

Audited Schedules of Employer Allocations and Pension Amounts By Employer

State Teachers Retirement System

Administered by

The West Virginia Consolidated Public Retirement Board

As of and for the Year Ended June 30, 2017



State Teachers Retirement System
Audited Schedules of Employer Allocations and Pension Amounts By Employer
As of and for the Year Ended June 30, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Members of the
West Virginia Consolidated Public Retirement Board
Charleston, West Virginia

Report on the Schedules

We have audited the accompanying schedule of employer allocations of the State Teachers Retirement System (TRS), administered by the West Virginia Consolidated Public Retirement Board, as of and for the year ended June 30, 2017, and the related notes. We have also audited the total for all entities of the columns titled net pension asset (liability), total deferred outflows of resources, total deferred inflows of resources, and total pension expense excluding that attributable to employer-paid member contributions (specified column totals) included in the accompanying schedule of pension amounts by employer of the TRS as of and for the year ended June 30, 2017, and the related notes.

Management's Responsibility for the Schedules

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

Auditor's Responsibility

Our responsibility is to express opinions on the schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations and net pension asset (liability), total deferred outflows of resources, total deferred inflows of resources, and total pension expense excluding that attributable to employer-paid member contributions for the total of all participating entities for the State Teachers Retirement System, as of and for the year ended June 30, 2017, in accordance with accounting principles generally accepted in the United States of America.

Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the West Virginia Consolidated Public Retirement Board as of and for the year ended June 30, 2017, and our report thereon dated October 13, 2017, expressed an unmodified opinion on those financial statements.

Restrictions on Use

Our report is intended solely for the information and use of the West Virginia Consolidated Public Retirement Board, the State Teachers Retirement System's participating employers and their auditors and is not intended to be used by anyone other than these specified parties.



Charleston, West Virginia
June 13, 2018

STATE TEACHERS RETIREMENT SYSTEM
Schedule of Employer Allocations
For the Year Ended June 30, 2017

Employer	Employer Contributions	State Payment Made "On Behalf" of Employers	Total Employer Contributions	Employer Allocation Percentage
Barbour County Board of Education	\$ 67,090	\$ 6,073	\$ 73,163	0.016206%
Berkeley County Board of Education	1,840,504	166,593	2,007,097	0.444592%
Boone County Board of Education	123,940	11,218	135,158	0.029939%
Braxton County Board of Education	54,535	4,936	59,471	0.013173%
Brooke County Board of Education	354,720	32,107	386,827	0.085686%
Cabell County Board of Education	1,122,296	101,585	1,223,881	0.271102%
Calhoun County Board of Education	48,766	4,414	53,180	0.011780%
Clay County Board of Education	130,511	11,813	142,324	0.031526%
Doddridge County Board of Education	256,555	23,222	279,777	0.061973%
Fayette County Board of Education	467,565	42,322	509,887	0.112945%
Gilmer County Board of Education	50,848	4,603	55,451	0.012283%
Grant County Board of Education	49,858	4,513	54,371	0.012044%
Greenbrier County Board of Education	403,596	36,532	440,128	0.097493%
Hampshire County Board of Education	168,180	15,223	183,403	0.040626%
Hancock County Board of Education	339,968	30,772	370,740	0.082123%
Hardy County Board of Education	78,286	7,086	85,372	0.018911%
Harrison County Board of Education	1,575,805	142,634	1,718,439	0.380651%
Jackson County Board of Education	322,395	29,182	351,577	0.077878%
Jefferson County Board of Education	882,590	79,887	962,477	0.213198%
Kanawha County Board of Education	2,647,498	239,638	2,887,136	0.639529%
Lewis County Board of Education	244,849	22,163	267,012	0.059146%
Lincoln County Board of Education	258,161	23,367	281,528	0.062361%
Logan County Board of Education	410,260	37,135	447,395	0.099102%
Marion County Board of Education	651,889	59,006	710,895	0.157470%
Marshall County Board of Education	899,708	81,437	981,145	0.217333%
Mason County Board of Education	308,643	27,937	336,580	0.074556%
McDowell County Board of Education	422,571	38,249	460,820	0.102076%
Mercer County Board of Education	819,869	74,210	894,079	0.198047%
Mineral County Board of Education	407,956	36,926	444,882	0.098546%
Mingo County Board of Education	214,482	19,414	233,896	0.051810%
Monongalia County Board of Education	1,296,705	117,371	1,414,076	0.313232%
Monroe County Board of Education	112,459	10,179	122,638	0.027166%
Morgan County Board of Education	174,758	15,818	190,576	0.042214%
Nicholas County Board of Education	286,995	25,977	312,972	0.069326%
Ohio County Board of Education	705,935	63,898	769,833	0.170526%
Pendleton County Board of Education	4,930	446	5,376	0.001191%
Pleasants County Board of Education	250,695	22,692	273,387	0.060558%
Pocahontas County Board of Education	69,004	6,246	75,250	0.016669%
Preston County Board of Education	175,506	15,886	191,392	0.042395%
Putnam County Board of Education	813,422	73,627	887,049	0.196490%
Raleigh County Board of Education	1,146,586	103,783	1,250,369	0.276969%
Randolph County Board of Education	215,063	19,467	234,530	0.051951%
Ritchie County Board of Education	141,445	12,803	154,248	0.034167%
Roane County Board of Education	67,766	6,134	73,900	0.016370%
Summers County Board of Education	48,268	4,369	52,637	0.011660%
Taylor County Board of Education	84,618	7,659	92,277	0.020440%
Tucker County Board of Education	53,704	4,861	58,565	0.012973%
Tyler County Board of Education	180,126	16,304	196,430	0.043511%
Upshur County Board of Education	246,967	22,354	269,321	0.059657%
Wayne County Board of Education	525,779	47,591	573,370	0.127007%
Webster County Board of Education	87,932	7,959	95,891	0.021241%
Wetzel County Board of Education	455,801	41,257	497,058	0.110103%
Wirt County Board of Education	30,529	2,763	33,292	0.007375%
Wood County Board of Education	1,085,984	98,298	1,184,282	0.262330%
Wyoming County Board of Education	349,690	31,652	381,342	0.084471%
Bluefield State College	59,754	5,409	65,163	0.014434%
River Valley Child Development Services	23,227	2,102	25,329	0.005611%
Concord University	108,630	9,833	118,463	0.026241%

The accompanying notes are an integral part of this schedule

STATE TEACHERS RETIREMENT SYSTEM
Schedule of Employer Allocations
For the Year Ended June 30, 2017

Employer	Employer Contributions	State Payment Made "On Behalf" of Employers	Total Employer Contributions	Employer Allocation Percentage
Fairmont State University	89,684	8,118	97,802	0.021664%
Glenville State College	188,146	17,030	205,176	0.045449%
Marshall University Research Corp	22,335	2,022	24,357	0.005395%
Marshall University	355,125	32,144	387,269	0.085784%
Shepherd University	31,988	2,895	34,883	0.007727%
West Liberty University	74,992	6,788	81,780	0.018115%
West Virginia School for the Deaf and Blind	652,831	59,091	711,922	0.157698%
West Virginia State University	112,444	10,178	122,622	0.027162%
West Virginia University	1,099,773	99,546	1,199,319	0.265661%
Southern West Virginia Community & Technical College	72,625	6,574	79,199	0.017543%
West Virginia Northern Community College	31,812	2,880	34,692	0.007685%
West Virginia Network	13,864	1,255	15,119	0.003349%
Blue Ridge Community and Technical College	9,940	900	10,840	0.002401%
Pierpont Community & Technical College	7,501	679	8,180	0.001812%
Mountwest Community and Technical College	8,548	774	9,322	0.002065%
New River Community and Technical College	38,569	3,491	42,060	0.009317%
West Virginia University at Parkersburg	17,065	1,545	18,610	0.004122%
West Virginia Council for Community & Technical College Education	10,717	970	11,687	0.002589%
West Virginia Department of Education	2,240,596	202,807	2,443,403	0.541238%
Bridge Valley Community & Technical College	22,918	2,074	24,992	0.005536%
West Virginia Higher Education Policy Commission	44,167	3,998	48,165	0.010669%
State of WV Special Funding - SAF	99,335,705	8,991,362	108,327,067	23.995523%
State of WV Special Funding - ARC Contributions	285,068,483	25,802,944	310,871,427	68.861113%
	<u>\$ 413,976,000</u>	<u>\$ 37,471,000</u>	<u>\$ 451,447,000</u>	<u>100.000000%</u>

The accompanying notes are an integral part of this schedule

STATE TEACHERS RETIREMENT SYSTEM
Schedule of Pension Amounts by Employer
As of and for the Year Ended June 30, 2017

Employer	Deferred Outflows of Resources				Deferred Inflows of Resources				Pension Expense Excluding that Attributable to Employer-Paid Member Contributions			
	Net Pension Asset (Liability)	Differences Between Expected and Actual Experience	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Changes in Assumptions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Allocable Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense Excluding That Attributable to Employer-Paid Member Contributions
Barbour County Board of Education	\$ (559,913)	\$ 4,868	\$ 169,981	\$ 21,034	\$ 195,883	\$ (9,974)	\$ (17,600)	\$ (109,901)	\$ (137,475)	\$ 52,071	\$ 28,892	\$ 80,963
Berkeley County Board of Education	(15,360,529)	133,547	2,973,140	577,040	3,683,727	(273,633)	(482,822)	(925,623)	(1,682,078)	1,428,505	789,615	2,218,120
Boone County Board of Education	(1,034,384)	8,993	701,942	38,858	749,793	(18,427)	(32,513)	(4,669,634)	(4,720,574)	96,196	(890,738)	(794,542)
Braxton County Board of Education	(455,123)	3,957	33,268	17,097	54,322	(8,108)	(14,306)	(379,039)	(401,453)	42,326	(144,622)	(102,296)
Brooke County Board of Education	(2,960,427)	25,738	831,690	111,213	968,641	(52,737)	(93,054)	(613,631)	(759,422)	275,315	43,342	138,657
Cabell County Board of Education	(9,366,498)	81,434	2,048,024	351,866	2,481,324	(166,855)	(294,414)	-	(461,269)	871,070	587,081	1,458,151
Calhoun County Board of Education	(406,996)	3,538	366,947	15,289	385,774	(7,250)	(12,793)	(399,993)	(420,036)	37,850	45,860	83,710
Clay County Board of Education	(1,089,214)	9,470	193,764	40,918	244,152	(19,403)	(34,237)	(261,862)	(315,502)	101,295	(81,909)	19,386
Doddridge County Board of Education	(2,141,150)	18,615	600,030	80,435	699,080	(38,143)	(67,302)	-	(105,445)	199,124	190,344	389,468
Fayette County Board of Education	(3,902,218)	33,926	535,421	146,592	715,939	(69,514)	(122,657)	(955,803)	(1,147,974)	362,900	(143,226)	219,674
Gilmer County Board of Education	(424,374)	3,690	275,959	15,942	295,591	(7,560)	(13,339)	(135,921)	(156,820)	39,466	88,867	128,333
Grant County Board of Education	(416,117)	3,618	429,195	15,632	448,445	(7,413)	(13,080)	(543,475)	(563,968)	38,698	11,982	50,680
Greenbrier County Board of Education	(3,368,356)	29,285	1,080,481	126,537	1,236,303	(60,004)	(105,876)	(1,343,627)	(1,509,507)	313,252	(19,765)	293,487
Hampshire County Board of Education	(1,403,617)	12,203	811,730	52,729	876,662	(25,004)	(44,119)	(423,839)	(492,962)	130,534	136,238	266,772
Hancock County Board of Education	(2,837,327)	24,668	273,935	106,588	405,191	(50,544)	(89,185)	(579,209)	(718,938)	263,867	(36,777)	227,090
Hardy County Board of Education	(653,370)	5,680	439,148	24,545	469,373	(11,639)	(20,537)	-	(32,176)	60,762	118,523	179,285
Harrison County Board of Education	(13,151,385)	114,340	2,398,927	494,051	3,007,318	(234,279)	(413,383)	(403,851)	(1,051,513)	1,223,058	465,397	1,688,455
Jackson County Board of Education	(2,690,663)	23,393	783,631	101,079	908,103	(47,932)	(84,575)	(1,710,803)	(1,843,310)	250,227	(130,999)	119,228
Jefferson County Board of Education	(7,365,931)	64,040	2,746,119	276,712	3,086,871	(131,217)	(231,531)	(2,061,604)	(2,424,352)	685,020	308,790	993,810
Kanawha County Board of Education	(22,095,548)	192,102	8,125,301	830,051	9,147,454	(393,611)	(694,522)	(764,453)	(1,852,586)	2,054,851	1,706,467	3,761,318
Lewis County Board of Education	(2,043,478)	17,766	593,322	76,766	687,854	(36,403)	(64,232)	(60,661)	(161,296)	190,040	119,851	309,891
Lincoln County Board of Education	(2,154,555)	18,732	387,764	80,939	487,435	(38,381)	(67,723)	(14,149)	(120,253)	200,370	91,332	291,702
Logan County Board of Education	(3,423,946)	29,768	1,513,337	128,625	1,671,730	(60,994)	(107,624)	(1,084,492)	(1,253,110)	318,422	166,406	484,828
Marion County Board of Education	(5,440,544)	47,301	1,223,630	204,382	1,475,313	(96,918)	(171,011)	(1,385,644)	(1,653,573)	505,962	(299,358)	206,604
Marshall County Board of Education	(7,508,794)	65,282	2,038,649	282,079	2,386,010	(133,762)	(236,021)	(245,789)	(615,572)	698,306	336,577	1,034,883
Mason County Board of Education	(2,575,889)	22,395	616,034	96,767	735,196	(45,887)	(80,967)	(362,865)	(489,719)	239,554	111,431	350,985
McDowell County Board of Education	(3,526,697)	30,662	925,866	132,485	1,089,013	(62,825)	(110,854)	(1,094,767)	(1,268,446)	327,977	(147,900)	180,077
Mercer County Board of Education	(6,842,468)	59,489	1,426,273	257,047	1,742,809	(121,892)	(215,077)	(1,150,444)	(1,487,413)	636,339	(37,922)	598,417
Mineral County Board of Education	(3,404,737)	29,601	531,087	127,904	688,592	(60,652)	(107,020)	(486,442)	(654,114)	316,635	(36,943)	279,692
Mingo County Board of Education	(1,790,021)	15,563	187,538	67,245	270,346	(31,888)	(56,265)	(1,298,127)	(1,386,280)	166,469	(400,903)	(234,434)
Monongalia County Board of Education	(10,822,078)	94,089	1,448,279	406,547	1,948,915	(192,785)	(340,167)	(681,287)	(1,214,239)	1,006,436	205,403	1,211,839
Monroe County Board of Education	(938,578)	8,160	310,908	35,259	354,327	(16,720)	(29,502)	(170,170)	(216,392)	87,286	40,426	127,712
Morgan County Board of Education	(1,458,482)	12,680	361,440	54,790	428,910	(25,981)	(45,844)	(153,224)	(225,049)	135,637	6,581	142,218
Nicholas County Board of Education	(2,395,194)	20,824	631,197	89,979	742,000	(42,668)	(75,287)	(295,338)	(413,293)	222,749	27,176	249,925
Ohio County Board of Education	(5,891,626)	51,223	1,046,040	221,327	1,318,590	(104,954)	(185,190)	(42,799)	(332,943)	547,912	243,240	791,152
Pendleton County Board of Education	(41,149)	358	158,088	1,546	159,992	(733)	(1,293)	(496,735)	(498,761)	3,827	(91,581)	(87,754)
Pleasants County Board of Education	(2,092,262)	18,190	787,128	78,599	883,917	(37,272)	(65,765)	(423,241)	(526,278)	194,577	120,408	314,985
Pocahontas County Board of Education	(575,909)	5,007	287,962	21,635	314,604	(10,259)	(18,102)	(44,732)	(73,093)	53,559	53,185	106,744
Preston County Board of Education	(1,464,735)	12,735	741,691	55,025	809,451	(26,093)	(46,041)	(463,421)	(535,555)	136,218	4,902	141,120
Putnam County Board of Education	(6,788,674)	59,022	976,398	255,026	1,290,446	(120,934)	(213,386)	(1,204,671)	(1,538,991)	631,336	(135,484)	495,852
Raleigh County Board of Education	(9,569,201)	83,196	3,072,798	359,481	3,515,475	(170,466)	(300,786)	(1,427,893)	(1,899,145)	889,921	370,274	1,260,195
Randolph County Board of Education	(1,794,893)	15,605	467,622	67,428	550,655	(31,974)	(56,418)	(982,391)	(1,070,783)	166,922	(224,106)	(57,184)
Ritchie County Board of Education	(1,180,460)	10,263	228,524	44,346	283,133	(21,029)	(37,105)	(295,259)	(353,393)	109,781	(15,527)	94,254
Roane County Board of Education	(565,579)	4,917	94,845	21,247	121,009	(10,075)	(17,778)	(360,658)	(388,511)	52,598	(61,712)	(9,114)
Summers County Board of Education	(402,850)	3,502	159,720	15,134	178,356	(7,176)	(12,663)	(570,632)	(590,471)	37,464	(114,275)	(76,811)
Taylor County Board of Education	(706,196)	6,140	330,217	26,529	362,886	(12,580)	(22,198)	(543,666)	(578,444)	65,675	(102,718)	(37,043)
Tucker County Board of Education	(448,214)	3,897	227,951	16,838	248,686	(7,984)	(14,089)	-	(22,073)	61,683	64,972	106,655
Tyler County Board of Education	(1,503,293)	13,070	408,723	56,473	478,266	(26,780)	(47,253)	(312,174)	(386,207)	139,804	(16,346)	123,458
Upshur County Board of Education	(2,061,133)	17,920	831,592	77,429	926,941	(36,717)	(64,787)	(768,303)	(869,807)	191,682	54,910	246,592
Wayne County Board of Education	(4,388,056)	38,150	1,894,065	164,844	2,097,059	(78,169)	(137,928)	(625,949)	(842,046)	408,082	284,160	692,242
Webster County Board of Education	(733,871)	6,380	233,636	27,569	267,585	(13,073)	(23,068)	(300,260)	(336,401)	68,249	(71,570)	(3,321)
Wetzel County Board of Education	(3,804,028)	33,073	1,653,207	142,904	1,829,914	(67,765)	(119,571)	(328,043)	(515,379)	353,769	422,784	776,553
Wirt County Board of Education	(254,804)	2,215	62,891	9,572	74,678	(4,539)	(8,009)	(217,997)	(230,545)	23,696	(38,812)	(15,116)
Wood County Board of Education	(9,063,428)	78,799	1,635,668	340,481	2,054,948	(161,456)	(284,888)	(1,868,348)	(2,314,692)	842,885	(117,173)	725,712
Wyoming County Board of Education	(2,918,449)	25,373	874,186	109,636	1,009,195	(51,989)	(91,735)	(1,382,316)	(1,526,040)	271,411	(199,002)	72,409
Bluefield State College	(498,691)	4,336	93,874	18,734	116,944	(8,884)	(15,675)	(216,365)	(240,924)	46,377	(41,037)	5,340

STATE TEACHERS RETIREMENT SYSTEM
Schedule of Pension Amounts by Employer
As of and for the Year Ended June 30, 2017

Employer	Deferred Outflows of Resources					Deferred Inflows of Resources					Pension Expense Excluding that Attributable to Employer-Paid Member Contributions		
	Net Pension Asset (Liability)	Differences Between Expected and Actual Experience	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Changes in Assumptions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense Excluding That Attributable to Employer-Paid Member Contributions	
River Valley Child Development Services	(193,858)	1,685	29,317	7,283	38,285	(3,453)	(6,093)	(18,299)	(27,845)	18,029	(1,166)	16,863	
Concord University	(906,619)	7,882	64,988	34,058	106,928	(16,151)	(28,497)	(384,839)	(429,487)	84,314	(79,091)	5,223	
Fairmont State University	(748,485)	6,507	-	28,118	34,625	(13,334)	(23,527)	(445,357)	(482,218)	69,608	(134,557)	(64,949)	
Glenville State College	(1,570,250)	13,652	169,801	58,989	242,442	(27,972)	(49,357)	(248,611)	(325,940)	146,031	(50,551)	95,480	
Marshall University Research Corp	(186,396)	1,621	38,181	7,002	46,804	(3,320)	(5,859)	(20,814)	(29,993)	17,335	1,676	19,011	
Marshall University	(2,963,813)	25,768	60,564	111,340	197,672	(52,797)	(93,161)	(968,842)	(1,114,800)	275,630	(246,781)	28,849	
Shepherd University	(266,966)	2,321	1,693	10,029	14,043	(4,756)	(8,391)	(187,115)	(200,262)	24,827	(69,714)	(44,887)	
West Liberty University	(625,868)	5,441	40,889	23,512	69,842	(11,149)	(19,673)	(86,765)	(117,587)	58,205	(20,346)	37,859	
West Virginia School for the Deaf and Blind	(5,448,422)	47,369	769,162	204,678	1,021,209	(97,058)	(171,258)	(470,165)	(738,481)	506,695	43,766	550,461	
West Virginia State University	(938,439)	8,159	37,624	35,254	81,037	(16,717)	(29,498)	(234,176)	(280,391)	87,273	(61,702)	25,571	
West Virginia University	(9,178,513)	79,799	225,161	344,804	649,764	(163,506)	(288,505)	(2,252,442)	(2,704,453)	853,587	(673,998)	179,589	
Southern West Virginia Community & Technical College	(606,106)	5,270	-	22,769	28,039	(10,797)	(19,052)	(246,734)	(276,583)	56,367	(90,245)	(33,878)	
West Virginia Northern Community College	(265,515)	2,308	10,379	9,974	22,661	(4,730)	(8,346)	(148,227)	(161,303)	24,692	(55,150)	(30,458)	
West Virginia Network	(115,707)	1,006	-	4,347	5,353	(2,061)	(3,637)	(30,514)	(36,212)	10,761	(8,650)	2,111	
Blue Ridge Community and Technical College	(82,954)	721	12,181	3,116	16,018	(1,478)	(2,607)	(9,200)	(13,285)	7,715	721	8,436	
Pierpont Community & Technical College	(62,604)	544	8,804	2,352	11,700	(1,115)	(1,968)	(4,007)	(7,090)	5,822	1,210	7,032	
Mountwest Community and Technical College	(71,345)	620	10,193	2,680	13,493	(1,271)	(2,243)	(135,116)	(138,630)	6,635	(34,520)	(27,885)	
New River Community and Technical College	(321,900)	2,799	21,727	12,093	36,619	(5,734)	(10,118)	(37,652)	(53,504)	29,936	(8,478)	21,458	
West Virginia University at Parkersburg	(142,414)	1,238	22,688	5,350	29,276	(2,537)	(4,476)	(21,037)	(28,050)	13,244	1,232	14,476	
West Virginia Council for Community & Technical College Education	(89,449)	778	9,484	3,360	13,622	(1,593)	(2,812)	(37,410)	(41,815)	8,319	(12,253)	(3,934)	
West Virginia Department of Education	(18,699,621)	162,577	2,494,939	702,478	3,359,994	(333,116)	(587,779)	(3,375,879)	(4,296,774)	1,739,036	(386,554)	1,352,482	
Bridge Valley Community & Technical College	(191,267)	1,663	83,823	7,185	92,671	(3,407)	(6,012)	(332,789)	(342,208)	17,788	(52,760)	(34,972)	
West Virginia Higher Education Policy Commission	(368,611)	3,205	85,730	13,847	102,782	(6,566)	(11,586)	(39,524)	(57,676)	34,280	25,924	60,204	
State of WV Special Funding - SAF	(829,038,601)	7,207,775	79,279,712	31,144,029	117,631,516	(14,768,525)	(26,058,898)	(108,590,625)	(149,418,048)	77,099,295	(11,152,916)	65,946,379	
State of WV Special Funding - ARC Contributions	(2,379,132,175)	20,684,504	143,982,606	89,375,528	254,042,638	(42,381,953)	(74,782,480)	(125,772,770)	(242,937,203)	221,255,579	9,419,892	230,675,471	
	<u>\$ (3,454,972,000)</u>	<u>\$ 30,038,000</u>	<u>\$ 281,740,429</u>	<u>\$ 129,791,000</u>	<u>\$ 441,569,429</u>	<u>\$ (61,547,000)</u>	<u>\$ (108,599,000)</u>	<u>\$ (281,740,429)</u>	<u>\$ (451,886,429)</u>	<u>\$ 321,307,000</u>	<u>\$ -</u>	<u>\$ 321,307,000</u>	

STATE TEACHERS RETIREMENT SYSTEM

NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND
PENSION AMOUNTS BY EMPLOYER**1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Introduction - The Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, establishes financial reporting requirements for governments that provide employees with pension benefits. GASB Statement No. 68 requires governmental employers to recognize a net pension liability and/or a net pension asset as employees earn pension benefits. Governments participating in the State Teachers Retirement System (the TRS) will recognize their proportionate share of the collective pension amounts for all benefits provided through the plan.

Basis of Accounting - The schedule of pension amounts by employer of the Plan has been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles for governmental units.

Basis of Allocation - Pension amounts have been allocated to each participating employer and non-employer contributing entity based on their proportionate share of employer and non-employer contributions to the TRS for the fiscal year ended June 30, 2017. Employer contributions are recognized when due. Retroactive service, military service, out of state service, and back pay employer contributions have been excluded from the allocation. Employer contributions made by the non-employer contributing entity on behalf of participating employers have been allocated to the non-employer contributing entity in accordance with the special funding situation requirements of GASB 68. See Note 4, special funding situation, for additional discussion, and Note 5 for discussion of contributions that are not in a special funding situation.

Accounting Estimates - The preparation of the schedules of employer allocations and pension amounts by employer in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net pension liability, deferred inflows of resources, deferred outflows of resources, and pension expense as of the measurement date. Actual amounts could differ from those estimates.

Measurement Date - Net pension liability, deferred inflows of resources, deferred outflows of resources, and pension expense were determined by actuarial valuations as of July 1, 2016 rolled forward to June 30, 2017, which is the measurement date.

STATE TEACHERS RETIREMENT SYSTEM

NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND
PENSION AMOUNTS BY EMPLOYER

(Continued)

2 - AMORTIZATION

The net difference between projected and actual investment earnings on pension plan investments is amortized over a five year period. All other deferred outflows of resources and deferred inflows of resources relating to pension amounts reported in these schedules are amortized and included in pension expense over the average expected remaining service life of 5.98 years.

The amortization of the deferred outflows and deferred inflows related to changes in the proportionate share of contributions from year to year for each entity is available from the West Virginia Public Retirement Board.

Information regarding the amortization of deferred outflows and deferred inflows of resources related to pension amounts follows:

Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments
(in thousands, except for the recognition period):

<u>Measurement date June 30</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Amount	\$ (570,044)	\$ 244,714	\$ 524,259	\$ (508,789)			
Recognition period (years)	5.00	5.00	5.00	5.00			
Amount recongized in							
fiscal year:							
2014	\$ (114,009)	\$ -	\$ -	\$ -	\$ -	\$ (114,009)	\$ (114,009)
2015	(114,009)	48,943	-	-	48,943	(114,009)	(65,066)
2016	(114,009)	48,943	104,852	-	153,795	(114,009)	39,786
2017	(114,009)	48,943	104,852	(101,758)	153,795	(215,767)	(61,972)
2018	(114,008)	48,943	104,852	(101,758)	153,795	(215,766)	(61,971)
2019	-	48,942	104,852	(101,758)	153,794	(101,758)	52,036
2020	-	-	104,851	(101,758)	104,851	(101,758)	3,093
2021	-	-	-	(101,757)	-	(101,757)	(101,757)
Balance as of June 30:							
2014	\$ (456,035)	\$ -	\$ -	\$ -	\$ -	\$ (456,035)	\$ (456,035)
2015	(342,026)	195,771	-	-	195,771	(342,026)	(146,255)
2016	(228,017)	146,828	419,407	-	566,235	(228,017)	338,218
2017	(114,008)	97,885	314,555	(407,031)	412,440	(521,039)	(108,599)
2018	-	48,942	209,703	(305,273)	258,645	(305,273)	(46,628)
2019	-	-	104,851	(203,515)	104,851	(203,515)	(98,664)
2020	-	-	-	(101,757)	-	(101,757)	(101,757)

STATE TEACHERS RETIREMENT SYSTEM

NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND
PENSION AMOUNTS BY EMPLOYER

(Continued)

2 – AMORTIZATION (Continued)Differences Between Expected and Actual Experience (in thousands, except for the recognition period):

<u>Measurement date June 30</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Amount	\$ (36,005)	\$ 45,210	\$ (52,290)			
Recognition period (years)	6.00	5.96	5.98			
Amount recongized in fiscal year:						
2015	\$ (6,001)	\$ -	\$ -	\$ -	\$ (6,001)	\$ (6,001)
2016	(6,001)	7,586	-	7,586	(6,001)	1,585
2017	(6,001)	7,586	(8,745)	7,586	(14,746)	(7,160)
2018	(6,001)	7,586	(8,745)	7,586	(14,746)	(7,160)
2019	(6,001)	7,586	(8,745)	7,586	(14,746)	(7,160)
2020	(6,000)	7,586	(8,745)	7,586	(14,745)	(7,159)
2021	-	7,280	(8,745)	7,280	(8,745)	(1,465)
2022	-	-	(8,565)	-	(8,565)	(8,565)
Balance as of June 30:						
2015	\$ (30,004)	\$ -	\$ -	\$ -	\$ (30,004)	\$ (30,004)
2016	(24,003)	37,624	-	37,624	(24,003)	13,621
2017	(18,002)	30,038	(43,545)	30,038	(61,547)	(31,509)
2018	(12,001)	22,452	(34,800)	22,452	(46,801)	(24,349)
2019	(6,000)	14,866	(26,055)	14,866	(32,055)	(17,189)
2020	-	7,280	(17,310)	7,280	(17,310)	(10,030)
2021	-	-	(8,565)	-	(8,565)	(8,565)

STATE TEACHERS RETIREMENT SYSTEM

NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND
PENSION AMOUNTS BY EMPLOYER

(Continued)

2 – AMORTIZATION (Continued)Changes in Assumptions (in thousands, except for the recognition period):

<u>Measurement date June 30</u>	<u>2016</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Amount	\$ 195,343			
Recognition period (years)	5.96			
Amount recongized in fiscal year:				
2016	\$ 32,776	\$ 32,776	\$ -	\$ 32,776
2017	32,776	32,776	-	32,776
2018	32,776	32,776	-	32,776
2019	32,776	32,776	-	32,776
2020	32,776	32,776	-	32,776
2021	31,463	31,463	-	31,463
Balance as of June 30:				
2016	\$ 162,567	\$ 162,567	\$ -	\$ 162,567
2017	129,791	129,791	-	129,791
2018	97,015	97,015	-	97,015
2019	64,239	64,239	-	64,239
2020	31,463	31,463	-	31,463

**3 – SENSITIVITY OF NET PENSION ASSET (LIABILITY) TO CHANGES IN THE
DISCOUNT RATE**

<u>Sensitivity of Discount Rate</u>	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
Total net pension asset (liability)	<u>\$ (4,548,621,000)</u>	<u>\$ (3,454,972,000)</u>	<u>\$(2,520,522,000)</u>

STATE TEACHERS RETIREMENT SYSTEM

NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND
PENSION AMOUNTS BY EMPLOYER

(Continued)

4 - SPECIAL FUNDING SITUATION

The State of West Virginia (State) is a non-employer contributing entity that provides funding through the School Aid Formula (SAF) to subsidize employer contributions of county boards of education and to fund the unfunded liability of the TRS for all participating employers. These amounts qualify as a special funding situation in accordance with GASB Statement No. 68. The State assumes a share of the net pension liability on behalf of the various county boards of education for contributions related to the SAF. The State assumes a share of the net pension liability on behalf of all participating employers for contributions related to funding of the unfunded liability.

5 - CONTRIBUTIONS BY NON-EMPLOYER CONTRIBUTING ENTITY NOT IN A SPECIAL FUNDING SITUATION

For the year ended June 30, 2017, the West Virginia Legislature appropriated and contributed funds to the TRS in excess of the Annual Required Contribution (ARC) in the amount of \$37,471,000. This contribution is not considered a special funding situation and the amounts of this contribution associated with each participating employer are reported in the "on-behalf payments" column reported in the accompanying schedule of employer allocations.