

# State Teachers' Retirement System

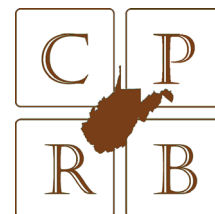
*Administered by  
The West Virginia Consolidated Public Retirement Board*

2021

## Audited Schedules of Employer Allocations and Pension Amounts by Employer

*Serving Those Who Serve West Virginia*

As of and for the Year Ended June 30, 2021



State Teachers' Retirement System  
Audited Schedules of Employer Allocations and Pension Amounts By Employer  
As of and for the Year Ended June 30, 2021

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## Independent Auditor's Report

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

### Report on Schedule of Allocations and Pension Amounts by Employer

We have audited the accompanying schedule of employer allocations of State Teachers Retirement System (TRS), administered by the West Virginia Consolidated Public Retirement Board, as of and for the year ended June 30, 2021, and related notes. We have also audited the total for the columns titled net pension asset (liability), total deferred outflows of resources, total deferred inflows of resources and total employer pension expense (expense offset) (specified column totals) included in the accompanying schedule of pension amounts by employer (collectively the Schedules) of TRS as of and for the year ended June 30, 2021, and related notes.

### Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of the Schedules in accordance with accounting principles generally accepted in the United States of America; this includes design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedules that is 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 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 that 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.

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 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 employer pension expense (expense offset) for the State Teachers Retirement System, as of and for the year ended June 30, 2021, in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

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, 2021, and our report thereon, dated October 13, 2021, expressed an unmodified opinion on those financial statements.

**Restriction on Use**

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

A handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Boise, Idaho  
March 9, 2022

**STATE TEACHERS' RETIREMENT SYSTEM**  
**Schedule of Employer Allocations**  
**For the Year Ended June 30, 2021**

Employer Number	Employer	Employer Contributions	Employer Allocation Percentage
000100	Barbour County Board of Education	\$ 106,320	0.025476%
000200	Berkeley County Board of Education	1,303,866	0.312427%
000300	Boone County Board of Education	236,486	0.056666%
000400	Braxton County Board of Education	100,618	0.024110%
000500	Brooke County Board of Education	290,005	0.069490%
000600	Cabell County Board of Education	1,072,625	0.257018%
000700	Calhoun County Board of Education	19,698	0.004720%
000800	Clay County Board of Education	134,848	0.032312%
000900	Doddridge County Board of Education	332,230	0.079608%
001000	Fayette County Board of Education	515,555	0.123535%
001100	Gilmer County Board of Education	31,609	0.007574%
001200	Grant County Board of Education	36,969	0.008858%
001300	Greenbrier County Board of Education	408,717	0.097935%
001400	Hampshire County Board of Education	193,931	0.046469%
001500	Hancock County Board of Education	355,347	0.085147%
001600	Hardy County Board of Education	115,238	0.027613%
001700	Harrison County Board of Education	852,169	0.204194%
001800	Jackson County Board of Education	344,755	0.082609%
001900	Jefferson County Board of Education	822,821	0.197161%
002000	Kanawha County Board of Education	2,246,965	0.538409%
002100	Lewis County Board of Education	187,361	0.044895%
002200	Lincoln County Board of Education	276,353	0.066219%
002300	Logan County Board of Education	412,724	0.098895%
002400	Marion County Board of Education	685,831	0.164336%
002500	Marshall County Board of Education	1,064,444	0.255058%
002600	Mason County Board of Education	309,980	0.074276%
002700	McDowell County Board of Education	240,482	0.057623%
002800	Mercer County Board of Education	823,839	0.197405%
002900	Mineral County Board of Education	353,268	0.084649%
003000	Mingo County Board of Education	290,657	0.069646%
003100	Monongalia County Board of Education	1,212,217	0.290467%
003200	Monroe County Board of Education	141,835	0.033986%
003300	Morgan County Board of Education	138,044	0.033078%
003400	Nicholas County Board of Education	201,994	0.048401%
003500	Ohio County Board of Education	669,312	0.160378%
003600	Pendleton County Board of Education	-	0.000000%
003700	Pleasants County Board of Education	154,715	0.037072%
003800	Pocahontas County Board of Education	56,857	0.013624%
003900	Preston County Board of Education	215,993	0.051755%
004000	Putnam County Board of Education	960,899	0.230247%
004100	Raleigh County Board of Education	996,888	0.238871%
004200	Randolph County Board of Education	201,611	0.048309%
004300	Ritchie County Board of Education	113,257	0.027138%
004400	Roane County Board of Education	170,422	0.040836%
004500	Summers County Board of Education	64,368	0.015424%
004600	Taylor County Board of Education	94,052	0.022536%
004700	Tucker County Board of Education	6,798	0.001629%
004800	Tyler County Board of Education	217,530	0.052124%

The accompanying notes are an integral part of this schedule

**STATE TEACHERS' RETIREMENT SYSTEM**  
**Schedule of Employer Allocations**  
**For the Year Ended June 30, 2021**

Employer Number	Employer	Employer Contributions	Employer Allocation Percentage
004900	Upshur County Board of Education	203,242	0.048700%
005000	Wayne County Board of Education	563,247	0.134963%
005100	Webster County Board of Education	38,654	0.009262%
005200	Wetzel County Board of Education	774,627	0.185613%
005300	Wirt County Board of Education	50,224	0.012034%
005400	Wood County Board of Education	1,021,148	0.244684%
005500	Wyoming County Board of Education	255,609	0.061248%
005700	River Valley Child Development Services	9,506	0.002278%
006100	Marshall University Research Corp	12,247	0.002935%
006200	Marshall University	253,278	0.060690%
007500	West Virginia University	451,429	0.108170%
009600	West Virginia University at Parkersburg	11,256	0.002697%
0402	West Virginia Department of Education	2,339,997	0.560701%
0403	West Virginia School for the Deaf and Blind	542,291	0.129942%
0404	School Building Authority	61,095	0.014639%
0441	West Virginia Higher Education Policy Commission	43,414	0.010403%
0445	New River Community and Technical College	9,711	0.002327%
0446	Pierpont Community & Technical College	25,928	0.006213%
0447	Blue Ridge Community and Technical College	10,227	0.002451%
0482	Bluefield State College	33,826	0.008105%
0483	Concord University	27,979	0.006704%
0484	Fairmont State University	36,247	0.008685%
0485	Glenville State College	84,273	0.020193%
0486	Shepherd University	12,763	0.003058%
0487	Southern West Virginia Community & Technical College	60,949	0.014604%
0488	West Liberty University	43,438	0.010408%
0489	West Virginia Northern Community College	18,506	0.004434%
0490	West Virginia State University	46,792	0.011212%
0493	Bridge Valley Community & Technical College	14,982	0.003590%
0495	West Virginia Network	4,116	0.000986%
ESC002	Eastern Panhandle Intructional Cooperative	479,915	0.114995%
ESC004	Southern Educational Services Cooperative	208,926	0.050062%
ESC006	Mountain State Educational Services Cooperative	419,482	0.100515%
wvARC	State of WV Special Funding - ARC Contributions	288,360,024	69.095744%
wvSAF	State of WV Special Funding - SAF	101,022,149	24.206547%
		\$ 417,334,000	100.000000%

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, 2021**

Employer Number	Deferred Outflows of Resources				Deferred Inflows of Resources				Pension Expense			
	Net Pension Asset (Liability)	Differences Between Expected and Actual Experience	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	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 (Offset)	
005100	(144,745)	11,792	17,969	227,260	(4,238)	(115,683)	(342,167)	(462,088)	(2,182)	(31,888)	(34,070)	
005200	(2,900,721)	236,311	360,100	1,876,175	(84,937)	(2,318,314)	(64,555)	(2,467,806)	(43,727)	623,958	580,231	
005300	(188,065)	15,321	23,347	273,210	(5,507)	(150,305)	(201,270)	(357,082)	(2,835)	1,503	(1,332)	
005400	(3,823,870)	311,517	744,330	1,530,549	(111,967)	(3,056,113)	(1,400,822)	(4,568,902)	(57,643)	(241,462)	(299,105)	
005500	(957,171)	77,977	314,597	511,399	(28,027)	(764,990)	(716,145)	(1,509,162)	(14,429)	(167,398)	(181,827)	
005700	(35,600)	2,900	4,419	10,865	(1,042)	(28,452)	(66,003)	(85,497)	(537)	(14,712)	(15,249)	
006100	(45,868)	3,737	5,694	11,834	(1,343)	(47,745)	(85,746)	(6,281)	(691)	(5,590)	(6,281)	
006200	(948,451)	77,267	117,742	195,009	(27,772)	(758,021)	(541,728)	(1,327,521)	(14,297)	(290,598)	(304,895)	
007500	(1,690,458)	137,716	209,856	347,572	(49,499)	(1,351,048)	(2,691,001)	(4,091,548)	(25,483)	(1,149,338)	(1,174,811)	
009600	(42,148)	3,434	5,232	14,683	(1,234)	(33,686)	(22,095)	(57,015)	(635)	(8,837)	(9,472)	
ESC002	(1,797,118)	146,405	223,097	2,147,274	(52,622)	(1,436,292)	-	(1,488,914)	(27,091)	684,609	657,518	
ESC004	(782,358)	63,736	97,123	955,468	(22,908)	(625,276)	-	(648,184)	(11,794)	298,079	286,285	
ESC006	(1,570,827)	127,970	195,005	2,006,675	(45,996)	(1,255,436)	-	(1,301,432)	(23,679)	599,785	576,106	
0402	(8,762,517)	713,851	1,087,794	3,387,945	(256,577)	(7,003,178)	(1,648,240)	(8,907,995)	(132,090)	126,762	(5,328)	
0403	(2,030,706)	165,434	252,095	584,594	(59,461)	(1,622,981)	(560,999)	(2,243,441)	(30,612)	(62,739)	(93,351)	
0404	(228,775)	18,637	28,401	396,728	(6,699)	(182,842)	-	(189,541)	(3,449)	86,130	82,681	
0420	-	-	-	64,480	-	-	(40,567)	(40,567)	-	(14,189)	(14,189)	
0441	(162,576)	13,244	20,182	129,934	(4,760)	(129,934)	(51,474)	(186,168)	(2,451)	(6,924)	(9,375)	
0444	-	-	-	-	-	-	(40,003)	(40,003)	-	(35,497)	(35,497)	
0445	(36,366)	2,963	4,515	15,274	(1,065)	(29,064)	(84,082)	(114,211)	(548)	(38,415)	(38,963)	
0446	(97,095)	7,910	12,054	127,483	(2,843)	(77,601)	(2,630)	(83,074)	(1,464)	26,841	25,377	
0447	(38,304)	3,120	4,755	12,706	(1,122)	(30,613)	(4,866)	(36,601)	(577)	889	312	
0482	(126,663)	10,319	15,724	46,433	(3,709)	(101,232)	(180,260)	(285,201)	(1,909)	(50,244)	(52,153)	
0483	(104,769)	8,535	13,006	21,541	(3,068)	(83,733)	(345,826)	(432,627)	(1,579)	(159,088)	(160,667)	
0484	(135,727)	11,057	16,849	27,906	(3,974)	(108,476)	(244,251)	(356,701)	(2,046)	(142,076)	(144,122)	
0485	(315,572)	25,709	39,176	98,302	(9,240)	(252,211)	(336,985)	(598,436)	(4,757)	(136,992)	(141,749)	
0486	(47,790)	3,893	5,933	21,524	(1,399)	(38,195)	(135,784)	(175,378)	(720)	(38,024)	(38,744)	
0487	(228,228)	18,593	28,333	66,203	(6,683)	(182,405)	(58,960)	(248,048)	(3,440)	(41,810)	(45,250)	
0488	(162,654)	13,251	20,192	34,866	(4,763)	(129,996)	(94,528)	(229,287)	(2,452)	(51,502)	(53,954)	
0489	(69,294)	5,645	8,602	23,245	(2,029)	(55,381)	(82,024)	(139,434)	(1,045)	(24,608)	(25,653)	
0490	(175,219)	14,274	21,752	36,026	(5,131)	(140,038)	(270,863)	(416,032)	(2,641)	(111,475)	(114,116)	
0493	(56,104)	4,571	6,965	18,891	(1,643)	(44,839)	(84,542)	(131,024)	(846)	(58,871)	(59,717)	
0495	(15,409)	1,255	1,913	24,610	(451)	(12,315)	(82,547)	(95,313)	(232)	(19,346)	(19,578)	
WVSAP	(378,294,833)	30,818,323	46,962,154	132,783,143	(11,076,916)	(302,340,740)	(54,173,741)	(367,591,397)	(5,702,578)	1,595,966	(4,106,612)	
WVARC	(1,079,813,777)	87,968,556	134,049,892	290,194,259	(31,618,213)	(863,008,608)	(62,083,441)	(956,710,262)	(16,277,575)	(2,107,678)	(18,385,253)	
	<u>\$ (1,562,779,000)</u>	<u>\$ 127,314,000</u>	<u>\$ 194,006,000</u>	<u>\$ 484,590,793</u>	<u>\$ (45,760,000)</u>	<u>\$ (1,249,004,000)</u>	<u>\$ (163,270,793)</u>	<u>\$ (1,458,034,793)</u>	<u>\$ (23,558,000)</u>	<u>\$ -</u>	<u>\$ (23,558,000)</u>	

The accompanying notes are an integral part of this schedule



# STATE TEACHERS' RETIREMENT SYSTEM

## NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND PENSION AMOUNTS BY EMPLOYER

### 1 - NATURE OF ENTITY

The State Teachers' Retirement System (TRS) is a multiple employer defined benefit cost sharing public employee retirement system covering all full-time employees of the 55 county public school systems in the State and certain personnel of the 13 State-supported institutions of higher education, State Department of Education and the Higher Education Policy Commission hired prior to July 1, 1991. Employees of the State-supported institutions of higher education and the Higher Education Policy Commission hired after June 30, 1991, are required to participate in the Higher Education Retirement System. TRS closed membership to new hires effective July 1, 1991. However, effective July 1, 2005, all new employees hired for the first time are required to participate in TRS.

The West Virginia State Legislature created the Consolidated Public Retirement Board (the Board) to administer ten of the State of West Virginia's eleven retirement plans. The Board is managed by a Board of Trustees, which consists of, by virtue of their position, the Governor, State Auditor, State Treasurer, and Secretary of the Department of Administration, together with the following gubernatorial appointments that are subject to the advice and consent of the State Senate: four residents of the State who are not participants in the retirement plans, one State and one non-State employee participant in the Public Employees' Retirement System, and one participant each from the other eight retirement systems administered by the Board.

Chapter 18, Article 7A of the West Virginia State Code assigns the authority to establish and amend the provisions of the plan to the State Legislature.

### 2 - 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 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.

## STATE TEACHERS' RETIREMENT SYSTEM

### NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND PENSION AMOUNTS BY EMPLOYER

(Continued)

#### **2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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, 2020. Employer contributions are recognized when due. Retroactive service, military service, out of state service, and back pay employer contributions related to prior fiscal years 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 7, special funding situation, for additional discussion, and Note 8 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 GAAP 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.

Investments - All defined benefit plan funds not required to meet disbursement needs are invested in accordance with the West Virginia Code, as well as policies established by the West Virginia Investment Management Board (WVIMB). The WVIMB has established various investment pools to provide for the investment of the defined benefit plans' assets. These investment pools are structured as multiparticipant variable net asset funds.

The WVIMB was organized on April 25, 1997, as a public body corporate created by West Virginia Code Section 12-6-1 to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds. The WVIMB is governed by a Board of Trustees, consisting of thirteen members. The Governor, the State Auditor, and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other WVIMB Trustees for a term of six years.

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, 2020 rolled forward to June 30, 2021, which is the measurement date.

#### **3 - 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 5.06 years.

STATE TEACHERS' RETIREMENT SYSTEM

NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND  
PENSION AMOUNTS BY EMPLOYER  
(Continued)

**3 – AMORTIZATION (Continued)**

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>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Amount	\$ (508,789)	\$ (144,907)	\$ 130,863	\$ 345,447	\$ (1,849,545)			
Recognition period (years)	5.00	5.00	5.00	5.00	5.00			
Amount recongized in								
fiscal year:								
2017	\$ (101,758)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (101,758)	\$ (101,758)
2018	(101,758)	(28,982)	-	-	-	-	(130,740)	(130,740)
2019	(101,758)	(28,982)	26,173	-	-	26,173	(130,740)	(104,567)
2020	(101,758)	(28,982)	26,173	69,090	-	95,263	(130,740)	(35,477)
2021	(101,757)	(28,982)	26,173	69,090	(369,909)	95,263	(500,648)	(405,385)
2022	-	(28,979)	26,173	69,090	(369,909)	95,263	(398,888)	(303,625)
2023	-	-	26,171	69,090	(369,909)	95,261	(369,909)	(274,648)
2024	-	-	-	69,087	(369,909)	69,087	(369,909)	(300,822)
2025	-	-	-	-	(369,909)	-	(369,909)	(369,909)
Balance as of June 30:								
2017	\$ (407,031)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (407,031)	\$ (407,031)
2018	(305,273)	(115,925)	-	-	-	-	(421,198)	(421,198)
2019	(203,515)	(86,943)	104,690	-	-	104,690	(290,458)	(185,768)
2020	(101,757)	(57,961)	78,517	276,357	-	354,874	(159,718)	195,156
2021	-	(28,979)	52,344	207,267	(1,479,636)	259,611	(1,508,615)	(1,249,004)
2022	-	-	26,171	138,177	(1,109,727)	164,348	(1,109,727)	(945,379)
2023	-	-	-	69,087	(739,818)	69,087	(739,818)	(670,731)
2024	-	-	-	-	(369,909)	-	(369,909)	(369,909)

STATE TEACHERS' RETIREMENT SYSTEM

NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND  
PENSION AMOUNTS BY EMPLOYER  
(Continued)

**3 - AMORTIZATION (Continued)**

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

<u>Measurement date June 30</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Amount	\$ 45,210	\$ (52,290)	\$ (19,576)	\$ (69,708)	\$ 83,412	\$ 96,300			
Recognition period (years)	5.96	5.98	5.71	5.45	5.00	5.06			
Amount recongized in									
fiscal year:									
2016	\$ 7,586	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,586	\$ -	\$ 7,586
2017	7,586	(8,745)	-	-	-	-	7,586	(8,745)	(1,159)
2018	7,586	(8,745)	(3,429)	-	-	-	7,586	(12,174)	(4,588)
2019	7,586	(8,745)	(3,429)	(12,791)	-	-	7,586	(24,965)	(17,379)
2020	7,586	(8,745)	(3,429)	(12,791)	16,683	-	24,269	(24,965)	(696)
2021	7,280	(8,745)	(3,429)	(12,791)	16,683	19,032	42,995	(24,965)	18,030
2022	-	(8,565)	(3,429)	(12,791)	16,683	19,032	35,715	(24,785)	10,930
2023	-	-	(2,431)	(12,791)	16,683	19,032	35,715	(15,222)	20,493
2024	-	-	-	(5,753)	16,680	19,032	35,712	(5,753)	29,959
2025	-	-	-	-	-	19,032	19,032	-	19,032
2026	-	-	-	-	-	1,140	1,140	-	1,140
Balance as of June 30:									
2016	\$ 37,624	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,624	\$ -	\$ 37,624
2017	30,038	(43,545)	-	-	-	-	30,038	(43,545)	(13,507)
2018	22,452	(34,800)	(16,147)	-	-	-	22,452	(50,947)	(28,495)
2019	14,866	(26,055)	(12,718)	(56,917)	83,412	-	98,278	(95,690)	2,588
2020	7,280	(17,310)	(9,289)	(44,126)	66,729	-	74,009	(70,725)	3,284
2021	-	(8,565)	(5,860)	(31,335)	50,046	77,268	127,314	(45,760)	81,554
2022	-	-	(2,431)	(18,544)	33,363	58,236	91,599	(20,975)	70,624
2023	-	-	-	(5,753)	16,680	39,204	55,884	(5,753)	50,131
2024	-	-	-	-	-	20,172	20,172	-	20,172
2025	-	-	-	-	-	1,140	1,140	-	1,140

STATE TEACHERS' RETIREMENT SYSTEM  
NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND  
PENSION AMOUNTS BY EMPLOYER  
(Continued)

**3 - AMORTIZATION (Continued)**

Changes in Assumptions (in thousands, except for the recognition period):

<u>Measurement date June 30</u>	<u>2016</u>	<u>2020</u>	<u>2021</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Amount	\$ 195,343	\$ 17,404	\$ 228,777			
Recognition period (years)	5.96	5.00	5.06			
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	3,481	-	36,257	-	36,257
2021	31,463	3,481	45,213	80,157	-	80,157
2022	-	3,481	45,213	48,694	-	48,694
2023	-	3,481	45,213	48,694	-	48,694
2024	-	3,480	45,213	48,693	-	48,693
2025	-	-	45,213	45,213	-	45,213
2026	-	-	2,712	2,712	-	2,712
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	13,923	-	45,386	-	45,386
2021	-	10,442	183,564	194,006	-	194,006
2022	-	6,961	138,351	145,312	-	145,312
2023	-	3,480	93,138	96,618	-	96,618
2024	-	-	47,925	47,925	-	47,925
2025	-	-	2,712	2,712	-	2,712

**4 - PENSION EXPENSE**

The components of pension expense (offset) for the year ended June 30, 2021 (in thousands):

Service cost	\$ 150,254
Interest cost	808,482
Projected earnings on plan investments	(575,045)
Employee contributions	(97,258)
Recognition of current period deferred outflows/inflows:	
Changes in assumptions	45,213
Differences between expected and actual experience	19,032
Differences between projected and actual investment earnings	(369,909)
Recognition of prior years' deferred outflows/inflows:	
Changes in assumptions	34,944
Differences between expected and actual experience	(1,002)
Differences between projected and actual investment earnings	(35,476)
Other changes in fiduciary net position	(2,793)
Total pension expense (offset)	<u>\$ (23,558)</u>

STATE TEACHERS' RETIREMENT SYSTEM

NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND  
PENSION AMOUNTS BY EMPLOYER

(Continued)

**5 - NET PENSION ASSET (LIABILITY) AND ACTUARIAL INFORMATION**

The net pension liability (NPL) is the portion of the actuarial present value of projected benefit payments related to past periods.

The components of the net pension liability as of June 30, 2021, are as follows (in thousands):

Total Pension Liability	\$ (11,477,566)
Fiduciary Net Position	<u>9,914,787</u>
Net Pension Asset (Liability)	<u>\$ (1,562,779)</u>
 Fiduciary Net Position as a percent of Total Pension Liability	 86.38%

The total pension liabilities for financial reporting purposes were determined by actuarial valuation as of July 1, 2020 and rolled forward to June 30, 2021 using the actuarial assumptions and methods described, as follows:

Actuarial cost method	Individual entry age normal cost with level percentage of payroll
Asset valuation method	Fair value
Amortization method	Level dollar, fixed period
Amortization Period	Through Fiscal Year 2034
Actuarial assumptions:	
Investment rate of return	7.25%, net of investment expense
Projected salary increases:	
Educators	2.75% - 5.90%
Non-Educators	2.75% - 6.50%
Inflation rate	2.75%
Discount rate	7.25%
Mortality rates	<i>Active</i> - 100% of Pub-2010 General Employee Table, headcount-weighted, projected with Scale MP-2019 <i>Healthy Male Retirees</i> - 100% of Pub-2010 General Retiree Male Table, headcount-weighted, projected with Scale MP-2019 <i>Healthy Female Retirees</i> - 112% of Pub-2010 General Retiree Female Table, headcount-weighted, projected with Scale MP-2019 <i>Disabled Males</i> - 107% of Pub-2010 General / Teachers Disabled Male Table, headcount-weighted, projected with Scale MP-2019 <i>Disabled Females</i> - 113% of Pub-2010 General / Teachers Disabled Female Table, headcount-weighted, projected with Scale MP-2019
Withdrawal rates:	
Educators	7.00% - 35.00%
Non-Educators	2.30% - 18.00%
Disability rates	0.004% - 0.563%
Retirement rates	15% - 100%
Date range of most recent experience study	2014 - 2019

STATE TEACHERS' RETIREMENT SYSTEM

NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND  
PENSION AMOUNTS BY EMPLOYER

(Continued)

**6 - SENSITIVITY OF NET PENSION ASSET (LIABILITY) TO CHANGES IN THE DISCOUNT RATE (in thousands)**

Sensitivity of Discount Rate	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Total net pension asset (liability)	\$ (2,761,538)	\$ (1,562,779)	\$ (544,130)

**7 - 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 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.