or at age 50 with at least 30 years of service. Reduced benefits may commence at or after age 55 with more than 5 years of service or age 50 with at least 10 years of service.

Payment Form:

Same as for Normal Retirement above.

Death Benefit:

The beneficiary of a member who dies after leaving active service but before retiring is entitled to receive a lump sum distribution of the deceased member's contribution account.



Schedule F – State Employees' Plan Provisions

Plan 2:

Eligibility:

A member with at least five years of service who does not withdraw his/her contributions from the fund is eligible for a deferred termination benefit.

Annual Benefit:

Same as normal retirement benefit, but both AFC and service are determined at the time the member leaves active employment. Benefits commence unreduced at Social Security Normal Retirement Age. Reduced benefits may commence on or after age 60 with five years of service.

Payment Form:

Same as for Normal Retirement above.

Death Benefit:

The beneficiary of a member who dies after leaving active service but before retiring is entitled to receive a lump sum distribution of the deceased member's contribution account.

Withdrawal (Refund) Benefit:

Eligibility:

All members leaving covered employment with less than five years of service are eligible. Optionally, vested members (those with five or more years of service) may withdraw their contributions plus interest in lieu of the deferred benefits otherwise due.

Benefit:

The member who withdraws receives a lump-sum payment of his/her employee contributions, plus the interest credited on these contributions. Interest is credited at 4%.

Death Benefit:

Eligibility:

Death must have occurred while an active or inactive, non-retired member.



Schedule F – State Employees' Plan Provisions

Benefit:

Upon the death of a non-vested member, a refund of the member's contributions and interest is paid. Upon the death of a vested member, if death occurs while in active service the qualifying survivor of the member is entitled to receive a benefit determined as though the member retired, elected the 100% Survivor Option, then died. If the member dies before reaching age 55, the member is assumed to be 55 for benefit calculation purposes. The qualifying survivor may elect to receive a refund of the contributions plus interest in lieu of the monthly benefit. If the death occurs while inactive, benefits payable are described in Section 9(d).

Work-Related Death:

Qualifying survivor would receive 50% of AFC if beneficiary does not qualify for Social Security survivor benefits and 33 1/3% of AFC if beneficiary qualifies for Social Security survivor benefits. This benefit is reduced by Worker's Compensation. In addition, a refund of the member's contribution account is paid to the beneficiary.

Cost-of-Living Increase:

- Plan 1: Members qualify for cost-of-living increased on July 1 of the second calendar year after retirement. Automatic cost-of-living increases are calculated as the first 3% of the Consumer Price Index increase plus half of each percentage increase from 3% to 7%.
- Plan 2: Members qualify for cost-of-living increased on July 1 of the second calendar year after retirement. Automatic cost-of-living increases are calculated as the first 2% increase of the Consumer Price Index plus half of each percent from 2% to 10%, with the maximum cost-of-living increase of 6%.



Schedule F – Teachers’ Plan Provisions

TEACHERS
Plan Specific Benefit Provisions

Effective Date:

- Plan 1: March 1, 1952
- Plan 2: New members on or after July 1, 2010

Type of Plan:

VRS is a qualified governmental defined benefit retirement plan. For Governmental Accounting Standards Board purposes, it is considered an agent multiple-employer PERS with separate cost-sharing pools for state employees and teachers.

Eligibility:

- Plan 1: All full-time, salaried, permanent employees of the Commonwealth of Virginia or of any participating Virginia city, county, town or political subdivision or of any local Virginia school boards hired before July 1, 2010 are eligible to become members of VRS. This summary covers the provisions relating to teachers.
- Plan 2: All full-time, salaried, permanent employees of the Commonwealth of Virginia or of any participating Virginia city, county, town or political subdivision or of any local Virginia school boards hired on or after July 1, 2010 are eligible to become members of VRS. This summary covers the provisions relating to teachers.

Service:

Employees receive credit of one month of service for each month a contribution is made on their behalf to VRS. A member may also purchase credit for certain periods, such as time spent in the military, by paying a purchase rate (5 or 15 percent of the larger of current creditable compensation or final average compensation times the number of years to be purchased). Special rules and limits govern the purchase of additional service.

Average Final Compensation:

- Plan 1: The average of the member’s highest 36 consecutive months of salary.
- Plan 2: The average of the member’s highest 60 consecutive months of salary.



Schedule F – Teachers' Plan Provisions

Normal Retirement:

Plan 1:

Eligibility:

A member may retire upon Normal Retirement on or after age 65 with credit for 5 years of service.

Annual Benefit:

1.7% of average final compensation (AFC) times years of service.

Payment Form:

Benefits are paid as a monthly life annuity, with a guarantee that if the payments do not exceed the member's contributions plus interest, determined as of the date at retirement, the balance will be paid in a lump sum to the member's beneficiary. Optional forms of payment are available.

Plan 2:

Eligibility:

A member may retire upon Normal Retirement after reaching Social Security normal retirement age plus five years of service.

Annual Benefit:

1.7% of average final compensation (AFC) times years of service.

Payment Form:

Benefits are paid as a monthly life annuity, with a guarantee that if the payments do not exceed the member's contributions plus interest, determined as of the date at retirement, the balance will be paid in a lump sum to the member's beneficiary. Optional forms of payment are available.



Schedule F – Teachers' Plan Provisions

Early Retirement:

Plan 1:

Eligibility:

A member may retire early after reaching age 50 with at least ten years of service credit, or age 55 with credit for at least five years of service.

Annual Benefit:

Calculated the same as the normal retirement benefit, using actual service at retirement and multiplied by a reduction factor. No reduction applies if the member has credit for thirty years of service at retirement and is at least age 50. For members at least age 55, the reduction is 0.5% per month for the first 60 months and 0.4% per month for the next 60 months. This reduction is applied for each month that the retirement age precedes 65, or if more favorable, for each month the service at retirement is less than 30. For members younger than 55 at retirement, the reduction factor determined as though the member were 55 is further reduced by multiplying it by a second factor, to reflect a 0.6% reduction for each month retirement precedes age 55.

Payment Form:

Same as for Normal Retirement above.

Plan 2:

Eligibility:

A member may retire early after reaching age 60 with five years of service or upon the sum of their age and their service being 90 (Rule of 90).

Annual Benefit:

Calculated the same as the normal retirement benefit, using actual service at retirement and multiplied by a reduction factor. The reduction is an actuarially equivalent factor. No reduction is applied if the sum of the member's age and service is equal to 90.

Payment Form:

Same as for Normal Retirement above.



Schedule F – Teachers' Plan Provisions

Disability Retirement:

Eligibility:

A member is eligible from the first day of employment.

Annual Benefit:

For members with less than five years of service credit, the minimum guaranteed benefit. For members with greater than five years of service credit, the greater of the minimum guaranteed benefit and 1.7% of AFC times service credit. Benefit is reduced by Worker's Compensation (if any).

Minimum Guaranteed Benefit:

- **Workers Compensation Guarantee:**
66 2/3% of AFC if member does not qualify for primary Social Security and 50% of AFC if member qualifies for primary Social Security.
- **Special Retirement Allowance Guarantee:**
50% of AFC if member does not qualify for primary Social Security and 33 1/3% of AFC if member qualifies for primary Social Security.

Service Credit:

If disability occurs before age 60, service is the smaller of 1) twice actual service, and 2) rendered service plus the number of years remaining between age at disability and age 60.

Payment Form:

The disability benefit commences immediately upon the member's retirement. Benefits cease upon recovery or reemployment. Disability benefits are payable as a monthly life annuity with a guarantee that, at the member's death, the sum of the member's contributions plus interest as of the date of retirement will be paid in a lump sum to the member's beneficiary. 100% and 50% Survivor Options are also permitted for disability retirement. (A refund of the member's contribution account is paid out for a work-related disability.)



Schedule F – Teachers' Plan Provisions

Deferred Termination Benefit:

Plan 1:

Eligibility:

A member with at least five years of service who does not withdraw his/her contributions from the fund is eligible for a deferred termination benefit.

Annual Benefit:

Same as normal retirement benefit, but both AFC and service are determined at the time the member leaves active employment. Benefits may commence unreduced at age 65 or at age 50 with at least 30 years of service. Reduced benefits may commence at or after age 55 with more than 5 years of service or age 50 with at least 10 years of service.

Payment Form:

Same as for Normal Retirement above.

Death Benefit:

The beneficiary of a member who dies after leaving active service but before retiring is entitled to receive a lump sum distribution of the deceased member's contribution account.

Plan 2:

Eligibility:

A member with at least five years of service who does not withdraw his/her contributions from the fund is eligible for a deferred termination benefit.

Annual Benefit:

Same as normal retirement benefit, but both AFC and service are determined at the time the member leaves active employment. Benefits commence unreduced at Social Security Normal Retirement Age. Reduced benefits may commence on or after age 60 with five years of service.

Payment Form:

Same as for Normal Retirement above.



Schedule F – Teachers' Plan Provisions

Death Benefit:

The beneficiary of a member who dies after leaving active service but before retiring is entitled to receive a lump sum distribution of the deceased member's contribution account.

Withdrawal (Refund) Benefit:

Eligibility:

All members leaving covered employment with less than five years of service are eligible. Optionally, vested members (those with five or more years of service) may withdraw their contributions plus interest in lieu of the deferred benefits otherwise due.

Benefit:

The member who withdraws receives a lump-sum payment of his/her employee contributions, plus the interest credited on these contributions. Interest is credited at 4%.

Death Benefit:

Eligibility:

Death must have occurred while an active or inactive, non-retired member.

Benefit:

Upon the death of a non-vested member, a refund of the member's contributions and interest is paid. Upon the death of a vested member, if death occurs while in active service the qualifying survivor of the member is entitled to receive a benefit determined as though the member retired, elected the 100% Survivor Option, then died. If the member dies before reaching age 55, the member is assumed to be 55 for benefit calculation purposes. The qualifying survivor may elect to receive a refund of the contributions plus interest in lieu of the monthly benefit. If the death occurs while inactive, benefits payable are described in Section 9(d).

Work-Related Death:

Qualifying survivor would receive 50% of AFC if beneficiary does not qualify for Social Security survivor benefits and 33 1/3% of AFC if beneficiary qualifies for Social Security survivor benefits. This benefit is reduced by Worker's Compensation. In addition, a refund of the member's contribution account is paid to the beneficiary.



Schedule F – Teachers’ Plan Provisions

Cost-of-Living Increase:

- Plan 1: Members qualify for cost-of-living increased on July 1 of the second calendar year after retirement. Automatic cost-of-living increases are calculated as the first 3% of the Consumer Price Index increase plus half of each percentage increase from 3% to 7%.
- Plan 2: Members qualify for cost-of-living increased on July 1 of the second calendar year after retirement. Automatic cost-of-living increases are calculated as the first 2% increase of the Consumer Price Index plus half of each percent from 2% to 10%, with the maximum cost-of-living increase of 6%.



Schedule F – State Police Plan Provisions

STATE POLICE
Plan Specific Benefit Provisions

Effective Date:

Plan 1: July 1, 1950

Plan 2: New members on or after July 1, 2010

Type of Plan:

SPORS is a qualified governmental defined benefit retirement plan. For Governmental Accounting Standards Board purposes, it is considered a single-employer PERS.

Eligibility:

Plan 1: All state police officers of the Commonwealth of Virginia hired before July 1, 2010.

Plan 2: All state police officers of the Commonwealth of Virginia hired on or after July 1, 2010.

Service:

Employees receive credit of one month of service for each month a contribution is made on their behalf to SPORS. A member may also purchase credit for certain periods, such as time spent in the military, by paying a purchase rate (5 or 15 percent of the larger of current creditable compensation or final average compensation times the number of years to be purchased). Special rules and limits govern the purchase of additional service.

Average Final Compensation:

Plan 1: The average of the member's highest 36 consecutive months of salary.

Plan 2: The average of the member's highest 60 consecutive months of salary.



Schedule F – State Police Plan Provisions

Normal Retirement:

Eligibility:

A member may retire upon Normal Retirement on or after age 60 with credit for 5 years of service.

Annual Benefit:

1.85% of average final compensation (AFC) times years of service. (Previously 1.7% of AFC times years of service.)

Payment Form:

Benefits are paid as a monthly life annuity, with a guarantee that if the payments do not exceed the member's contributions plus interest, determined as of the date at retirement, the balance will be paid in a lump sum to the member's beneficiary. Optional forms of payment are available.

Temporary supplement:

A member hired on or after July 1, 1974 who has 20 or more years of hazardous service at retirement or a member hired before July 1, 1974 who is vested under SPORS/VaLORS benefits shall receive an additional annual retirement allowance of \$12,456 payable from the date of retirement to their Social Security normal retirement age. This amount is adjusted biennially based upon increases in Social Security benefits during the interim period.

Early Retirement:

Eligibility:

A member may retire early after reaching age 50 with at least five years of service.

Annual Benefit:

Calculated the same as the normal retirement benefit, using actual service at retirement and reduced by 1/2% for the first 60 months and 4/10% for any additional months of early retirement. This reduction is applied for each month that the retirement age precedes 60, or if more favorable, for each month the service at retirement is less than 25. No reduction applies if the member has credit for 25 years of service at retirement.

Payment Form:

Same as for Normal Retirement above.



Schedule F – State Police Plan Provisions

Temporary Supplement:

A member hired on or after July 1, 1974 who has 20 or more years of hazardous service at retirement or a member hired before July 1, 1974 who is vested under SPORS/VaLORS benefits shall receive an additional annual retirement allowance of \$12,456 payable from the date of retirement to their Social Security normal retirement age. This amount is adjusted biennially based upon increases in Social Security benefits during the interim period.

Disability Retirement - Non-VSDP: Eligibility:

A member hired prior to 1/1/1999 and who has declined VSDP coverage is eligible from the first day of employment.

Monthly Benefit:

For members with less than five years of service credit, the minimum guaranteed benefit. For members with greater than five years of service credit, the greater of the minimum guaranteed benefit and 1.7% of AFC times service credit. Benefit is reduced by Worker's Compensation (if any).

Minimum Guaranteed Benefit:

- Workers Compensation Guarantee:

66 2/3% of AFC if member does not qualify for primary Social Security and 50% of AFC if member qualifies for primary Social Security.
- Special Retirement Allowance Guarantee:

50% of AFC if member does not qualify for primary Social Security and 33 1/3% of AFC if member qualifies for primary Social Security.

Service Credit:

If disability occurs before age 60, service is the smaller of 1) twice actual service, and 2) rendered service plus the number of years remaining between age at disability and age 60.



Schedule F – State Police Plan Provisions

Payment Form:

The disability benefit commences immediately upon the member's retirement. Benefits cease upon recovery or reemployment. Disability benefits are payable as a monthly life annuity with a guarantee that, at the member's death, the sum of the member's contributions plus interest as of the date of retirement will be paid in a lump sum to the member's beneficiary. 100% and 50% Survivor Options are also permitted for disability retirement. (A refund of the member's contribution account is paid out for a work-related disability.)

Disability Retirement – VSDP:

Provisions applying to members entering in 1999 or later and continuing members who have elected this benefit: In lieu of the above benefits, these members will be covered by the Virginia Sickness and Disability Program (VSDP). Under VSDP, these members will receive a deferred benefit payable at age 60 from this plan. The deferred benefit will be computed like a normal retirement benefit. For this calculation, a member's creditable service will include the period of disability, and the Average Final Compensation will be adjusted to reflect increases in the cost-of-living between the date of disability and age 60. If the member dies while disabled before age 60, a death benefit will be determined as though the employee were an active member.

Deferred Termination Benefit:

Eligibility:

A member with at least five years of service who does not withdraw his/her contributions from the fund is eligible for a deferred termination benefit.

Annual Benefit:

Same as normal retirement benefit, but both AFC and service are determined at the time the member leaves active employment. Benefits may commence unreduced at age 60 or at age 50 with at least 25 years of service. Reduced benefits may commence at or after age 50 if the member is not eligible for an unreduced benefit.

Payment Form:

The form of payment is the same as for Normal Retirement above.



Schedule F – State Police Plan Provisions

Death Benefit:

The beneficiary of a member who dies after leaving active service but before retiring is entitled to receive a lump sum distribution of the deceased member's contribution account.

Withdrawal (Refund) Benefit:

Eligibility:

All members leaving covered employment with less than five years of service are eligible. Optionally, vested members (those with five or more years of service) may withdraw their contributions plus interest in lieu of the deferred benefits otherwise due.

Benefit:

The member who withdraws receives a lump-sum payment of his/her employee contributions, plus the interest credited on these contributions. Interest is credited at 4%.

Death Benefit

Eligibility:

Death must have occurred while an active, non-retired member.

Benefit:

Upon the death of a non-vested member, a refund of the member's contributions and interest is paid. Upon the death of a vested member, if death occurs while in active service the qualifying survivor of the member is entitled to receive a benefit determined as though the member retired, elected the 100% Survivor Option, then died. If the member dies before reaching age 50, the member is assumed to be 50 for benefit calculation purposes. The qualifying survivor may elect to receive a refund of the contributions plus interest in lieu of the monthly benefit. If the death occurs while inactive, benefits payable are described in Section 9(d).

Work-Related Death:

Qualifying survivor would receive 50% of AFC if beneficiary does not qualify for Social Security survivor benefits and 33 1/3% of AFC if beneficiary qualifies for Social Security survivor benefits. This benefit is reduced by Worker's Compensation. In addition, a refund of the member's contribution account is paid to the beneficiary.



Schedule F – State Police Plan Provisions

Cost-of-Living Increase:

- Plan 1: Members qualify for cost-of-living increased on July 1 of the second calendar year after retirement. Automatic cost-of-living increases are calculated as the first 3% of the Consumer Price Index increase plus half of each percentage increase from 3% to 7%.
- Plan 2: Members qualify for cost-of-living increased on July 1 of the second calendar year after retirement. Automatic cost-of-living increases are calculated as the first 2% increase of the Consumer Price Index plus half of each percent from 2% to 10%, with the maximum cost-of-living increase of 6%.



Schedule F – Judicial Plan Provisions

JUDICIAL
Plan Specific Benefit Provisions

Effective Date:

- Plan 1: July 1, 1970
- Plan 2: New members on or after July 1, 2010

Type of Plan:

JRS is a qualified governmental defined benefit retirement plan. For Governmental Accounting Standards Board purposes, it is considered a single-employer PERS.

Eligibility:

- Plan 1: All judges of the Commonwealth of Virginia hired before July 1, 2010.
- Plan 2: All judges of the Commonwealth of Virginia hired on or after July 1, 2010.

Service:

- Plan 1: Employees receive credit of one month of service multiplied by a weighting factor of 3.5 (2.5 for judges entering JRS on or after January 1, 1995) for each month a contribution is made on their behalf to JRS. This weighted service is used for all purposes under this plan, including determining a member's vested status, determining whether a member is eligible for retirement, computing early retirement reductions, and computing the amount of the benefit. A member may also purchase credit for certain periods, such as time spent in the military, by paying a purchase rate (5 or 15 percent of the larger of current creditable compensation or final average compensation times the number of years to be purchased). Special rules and limits govern the purchase of additional service.
- Plan 2: Employees receive credit of one month of service multiplied by a tiered weighting factor for each month a contribution is made on their behalf to JRS. First term judges under age 45 use a weighing factor of 1.5, judges age 45 – 54 use a weighing factor of 2.0, and judges age 55 and above use a weighing factor of 2.5. This weighted service is used for all purposes under this plan, including determining a member's vested status, determining whether a member is eligible for retirement, computing early retirement reductions, and computing the amount of the benefit. A member may also purchase credit for certain periods, such as time spent in the military, by paying a purchase rate (5 or 15 percent of the larger of current creditable compensation or final average compensation times the number of years to be purchased). Special rules and limits govern the purchase of additional service.



Schedule F – Judicial Plan Provisions

Average Final Compensation:

Plan 1: The average of the member's highest 36 consecutive months of salary.

Plan 2: The average of the member's highest 60 consecutive months of salary.

Normal Retirement

Eligibility:

A member may retire upon Normal Retirement on or after age 65 with credit for 5 years of service.

Annual Benefit:

1.7% of average final compensation (AFC) times years of service, not to exceed 78% of AFC.

Payment Form:

Benefits are paid as a monthly life annuity, with a guarantee that if the payments do not exceed the member's contributions plus interest, determined as of the date at retirement, the balance will be paid in a lump sum to the member's beneficiary. Optional forms of payment are available.

Early Retirement

Eligibility:

A member may retire early after reaching age 55 with credit for five years of service.

Annual Benefit:

Calculated the same as the normal retirement benefit, using actual service at retirement and multiplied by a reduction factor. No reduction applies if the member has reached age 60 and has credit for 30 or more years of creditable service. For other members, the reduction is 0.5% per month for the first 60 months and 0.4% per month for the next 60 months. This reduction is measured from the later of age 60 and the point at which the member would have earned 30 years of service, or if more favorable, from age 65.

Payment Form:

Same as for Normal Retirement above.



Schedule F – Judicial Plan Provisions

Disability Retirement

Eligibility:

A member is eligible from the first day of employment.

Annual Benefit:

For members with less than five years of service credit, the minimum guaranteed benefit. For members with greater than five years of service credit, the greater of the minimum guaranteed benefit and 1.7% of AFC times service credit. Benefit is reduced by Worker's Compensation (if any).

Minimum Guaranteed Benefit:

- **Workers Compensation Guarantee:**

66 2/3% of AFC if member does not qualify for primary Social Security and 50% of AFC if member qualifies for primary Social Security.

- **Special Retirement Allowance Guarantee**

50% of AFC if member does not qualify for primary Social Security and 33 1/3% of AFC if member qualifies for primary Social Security.

Service Credit:

If disability occurs before age 60, service is the smaller of 1) twice actual service, and 2) rendered service plus the number of years remaining between age at disability and age 60.

Payment Form:

The disability benefit commences immediately upon the member's retirement. Benefits cease upon recovery or reemployment. Disability benefits are payable as a monthly life annuity with a guarantee that, at the member's death, the sum of the member's contributions plus interest as of the date of retirement will be paid in a lump sum to the member's beneficiary. 100% and 50% Survivor Options are also permitted for disability retirement. (A refund of the member's contribution account is paid out for a work-related disability.)



Schedule F – Judicial Plan Provisions

Deferred Termination Benefit Eligibility:

A member with at least five years of service who does not withdraw his/her contributions from the fund is eligible for a deferred termination benefit

Annual Benefit:

Same as normal retirement benefit, but both AFC and service are determined at the time the member leaves active employment. Benefits may commence unreduced at age 65 or at age 60 with at least 30 years of service. Reduced benefits may commence at or after age 55 if the member is not eligible for an unreduced benefit.

Payment Form:

The form of payment is the same as for Normal Retirement above.

Death Benefit:

The beneficiary of a member who dies after leaving active service but before retiring is entitled to receive a lump sum distribution of the deceased member's contribution account.

Withdrawal (Refund) Benefit

Eligibility:

All members leaving covered employment with less than five years of service are eligible. Optionally, vested members (those with five or more years of service) may withdraw their contributions plus interest in lieu of the deferred benefits otherwise due.

Benefit:

The member who withdraws receives a lump-sum payment of his/her employee contributions, plus the interest credited on these contributions. Interest is credited at 4%.



Schedule F – Judicial Plan Provisions

Death Benefit

Eligibility:

Death must have occurred while an active, non-retired member.

Benefit:

Upon the death of a non-vested member, a refund of the member's contributions and interest is paid. Upon the death of a vested member, if death occurs while in active service the qualifying survivor of the member is entitled to receive a benefit determined as though the member retired, elected the 100% Survivor Option, then died. If the member dies before reaching age 55, the member is assumed to be 55 for benefit calculation purposes. The qualifying survivor may elect to receive a refund of the contributions plus interest in lieu of the monthly benefit. If the death occurs while inactive, benefits payable are described in Section 8(d).

Work-Related Death:

Qualifying survivor would receive 50% of AFC if beneficiary does not qualify for Social Security survivor benefits, and 33 1/3% of AFC if beneficiary qualifies for Social Security survivor benefits. This benefit is reduced by Worker's Compensation. In addition, a refund of the member's contribution account is paid to the beneficiary.

Cost-of-Living Increase:

Plan 1:

Members qualify for cost-of-living increased on July 1 of the second calendar year after retirement. Automatic cost-of-living increases are calculated as the first 3% of the Consumer Price Index increase plus half of each percentage increase from 3% to 7%.

Plan 2:

Members qualify for cost-of-living increased on July 1 of the second calendar year after retirement. Automatic cost-of-living increases are calculated as the first 2% increase of the Consumer Price Index plus half of each percent from 2% to 10%, with the maximum cost-of-living increase of 6%.



Schedule F – Virginia Law Officers' Plan Provisions

VIRGINIA LAW OFFICERS
Plan Specific Benefit Provisions

Effective Date:

- Plan 1: October 1, 1999
- Plan 2: New members on or after July 1, 2010

Type of Plan:

VaLORS is a qualified governmental defined benefit retirement plan. For Governmental Accounting Standards Board purposes, it is considered a single-employer PERS.

Eligibility:

- Plan 1: All full-time, salaried, permanent employees of the Capitol Police Force, campus police officers, game wardens, special agents of the Department of Alcoholic Beverage Control, law enforcement officers employed by the Virginia Marine Resources Commission, correctional officers, and commercial vehicle enforcement officers employed by the Department of State Police hired before July 1, 2010.
- Plan 2: All full-time, salaried, permanent employees of the Capitol Police Force, campus police officers, game wardens, special agents of the Department of Alcoholic Beverage Control, law enforcement officers employed by the Virginia Marine Resources Commission, correctional officers, and commercial vehicle enforcement officers employed by the Department of State Police hired on or after July 1, 2010.

Service:

Employees receive credit of one month of service for each month a contribution is made on their behalf to VaLORS. A member may also purchase credit for certain periods, such as time spent in the military, by paying a purchase rate (5 or 15 percent of the larger of current creditable compensation or final average compensation times the number of years to be purchased). Special rules and limits govern the purchase of additional service.

Average Final Compensation:

- Plan 1: The average of the member's highest 36 consecutive months of salary.
- Plan 2: The average of the member's highest 60 consecutive months of salary.



Schedule F – Virginia Law Officers' Plan Provisions

Normal Retirement:

Eligibility:

A member may retire upon Normal Retirement on or after age 60 with credit for 5 years of service.

Annual Benefit:

For all employees hired on or after July 1, 2001, the benefit is calculated as 2.0% of average final compensation (AFC) times years of service.

Employees hired before July 1, 2001, must make a one-time election to receive benefits under (i) or (ii) below:

(i) 1.7% of average final compensation (AFC) times years of service plus the temporary supplement described in 5(d).

(ii) 2.0% of average final compensation (AFC) times years of service and no temporary supplement.

Payment Form:

Benefits are paid as a monthly life annuity, with a guarantee that if the payments do not exceed the member's contributions plus interest, determined as of the date at retirement, the balance will be paid in a lump sum to the member's beneficiary. Optional forms of payment are available.

Temporary supplement:

Temporary Supplement: A member who is hired before July 1, 2001, and who was either (i) hired on or after July 1, 1974 who has 20 or more years of hazardous service at retirement or (ii) a member hired before July 1, 1974 who is vested under SPORS/VaLORS benefits shall be eligible to receive an additional annual retirement allowance of \$12,456 payable from the date of retirement to age 65. This amount is adjusted biennially based upon increases in Social Security benefits during the interim period. The eligible employee must have made a one-time election to receive benefits under b(i) to receive this supplement.

Early Retirement:

Eligibility:

A member may retire early after reaching age 50 with credit for five years of service.



Schedule F – Virginia Law Officers' Plan Provisions

Annual Benefit:

Calculated the same as the normal retirement benefit, using actual service at retirement and reduced by 0.5% per month for the first 60 months and 0.4% per month for any additional months of early retirement. This reduction is applied for each month that the retirement age precedes 60, or if more favorable, for each month the service at retirement is less than 25. No reduction applies if the member has credit for 25 years of service at retirement.

Payment Form:

Same as for Normal Retirement above.

Temporary Supplement:

Temporary Supplement: A member who is hired before July 1, 2001, and who was either (i) hired on or after July 1, 1974 who has 20 or more years of hazardous service at retirement or (ii) a member hired before July 1, 1974 who is vested under SPORS/VaLORS benefits shall be eligible to receive an additional annual retirement allowance or \$12,456 payable from the date of retirement to age 65. This amount is adjusted biennially based upon increases in Social Security benefits during the interim period. The eligible employee must have made a one-time election to receive benefits under 5(b)(i) to receive this supplement.

Disability Retirement - Non-VSDP: Eligibility:

A member hired prior to 1/1/1999 and who has declined VSDP coverage is eligible from the first day of employment.

Monthly Benefit:

For members with less than five years of service credit, the minimum guaranteed benefit. For members with greater than five years of service credit, the greater of the minimum guaranteed benefit and 1.7% of AFC times service credit. Benefit is reduced by Worker's Compensation (if any).



Schedule F – Virginia Law Officers' Plan Provisions

Minimum Guaranteed Benefit:

- Workers Compensation Guarantee:
66 2/3% of AFC if member does not qualify for primary Social Security and 50% of AFC if member qualifies for primary Social Security.
- Special Retirement Allowance Guarantee:
50% of AFC if member does not qualify for primary Social Security and 33 1/3% of AFC if member qualifies for primary Social Security.

Service Credit:

If disability occurs before age 60, service is the smaller of 1) twice actual service, and 2) rendered service plus the number of years remaining between age at disability and age 60.

Payment Form:

The disability benefit commences immediately upon the member's retirement. Benefits cease upon recovery or reemployment. Disability benefits are payable as a monthly life annuity with a guarantee that, at the member's death, the sum of the member's contributions plus interest as of the date of retirement will be paid in a lump sum to the member's beneficiary. 100% and 50% Survivor Options are also permitted for disability retirement. (A refund of the member's contribution account is paid out for a work-related disability.)

Disability Retirement – VSDP:

Provisions applying to members entering in 1999 or later and continuing members who have elected this benefit: In lieu of the above benefits, these members will be covered by the Virginia Sickness and Disability Program (VSDP). Under VSDP, these members will receive a deferred benefit payable at age 60 from this plan. The deferred benefit will be computed like a normal retirement benefit. For this calculation, a member's creditable service will include the period of disability, and the Average Final Compensation will be adjusted to reflect increases in the cost-of-living between the date of disability and age 60. If the member dies while disabled before age 60, a death benefit will be determined as though the employee were an active member.



Schedule F – Virginia Law Officers’ Plan Provisions

Deferred Termination Benefit:

Eligibility:

A member with at least five years of service who does not withdraw his/her contributions from the fund is eligible for a deferred termination benefit.

Annual Benefit:

Same as normal retirement benefit, but both AFC and service are determined at the time the member leaves active employment. Benefits may commence unreduced at age 60 or at age 50 with at least 25 years of service. Reduced benefits may commence at or after age 50 if the member is not eligible for an unreduced benefit.

Payment Form:

The form of payment is the same as for Normal Retirement above.

Death Benefit:

The beneficiary of a member who dies after leaving active service but before retiring is entitled to receive a lump sum distribution of the deceased member's contribution account.

Withdrawal (Refund) Benefit:

Eligibility:

All members leaving covered employment with less than five years of service are eligible. Optionally, vested members (those with five or more years of service) may withdraw their contributions plus interest in lieu of the deferred benefits otherwise due.

Benefit:

The member who withdraws receives a lump-sum payment of his/her employee contributions, plus the interest credited on these contributions. Interest is credited at 4%.



Schedule F – Virginia Law Officers' Plan Provisions

Death Benefit:

Eligibility:

Death must have occurred while an active or inactive, non-retired member.

Benefit:

Upon the death of a non-vested member, a refund of the member's contributions and interest is paid. Upon the death of a vested member, if death occurs while in active service the qualifying survivor of the member is entitled to receive a benefit determined as though the member retired, elected the 100% Survivor Option, then died. If the member dies before reaching age 50, the member is assumed to be 50 for benefit calculation purposes. The qualifying survivor may elect to receive a refund of the contributions plus interest in lieu of the monthly benefit. If the death occurs while inactive, benefits payable are described in Section 9(d).

Work-Related Death:

Qualifying survivor would receive 50% of AFC if beneficiary does not qualify for Social Security survivor benefits and 33 1/3% of AFC if beneficiary qualifies for Social Security survivor benefits. This benefit is reduced by Worker's Compensation. In addition, a refund of the member's contribution account is paid to the beneficiary.

Cost-of-Living Increase:

Plan 1:

Members qualify for cost-of-living increased on July 1 of the second calendar year after retirement. Automatic cost-of-living increases are calculated as the first 3% of the Consumer Price Index increase plus half of each percentage increase from 3% to 7%.

Plan 2:

Members qualify for cost-of-living increased on July 1 of the second calendar year after retirement. Automatic cost-of-living increases are calculated as the first 2% increase of the Consumer Price Index plus half of each percent from 2% to 10%, with the maximum cost-of-living increase of 6%.



Schedule F – Summary of Plan Changes

Summary of Plan Changes

1996 Valuation

1. Any member with at least 25 years of service may purchase prior service credit for a) active duty military service in the armed forces of the United States, b) certified creditable service in the retirement system of another state, or c) both at the rate of 5% of current compensation or average final compensation, if greater, times years of service purchased.
2. VRS may enter into an agreement with any political subdivision of the Commonwealth of Virginia which has a defined benefit plan that is not supplemental to VRS to permit portability of service credit on a cost-neutral basis.
3. Early retirement is allowed at age 50 with 10 years of service. The early retirement benefit is determined as if the member is age 55 (but using actual service and AFC) reduced by 0.6% for each month the member is younger than age 55. This benefit can be no smaller than the value of the member's contributions and interest paid in monthly installments over the member's lifetime.
4. The service multiplier for judges entering the Retirement System after January 1, 1995 is 2.5.
5. Effective 7/1/98, a health credit of \$1.50 per month per year of service (up to 30 years) is automatically provided to teachers in VRS who retire with at least 15 years of service. An additional credit of \$1.00 per month per year of service (up to 30 years) can be provided.

1998 Valuation

1. Effective January 1, 1999, the retirement benefit became 1.7% of average final pay times years of service. The 3% benefit adjustment was eliminated for future retirees. A 1.6% ad hoc benefit increase was provided for all retirees and beneficiaries receiving benefits as of December 31, 1999.
2. On January 1, 1999, the Virginia Sickness and Disability Program became effective. All future new members will be covered by this program, and will only receive a deferred retirement benefit from VRS. Members joining before 1999 were allowed to make a one-time irrevocable election to join this program. (Applies to State Employees and State Police.)
3. Effective July 1, 1999, state employees, teachers and employees of participating local units that had not elected out of this benefit may retire with an unreduced benefit if they are at least 50 years old and they have earned at least 30 years of service.

1999 Valuation

1. 100% Joint and Survivor Option is payable in the case of death of a member who dies while in active service.
2. 100% Joint and Survivor Option is payable for disability retirement.



Schedule F – Summary of Plan Changes

2000 Valuation

1. On October 1, 1999, the Virginia Law Officers' Retirement System became effective.
2. On November 15, 2000 the VRS Board of Trustees adopted the recommended economic and demographic assumptions proposed by the actuary as a result of the June 2000 actuarial experience.
3. The Board of Trustees adopted the use of a "pooled" contribution rate for State Employees and Teachers.

2001 Valuation

1. The State Police System had their temporary supplement starting at retirement extended from age 65 to their Social Security retirement age.
2. The Virginia Law Officers System has changed their benefit multiplier from 1.7% to 2.0% of pay with no temporary supplement for all new hires and rehires after July 1, 2001 as well as for current participants who have made an election to change formulas.
3. The Partial Lump Sum Option was added as an additional optional form of payment. This option provides the retiring member with a lump sum payment equal to the sum of 12, 24, or 36 payments of the standard monthly life annuity. The member's monthly annuity is actuarially reduced to reflect the lump sum payment.

2002 Valuation

No material changes were made to the plan provisions.

2003 Valuation

No actuarially material changes were made to the plan provisions. Listed below are the two minor changes of note.

1. School superintendents with five years of service may now purchase an additional ten years of out-of-state service. The superintendent must not be eligible for an out-of-state benefit.
2. The leveling option was restored as an optional form of payment. Benefits may be leveled to age 62 or older, and the benefit cannot reduce more than 50%. Any COLAs are calculated on the basic benefit amount.

2004 Valuation

No material changes were made to the plan provisions.



Schedule F – Summary of Plan Changes

2005 Valuation

No material changes were made to the plan provisions.

2006 Valuation

No material changes were made to the plan provisions.

2007 Valuation

The State Police changed their benefit multiplier from 1.7% to 1.85% of pay.

2008 Valuation

No material changes were made to the plan provisions.

2009 Valuation

The temporary retirement supplement for SPORS and VaLORS changed from \$11,508 to \$12,456.

2010 Valuation

No material changes were made to the plan provisions.

2011 Valuation

In 2010, VRS adopted a second retirement plan. All employees hired on or after July 1, 2010 are automatically enrolled in this plan. The differences between Plan 1 and Plan 2 are listed below:

1. The Average Final Compensation is now based on the highest 60 consecutive months of service.
2. The Cost of Living Adjustment was adjusted to be the first 2% increase of the Consumer Price Index plus half of each percent from 2% to 10%, with the maximum cost-of-living increases of 6%.
3. The Normal Retirement Age is Social Security normal retirement age plus five years of service. A member is eligible for unreduced early retirement when the sum of his or her age plus years of service is 90 (Rule of 90). Eligibility for reduced early retirement is at age 60 with five years of service.
4. Judges service weight has been changed. For first term judges less than age 45 the service weight is 1.5; for judges age 45 – 54 the service weight is 2.0; finally, for judges age 55 and above the service weight is 2.5.

The State Employees Plan and the Teachers Plan adopted changes 1, 2, and 3 listed above. The State Police Plan and the Virginia Law Officers Plan adopted changes 1 and 2 listed above. The Judicial Plan adopted changes 1, 2, and 4



Schedule G – Schedule of Active Member Data

**STATE EMPLOYEES
AS OF June 30, 2011**

Attained Age	Completed Years of Service							Total	Payroll
	Under 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30+		
Under 20	46	0	0	0	0	0	0	46	\$ 958,981
20 to 24	1,640	31	0	0	0	0	0	1,671	\$ 48,184,541
25 to 29	3,998	901	8	0	0	0	0	4,907	\$ 175,900,771
30 to 34	3,604	2,009	520	14	0	0	0	6,147	\$ 257,434,542
35 to 39	3,028	2,093	1,290	300	9	0	0	6,720	\$ 308,375,204
40 to 44	2,933	2,347	1,699	1,048	587	37	0	8,651	\$ 409,010,698
45 to 49	2,738	2,185	1,975	1,312	1,662	874	82	10,828	\$ 518,598,679
50 to 54	2,434	2,223	1,962	1,320	1,808	1,588	1,539	12,874	\$ 641,562,058
55 to 59	1,770	1,833	1,768	1,382	1,512	1,406	2,747	12,418	\$ 654,781,006
60	259	292	320	239	300	237	515	2,162	\$ 117,852,724
61	195	292	290	233	232	213	502	1,957	\$ 108,171,141
62	170	228	232	188	207	193	396	1,614	\$ 92,858,325
63	155	186	231	167	201	161	388	1,489	\$ 87,052,596
64	123	165	207	158	179	154	365	1,351	\$ 77,850,255
65	61	104	122	78	105	92	205	767	\$ 47,236,250
66	48	71	73	52	73	58	170	545	\$ 33,257,500
67	33	66	55	52	37	41	159	443	\$ 29,015,584
68	30	33	38	30	36	28	121	316	\$ 20,766,005
69	12	27	33	23	16	29	71	211	\$ 12,911,197
70 & Over	32	75	105	83	101	74	233	703	\$ 44,480,482
Total	23,309	15,161	10,928	6,679	7,065	5,185	7,493	75,820	\$ 3,686,258,539

Average Age: 48.01

Average Service: 12.86



Schedule G – Schedule of Active Member Data

TEACHERS
AS OF June 30, 2011

Attained Age	Completed Years of Service								Payroll
	Under 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30+	Total	
Under 20	14	0	0	0	0	0	0	14	\$ 294,600
20 to 24	2,991	14	0	0	0	0	0	3,005	\$ 106,748,262
25 to 29	10,517	4,660	9	0	0	0	0	15,186	\$ 608,287,491
30 to 34	5,025	9,248	2,503	8	0	0	0	16,784	\$ 735,080,671
35 to 39	3,928	5,296	5,891	1,381	3	0	0	16,499	\$ 759,670,975
40 to 44	4,354	5,225	4,417	4,089	1,250	11	0	19,346	\$ 905,659,158
45 to 49	3,853	5,207	3,940	2,363	2,824	1,179	13	19,379	\$ 892,363,496
50 to 54	2,862	4,547	4,379	2,555	2,259	2,856	1,681	21,139	\$ 1,030,754,073
55 to 59	1,627	3,126	3,594	2,842	2,525	2,019	3,900	19,633	\$ 1,050,846,336
60	219	473	519	478	443	352	657	3,141	\$ 172,524,988
61	209	383	441	445	446	379	546	2,849	\$ 158,394,012
62	138	341	406	367	404	327	412	2,395	\$ 133,311,014
63	129	261	316	281	333	270	348	1,938	\$ 107,837,016
64	101	254	267	248	294	241	299	1,704	\$ 95,166,869
65	50	120	155	148	161	121	184	939	\$ 52,339,392
66	47	90	118	95	91	88	137	666	\$ 37,349,749
67	21	72	73	52	50	47	95	410	\$ 22,181,897
68	17	38	58	43	49	37	90	332	\$ 17,521,826
69	16	31	38	28	36	23	48	220	\$ 10,841,880
70 & Over	46	86	96	68	61	61	155	573	\$ 24,956,232
Total	36,164	39,472	27,220	15,491	11,229	8,011	8,565	146,152	\$ 6,922,129,937

Average Age: 45.16

Average Service: 11.79



Schedule G – Schedule of Active Member Data

**STATE POLICE
AS OF June 30, 2011**

Attained Age	Completed Years of Service								Total	Payroll
	Under 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30+			
Under 20	0	0	0	0	0	0	0	0	0	\$ -
20 to 24	22	0	0	0	0	0	0	0	22	\$ 844,771
25 to 29	123	112	0	0	0	0	0	0	235	\$ 10,584,775
30 to 34	40	175	46	0	0	0	0	0	261	\$ 12,262,247
35 to 39	25	83	140	30	0	0	0	0	278	\$ 14,257,883
40 to 44	17	57	72	93	51	3	0	0	293	\$ 16,426,792
45 to 49	19	19	20	51	139	57	0	0	305	\$ 19,544,228
50 to 54	3	8	19	12	39	90	34	0	205	\$ 14,544,087
55 to 59	0	5	5	2	2	15	58	0	87	\$ 6,841,112
60	0	0	0	0	1	0	11	0	12	\$ 1,002,302
61	0	0	1	0	1	3	7	0	12	\$ 1,032,957
62	0	0	0	1	0	1	4	0	6	\$ 451,523
63	0	0	0	1	0	0	5	0	6	\$ 543,567
64	0	1	0	1	0	0	6	0	8	\$ 664,958
65	0	0	0	0	1	0	2	0	3	\$ 236,404
66	1	0	0	0	0	0	3	0	4	\$ 347,881
67	0	0	0	0	0	0	1	0	1	\$ 83,147
68	0	0	0	0	0	0	0	0	0	\$ -
69	0	0	0	0	0	0	0	0	0	\$ -
70 & Over	0	0	0	0	0	0	0	0	0	\$ -
Total	250	460	303	191	234	169	131	1,738	1,738	\$ 99,668,633

Average Age: 41.37

Average Service: 14.82



Schedule G – Schedule of Active Member Data

**JUDICIAL
AS OF June 30, 2011**

Attained Age	Completed Years of Service								Total	Payroll
	Under 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30+			
Under 20	0	0	0	0	0	0	0	0	0	\$ -
20 to 24	0	0	0	0	0	0	0	0	0	\$ -
25 to 29	0	0	0	0	0	0	0	0	0	\$ -
30 to 34	0	0	0	0	0	0	0	0	0	\$ -
35 to 39	3	0	0	0	0	0	0	0	3	\$ 426,987
40 to 44	10	4	1	0	0	0	0	0	15	\$ 2,165,011
45 to 49	14	14	4	0	0	0	0	0	32	\$ 4,685,020
50 to 54	15	23	14	14	0	0	0	0	66	\$ 9,883,416
55 to 59	14	27	26	16	11	1	0	0	95	\$ 14,297,083
60	5	3	8	9	2	0	0	0	27	\$ 3,985,751
61	1	3	3	4	3	2	0	0	16	\$ 2,449,785
62	2	2	6	4	6	0	0	0	20	\$ 3,030,335
63	3	4	7	9	4	2	0	0	29	\$ 4,279,974
64	1	6	9	7	3	1	0	0	27	\$ 4,048,348
65	0	0	0	3	3	2	0	0	8	\$ 1,233,462
66	1	4	7	4	1	2	1	0	20	\$ 2,986,269
67	0	2	3	0	2	3	1	0	11	\$ 1,702,247
68	0	0	4	1	1	1	0	0	7	\$ 1,038,101
69	0	3	3	2	2	3	0	0	13	\$ 1,932,620
70 & Over	0	0	2	0	0	3	0	0	5	\$ 774,865
Total	69	95	97	73	38	20	2	0	394	\$ 58,919,274

Average Age: 58.48

Average Service: 12.04



Schedule G – Schedule of Active Member Data

**VIRGINIA LAW OFFICERS
AS OF June 30, 2011**

Attained Age	Completed Years of Service								Payroll
	Under 5	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30+	Total	
Under 20	20	0	0	0	0	0	0	20	\$ 557,343
20 to 24	645	13	0	0	0	0	0	658	\$ 20,110,483
25 to 29	956	246	1	0	0	0	0	1,203	\$ 39,712,297
30 to 34	607	359	165	3	0	0	0	1,134	\$ 38,979,180
35 to 39	494	338	334	146	4	0	0	1,316	\$ 47,273,760
40 to 44	413	348	323	284	107	2	0	1,477	\$ 55,377,333
45 to 49	325	301	271	273	250	112	3	1,535	\$ 60,635,109
50 to 54	243	205	250	182	126	98	23	1,127	\$ 45,181,897
55 to 59	116	160	173	144	85	51	49	778	\$ 32,032,365
60	16	17	19	16	12	7	8	95	\$ 4,093,339
61	11	17	13	16	13	5	4	79	\$ 3,247,646
62	7	14	13	14	4	3	4	59	\$ 2,487,396
63	9	6	13	9	6	5	6	54	\$ 2,381,706
64	4	7	12	8	3	2	1	37	\$ 1,555,783
65	2	2	1	6	1	0	0	12	\$ 451,307
66	1	0	2	4	3	0	1	11	\$ 490,503
67	1	0	1	2	3	0	0	7	\$ 310,517
68	2	1	1	2	0	1	3	10	\$ 520,141
69	3	2	2	2	2	0	0	11	\$ 476,316
70 & Over	0	3	1	1	2	0	1	8	\$ 365,519
Total	3,875	2,039	1,595	1,112	621	286	103	9,631	\$ 356,239,941

Average Age: 41.41

Average Service: 9.12



Schedule H – Schedule of Retiree and Beneficiary Data

**RETIREE AND BENEFICIARY DATA
AS OF June 30, 2011**

Employer	Prior Year Total Retirees and Beneficiaries	Retirees and Beneficiaries		Current Year Total Retirees and Beneficiaries	Current Annual Allowances (000s)	Prior Annual Allowances (000s)	Annualized % Increase in Annual Allowances	Average Annual Allowances	Prior Year Average Annual Allowances	% Increase in Average Annual Allowances
		Added	Removed							
State	46,064	2,994	1,564	47,494	\$ 912,995	\$ 861,362	6.0%	\$ 19,223	\$ 18,699	2.8%
Teacher	63,758	5,291	1,433	67,616	1,501,649	1,393,163	7.8%	22,208	21,851	1.6%
Political	35,447	3,345	1,213	37,579	585,297	528,610	10.7%	15,575	14,913	4.4%
Total VRS	145,269	11,630	4,210	152,689	\$ 2,999,941	\$ 2,783,135	7.8%	\$ 19,647	\$ 19,158	2.6%
State Police	1,122	68	24	1,166	43,768	41,226	6.2%	37,537	36,743	2.2%
VaLORS	2,318	316	33	2,601	57,030	51,498	10.7%	21,926	22,217	-1.3%
Judicial	451	25	30	446	30,559	30,356	0.7%	68,518	67,308	1.8%
Totals	149,160	12,039	4,297	156,902	\$ 3,131,298	\$ 2,906,215	7.7%	\$ 19,957	\$ 19,484	2.4%

**CHANGE IN ALLOWANCES FOR RETIREES AND BENEFICIARIES
AS OF June 30, 2011**

	Prior Year Annual Allowances	COLA	Additions	Deletions	Current Year Annual Allowances
State	\$ 861,362	\$ -	\$ 66,569	\$ 14,936	\$ 912,995
Teacher	1,393,163	-	123,035	14,549	1,501,649
Political	528,610	-	59,180	2,493	585,297
Total VRS	\$ 2,783,135	\$ -	\$ 248,784	\$ 31,978	\$ 2,999,941
State Police	41,226	-	2,954	412	43,768
VaLORS	51,498	-	6,677	1,145	57,030
Judges	30,356	-	1,717	1,514	30,559
Totals	\$ 2,906,215	\$ -	\$ 260,132	\$ 35,049	\$ 3,131,298