

West Virginia Consolidated Public Retirement Board

Pension Trust Funds of the State of West Virginia

(A Component Unit of the State of West Virginia)

2019



Popular Annual Financial Report

Serving Those Who Serve West Virginia



Fiscal Year Ended June 30, 2019

TRUSTEES OF THE WEST VIRGINIA CONSOLIDATED PUBLIC RETIREMENT BOARD

As of June 30, 2019

Chairman - David L. Wyant, Esquire

Governor James C. Justice, III

State Auditor John B. McCuskey

Treasurer John Perdue

Administration Cabinet Secretary John Myers

William A. Barker, Jr.

Andy Bird

Joseph Bunn, Esquire

Captain Michael Corsaro

Michael Haney

Joe Lynch

Michael McKown

D. Todd Murray

C. Jeffrey Vallet

Our Mission

To serve those who serve West Virginia by administering nine governmental pension plans to ensure members receive accurate and timely benefits earned for their public service.

Our Vision

To be a trusted leader in pension administration and provide public employees with the security and information they need to empower them for a productive tomorrow

Our Core Values

Responsibility - To professionally serve and be accountable to the people of West Virginia while fulfilling our fiduciary duties to the plans, their members, and retirees.

Education - To ensure that all members, retirees, employers, and legislators have the understanding they need to make informed decisions.

Transparency - To be open, honest, and trustworthy in all matters and actions through good internal and external communication.

Integrity - To hold one another to the highest standard of character and ethics.

Resourcefulness - To continually improve our expertise and work together to find the best solutions in all situations.

Excellence - To provide outstanding customer service through accuracy, timeliness, responsiveness, reliability, and compassion.

MESSAGE FROM EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER

Dear Valued Member:

It is our pleasure to present our first-ever Popular Annual Financial Report (PAFR) for the West Virginia Consolidated Public Retirement Board (WVCPRB), summarizing what is found in the lengthier and more technical Comprehensive Annual Financial Report (CAFR) that we publish each year. The PAFR, instead, presents the operating results achieved for the fiscal year that ended June 30, 2019 in an easier to digest format for anyone who wants to review the health of the retirement systems administered by the WVCPRB, including:

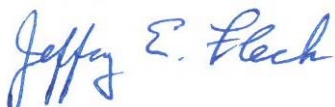
- Public Employees Retirement System (PERS)
- Teachers Retirement System (TRS)
- Teachers Defined Contribution Retirement System (TDCRS)
- State Police Death, Disability Retirement System (SPDDRS)
- State Police Retirement System (SPRS)
- Deputy Sheriffs Retirement System (DSRS)
- Judges Retirement System (JRS)
- Emergency Medical Service Retirement System (EMSRS)
- Municipal Police Officers & Firefighters System (MPFRS).

The fiscal year ended June 30, 2019 was a mixed year for the retirement systems administered by the WVCPRB. The defined benefit systems failed to achieve the assumed actuarial rate of return on investments of 7.5%. However, each system did experience an increase in the Net Assets Restricted for Pensions. Four of the eight defined benefit retirement systems experienced an increase in their funding status while the other four retirement systems saw a decrease in their funded status during the fiscal year. DSRS's decrease in funding status was due to an increase in the benefit multiplier approved during the 2018 regular West Virginia Legislative session and became effective July 1, 2018. MPFRS's decrease is due to the relatively young age of the system (established January 1, 2010) and represented a decrease from the June 30, 2018 funding status of 184.45% to 168.31%. The other two decreases in funding status related to the two state police retirement systems and represent normal fluctuations in the funding status from year to year. See brief summary below:

	<u>Investment Returns</u>	<u>Increase in Net Assets Restricted for Pensions</u>	<u>Increase (Decrease) in Funding Status</u>
PERS	5.9%	\$ 155,900	0.7%
TRS	5.9%	178,130	1.4%
SPDDRS	5.8%	7,017	-0.7%
SPRS	6.1%	18,187	-5.1%
DSRS	6.0%	13,145	-10.4%
JRS	6.0%	8,165	5.3%
EMSRS	6.0%	5,667	3.5%
MPFRS	6.7%	3,220	-16.1%
TDC	8.3%	34,311	n/a

WVCPRB is responsible for properly administering retirement, disability, and survivor benefits for state employees, teachers, law enforcement officers, judges, emergency medical service providers, as well as local government employees whose employers have elected to participate in one of the retirement systems. The retirements currently provide monthly benefits to more than 65,000 retirees and beneficiaries, and is an essential element of the future financial security for nearly 80,000 participating members.

We hope you will find this publication helpful and informative. If you would like additional information, the WVCPRB's Comprehensive Annual Financial Report is available at <http://www.wvretirement.com/Forms/2019-CAFR.pdf>



Jeffrey E. Fleck
Executive Director



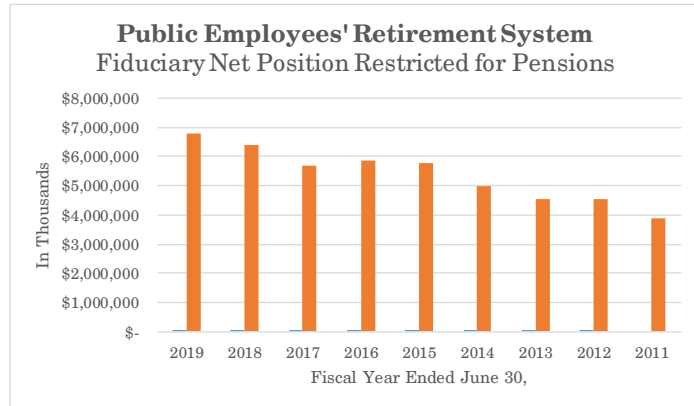
John D. Galloway
Chief Financial Officer

FIDUCIARY NET POSITION RESTRICTED FOR PENSIONS

(All \$ in thousands)

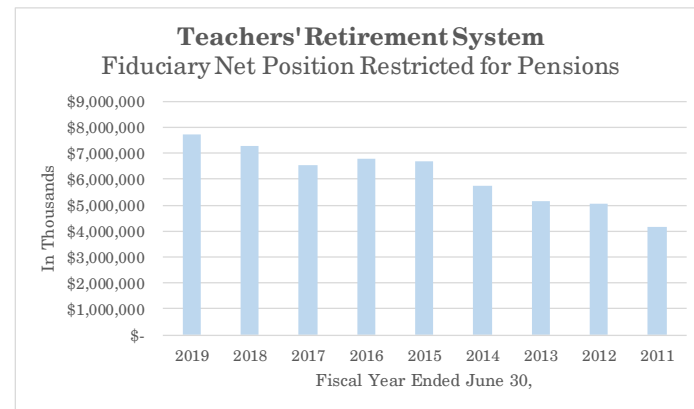
Public Employees' Retirement System

Fiscal Year Ended	Fiduciary Net Position	Increase (Decrease) in Net Position
2019	\$ 6,925,454	\$ 155,900
2018	6,769,554	384,457
2017	6,385,097	687,717
2016	5,697,380	(156,176)
2015	5,853,556	92,447
2014	5,761,109	761,476
2013	4,999,633	476,331
2012	4,523,302	(21,323)
2011	4,544,625	678,037
2010	3,866,588	618,318



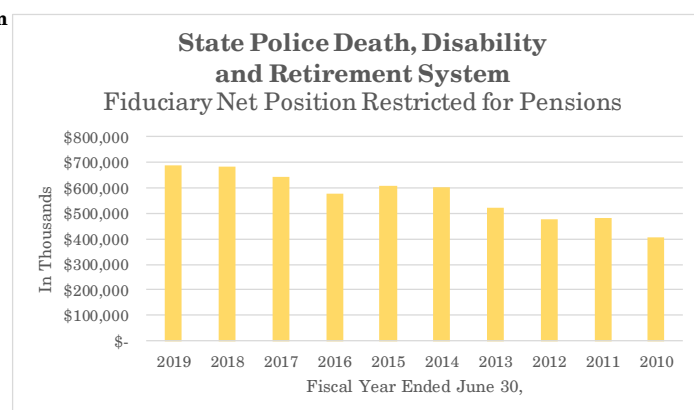
Teachers' Retirement System

Fiscal Year Ended	Fiduciary Net Position	Increase (Decrease) in Net Position
2019	\$ 7,898,739	\$ 178,130
2018	7,720,609	430,147
2017	7,290,462	747,376
2016	6,543,086	(260,256)
2015	6,803,342	121,249
2014	6,682,093	930,992
2013	5,751,101	606,704
2012	5,144,397	69,732
2011	5,074,665	931,125
2010	4,143,540	588,769



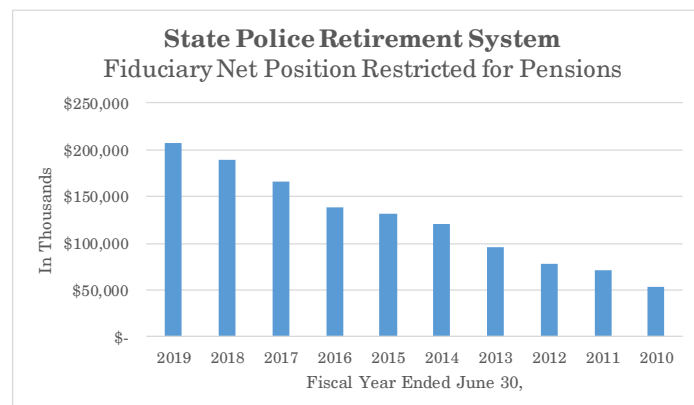
State Police Death, Disability, and Retirement System

Fiscal Year Ended	Fiduciary Net Position	Increase (Decrease) in Net Position
2019	689,820	7,017
2018	682,803	41,055
2017	641,748	62,950
2016	578,798	(28,360)
2015	607,158	6,081
2014	601,077	80,755
2013	520,322	42,977
2012	477,345	(4,649)
2011	481,994	77,550
2010	404,444	41,517



State Police Retirement System

Fiscal Year Ended	Fiduciary Net Position	Increase in Net Position
2019	\$ 207,102	\$ 18,187
2018	188,915	22,227
2017	166,688	28,119
2016	138,569	6,452
2015	132,117	11,545
2014	120,572	24,480
2013	96,092	17,357
2012	78,735	7,979
2011	70,756	18,021
2010	52,735	12,414

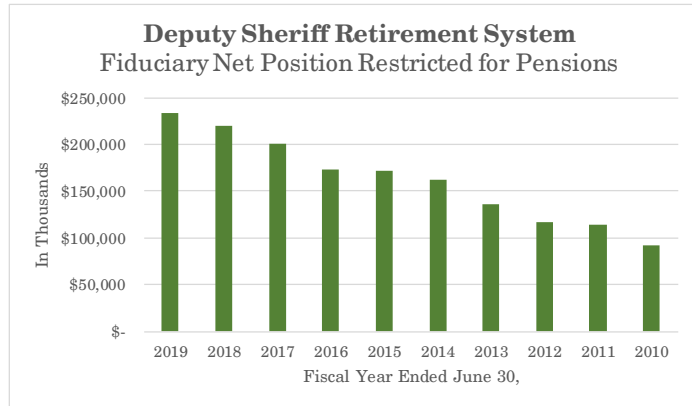


FIDUCIARY NET POSITION RESTRICTED FOR PENSIONS (continued)

(All \$ in thousands)

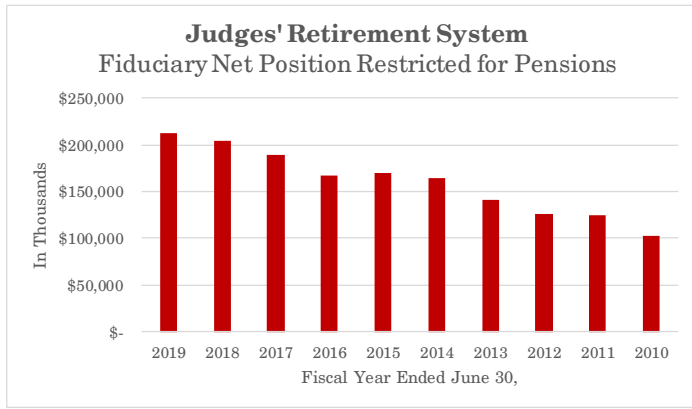
Deputy Sheriff Retirement System

Fiscal Year Ended	Fiduciary Net Position	Increase in Net Position
2019	\$ 233,659	\$ 13,145
2018	220,514	19,694
2017	200,820	27,553
2016	173,267	1,908
2015	171,359	8,613
2014	162,746	26,990
2013	135,756	18,230
2012	117,526	3,952
2011	113,574	20,882
2010	92,692	14,472



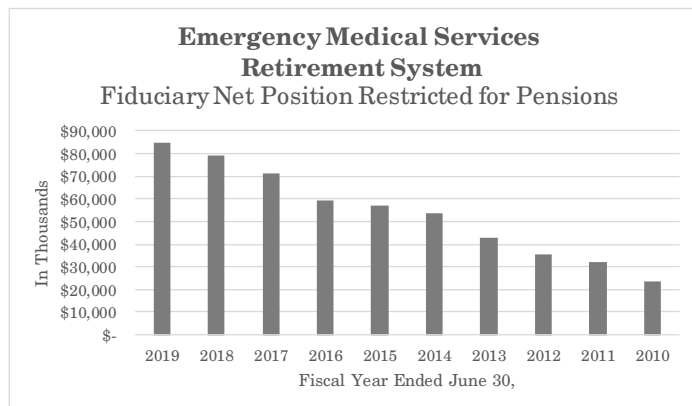
Judges' Retirement System

Fiscal Year Ended	Fiduciary Net Position	Increase (Decrease) in Net Position
2019	\$ 212,653	\$ 8,165
2018	204,488	14,532
2017	189,956	22,762
2016	167,194	(3,509)
2015	170,703	5,464
2014	165,239	23,763
2013	141,476	15,211
2012	126,265	1,682
2011	124,583	21,769
2010	102,814	14,504



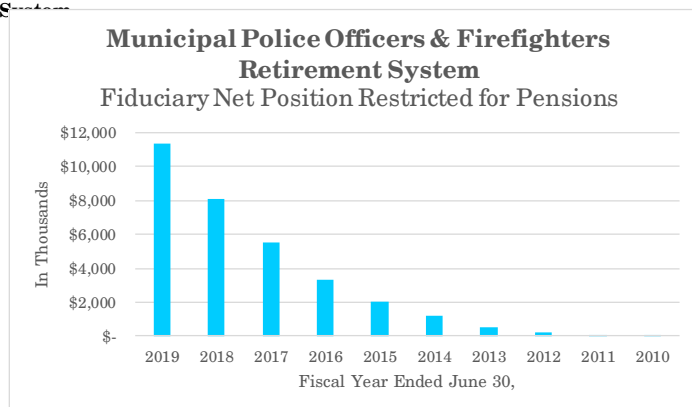
Emergency Medical Services Retirement System

Fiscal Year Ended	Fiduciary Net Position	Increase in Net Position
2019	\$ 84,969	\$ 5,667
2018	79,302	8,137
2017	71,165	11,850
2016	59,315	2,378
2015	56,937	3,291
2014	53,646	10,743
2013	42,903	7,420
2012	35,483	3,117
2011	32,366	8,704
2010	23,662	6,489



Municipal Police Officers & Firefighters Retirement System

Fiscal Year Ended	Fiduciary Net Position	Increase in Net Position
2019	\$ 11,297	\$ 3,220
2018	8,077	2,555
2017	5,522	2,205
2016	3,317	1,271
2015	2,046	844
2014	1,202	673
2013	529	327
2012	202	137
2011	65	62
2010	3	3

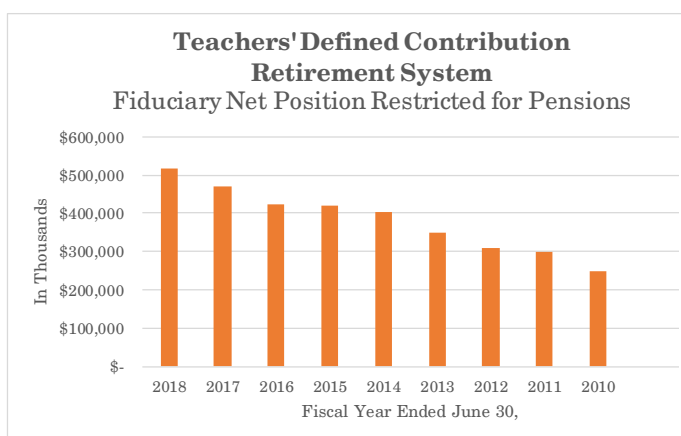


FIDUCIARY NET POSITION RESTRICTED FOR PENSIONS (continued)

(All \$ in thousands)

Teachers' Defined Contribution Retirement System

Fiscal Year Ended	Fiduciary Net Position	Increase (Decrease) in Net Position
2019	\$ 551,203	\$ 34,311
2018	516,892	45,993
2017	470,899	48,065
2016	422,834	4,015
2015	418,819	16,963
2014	401,856	51,263
2013	350,593	41,559
2012	309,034	10,337
2011	298,697	48,382
2010	250,315	32,128



Fiduciary Net Position Restricted for Pensions represents the net assets at fair value that are available to pay benefits.

INVESTMENT ALLOCATIONS

As of June 30, 2019

West Virginia Investment Management Board Pool:	PERS		TRS		SPDDRS		SPRS		DSRS		JRS		EMSRS		MPFRS	
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Domestic Equity	27.5%	24.6%	27.5%	24.5%	27.5%	24.1%	27.5%	24.7%	27.5%	24.6%	27.5%	24.8%	27.5%	24.6%	27.5%	23.9%
International Equity	27.5%	25.7%	27.5%	25.4%	27.5%	25.0%	27.5%	25.6%	27.5%	25.6%	27.5%	25.5%	27.5%	25.6%	27.5%	24.4%
Private Equity	10.0%	16.0%	10.0%	15.9%	10.0%	15.9%	10.0%	15.4%	10.0%	15.8%	10.0%	15.9%	10.0%	15.6%	10.0%	14.6%
Fixed Income	15.0%	12.2%	15.0%	12.8%	15.0%	13.7%	15.0%	13.1%	15.0%	12.7%	15.0%	12.4%	15.0%	13.0%	15.0%	17.0%
Hedge Fund	10.0%	11.4%	10.0%	11.4%	10.0%	11.2%	10.0%	11.4%	10.0%	11.4%	10.0%	11.4%	10.0%	11.4%	10.0%	10.9%
Real Estate	10.0%	10.1%	10.0%	10.0%	10.0%	10.1%	10.0%	9.8%	10.0%	9.9%	10.0%	10.0%	10.0%	9.8%	10.0%	9.2%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

INVESTMENT PERFORMANCE

Fiscal year ended June 30, 2019

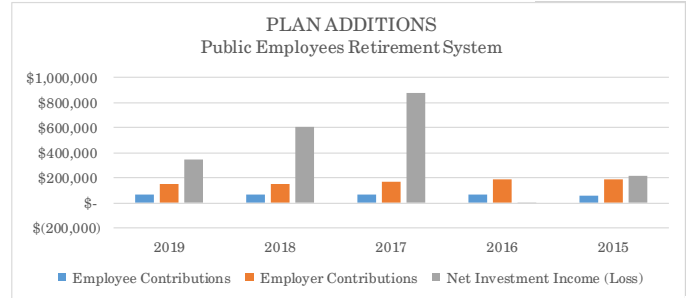
Investment Pool:	1-Year	3-Year	5-Year	10-Year
Domestic Equity <i>Benchmark: Russell 3000 Index</i>	7.5%	13.4%	9.8%	14.7%
	9.0%	14.0%	10.2%	14.7%
International Equity <i>Benchmark: MSCI EAFE</i>	-2.2%	9.2%	3.8%	9.7%
	1.6%	9.7%	2.7%	7.4%
Private Equity <i>Benchmark: Russell 3000 plus 300 basis points</i>	20.9%	20.6%	16.6%	16.2%
	n/a	n/a	13.2%	18.3%
Fixed Income <i>Benchmark: Bloomberg Barclays U.S. Universal Bond</i>	7.5%	4.9%	3.6%	5.6%
	8.1%	2.8%	3.2%	4.4%
Hedge Fund <i>Benchmark: HFRI FoF plus 100 basis points</i>	2.6%	4.9%	3.1%	5.2%
	2.2%	5.3%	3.2%	3.8%
Real Estate <i>Benchmark: NCREIF Property Index Plus 100 basis points</i>	7.3%	8.4%	9.3%	5.9%
	n/a	n/a	10.1%	9.5%
Retirement System:				
Public Employees' Retirement System (PERS)	6.0%	10.4%	7.0%	10.2%
Teachers' Retirement System (TRS)	6.0%	10.4%	6.9%	10.1%
State Police Disability, Death and Retirement System (SPDDRS)	5.9%	10.4%	6.9%	10.2%
State Police Retirement System (SPRS)	6.0%	10.4%	7.0%	10.1%
Deputy Sheriff's Retirement System (DSRS)	6.0%	10.4%	6.9%	10.2%
Judges' Retirement System (JRS)	6.0%	10.5%	7.0%	10.2%
Emergency Medical Services Retirement System (EMSRS)	6.0%	10.4%	6.9%	10.1%
Municipal Police Officers' and Firefighters' Retirement System (MPFRS)	6.1%	10.2%	6.8%	n/a

RETIREMENT SYSTEMS ADDITIONS (continued)

(All \$ in thousands)

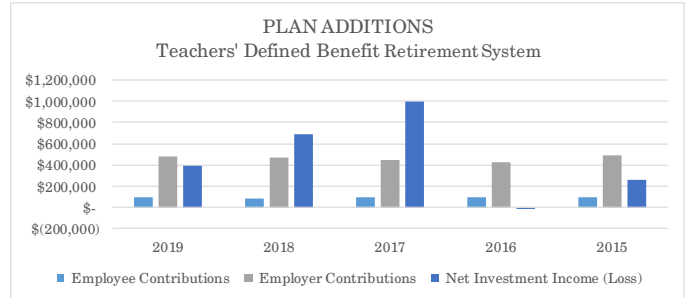
Public Employees Retirement System

Fiscal Year Ended	Employee Contributions	Employer Contributions	Net Investment Income (Loss)	Other Income	Total
2019	\$ 70,357	\$ 147,031	\$ 350,447	\$ 763	\$ 568,598
2018	65,150	152,541	606,303	1,497	825,491
2017	63,578	165,676	875,090	1,031	1,105,375
2016	62,801	186,770	(6,827)	297	243,041
2015	61,838	189,947	219,329	17	471,131



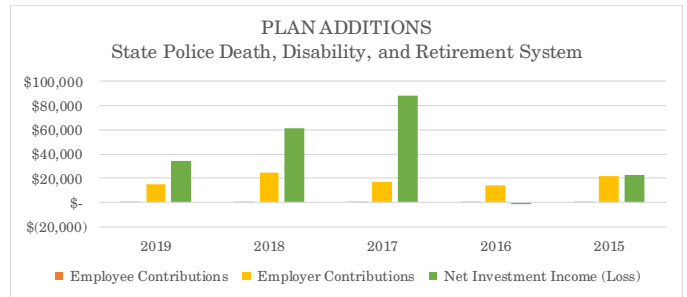
Teachers' Defined Benefit Retirement System

Fiscal Year Ended	Employee Contributions	Employer Contributions	Net Investment Income (Loss)	Other Income	Total
2019	\$ 92,759	\$ 481,986	\$ 396,327	\$ 3,446	\$ 974,518
2018	89,128	471,837	688,273	3,046	1,252,284
2017	91,503	451,447	995,095	2,822	1,540,867
2016	95,177	423,195	(18,403)	3,918	503,887
2015	94,694	490,640	255,988	3,460	844,782



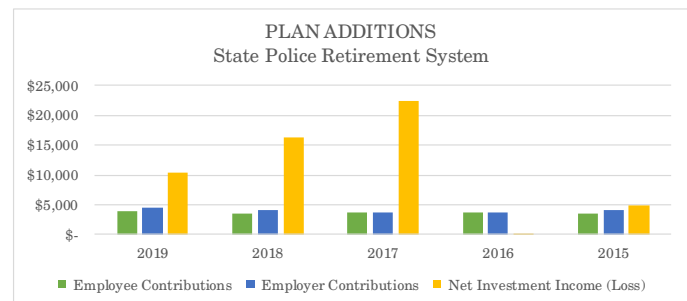
State Police Death, Disability, and Retirement System

Fiscal Year Ended	Employee Contributions	Employer Contributions	Net Investment Income (Loss)	Other Income	Total
2019	\$ 110	\$ 15,595	\$ 33,902	\$ 752	\$ 50,359
2018	186	24,829	60,939	691	86,645
2017	362	17,319	87,793	847	106,321
2016	320	13,977	(1,229)	594	13,662
2015	445	21,668	22,866	861	45,840



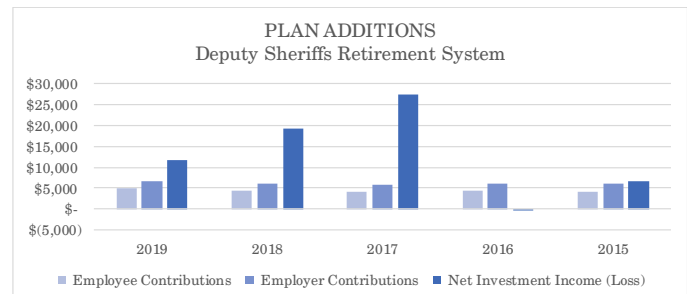
State Police Retirement System

Fiscal Year Ended	Employee Contributions	Employer Contributions	Net Investment Income (Loss)	Other Income	Total
2019	\$ 3,905	\$ 4,556	\$ 10,487	\$ -	\$ 18,948
2018	3,621	4,205	16,303	-	24,129
2017	3,634	3,657	22,346	-	29,637
2016	3,755	3,724	91	-	7,570
2015	3,609	4,060	4,972	-	12,641



Deputy Sheriffs Retirement System

Fiscal Year Ended	Employee Contributions	Employer Contributions	Net Investment Income (Loss)	Other Income	Total
2019	\$ 4,846	\$ 6,705	\$ 11,780	\$ 479	\$ 23,810
2018	4,416	6,194	19,361	471	30,442
2017	4,166	5,917	27,282	433	37,798
2016	4,306	6,071	(64)	494	10,807
2015	4,068	5,972	6,534	506	17,080

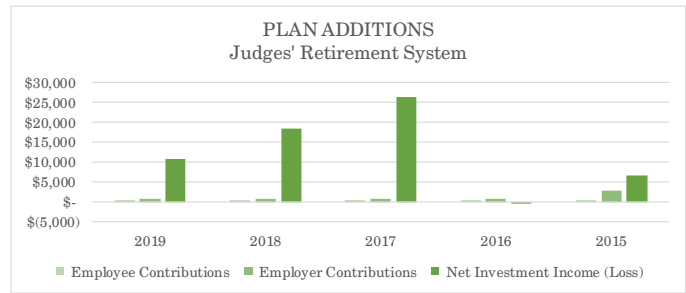


RETIREMENT SYSTEMS ADDITIONS (continued)

(All \$ in thousands)

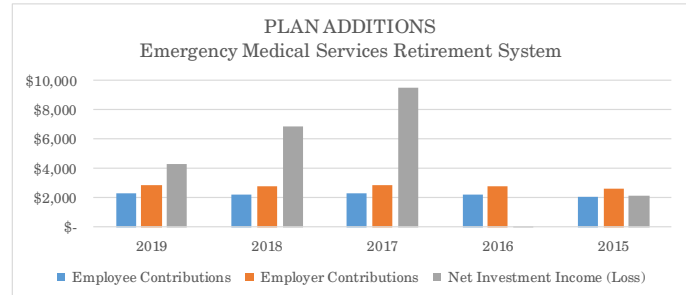
Judges' Retirement System

Fiscal Year Ended	Employee Contributions	Employer Contributions	Net Investment Income (Loss)	Other Income	Total
2019	\$ 331	\$ 779	\$ 10,775	\$ -	\$ 11,885
2018	364	735	18,373	-	19,472
2017	372	747	26,270	-	27,389
2016	383	739	(175)	-	947
2015	413	2,845	6,525	-	9,783



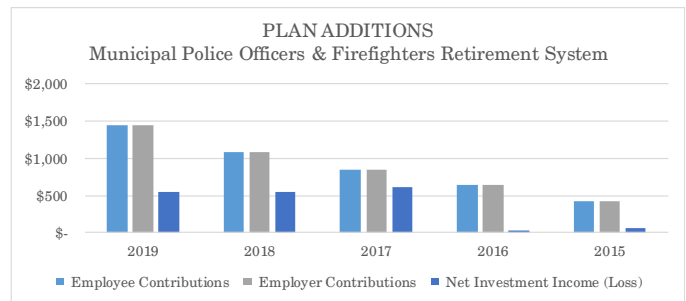
Emergency Medical Services Retirement System

Fiscal Year Ended	Employee Contributions	Employer Contributions	Net Investment Income (Loss)	Other Income	Total
2019	\$ 2,302	\$ 2,844	\$ 4,262	\$ -	\$ 9,408
2018	2,231	2,765	6,867	-	11,863
2017	2,314	2,859	9,506	-	14,679
2016	2,222	2,744	18	1	4,985
2015	2,071	2,607	2,144	-	6,822



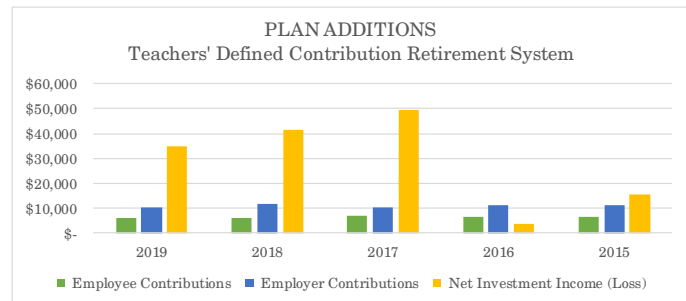
Municipal Police Officers & Firefighters Retirement System

Fiscal Year Ended	Employee Contributions	Employer Contributions	Net Investment Income (Loss)	Other Income	Total
2019	\$ 1,438	\$ 1,438	\$ 548	\$ 38	\$ 3,462
2018	1,087	1,089	547	-	2,723
2017	846	846	606	-	2,298
2016	644	644	28	-	1,316
2015	417	417	66	-	900



Teachers' Defined Contribution Retirement System

Fiscal Year Ended	Employee Contributions	Employer Contributions	Net Investment Income (Loss)	Other Income	Total
2019	\$ 6,126	\$ 10,204	\$ 34,920	\$ 95	\$ 51,345
2018	6,075	11,664	41,447	34	59,220
2017	6,971	10,510	49,571	980	68,032
2016	6,438	11,401	3,542	87	21,468
2015	6,504	11,194	15,530	354	33,582



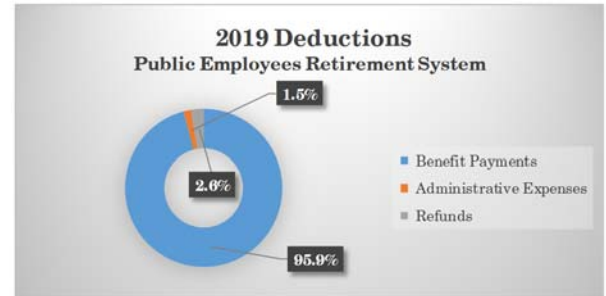
Additions are used to finance the benefits provided to the members of the retirement systems administered by the WVCPRB and are accumulated through earnings on investments and through the collection of employee and employer contributions.

RETIREMENT SYSTEMS DEDUCTIONS (continued)

(All \$ in thousands)

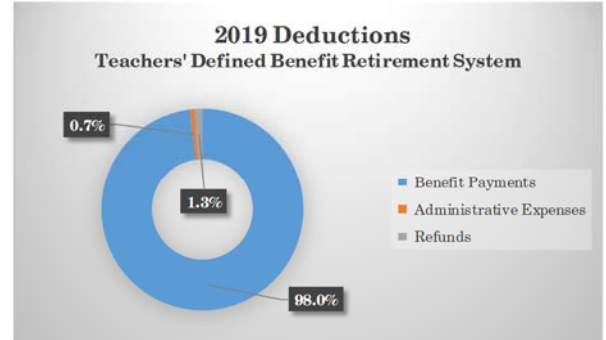
Public Employees Retirement System

Year Ended	Benefit Payments	Service Transfers	Administrative Expenses	Refunds	Total
2019	\$ 436,966	\$ (232)	\$ 6,915	\$ 11,782	\$ 455,431
2018	421,936	-	6,850	12,248	441,034
2017	402,213	(110)	4,989	10,566	417,658
2016	382,577	(123)	4,886	11,877	399,217
2015	363,495	(265)	4,785	10,669	378,684



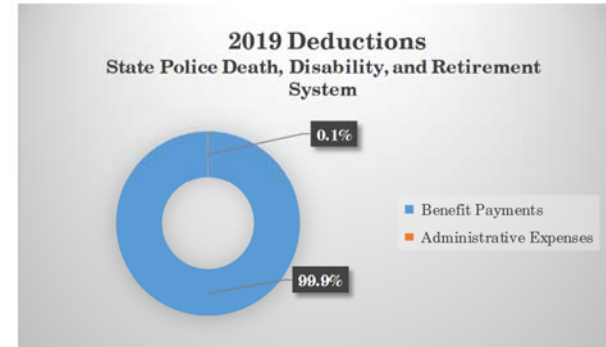
Teachers' Defined Benefit Retirement System

Fiscal Year Ended June 30,	Benefit Payments	Service Transfers	Administrative Expenses	Refunds	Total
2019	\$ 827,540	\$ 174	\$ 6,239	\$ 10,769	\$ 844,722
2018	806,511	-	6,035	9,591	822,137
2017	780,030	(149)	4,582	9,028	793,491
2016	749,139	133	4,507	10,364	764,143
2015	710,833	262	4,432	8,006	723,533



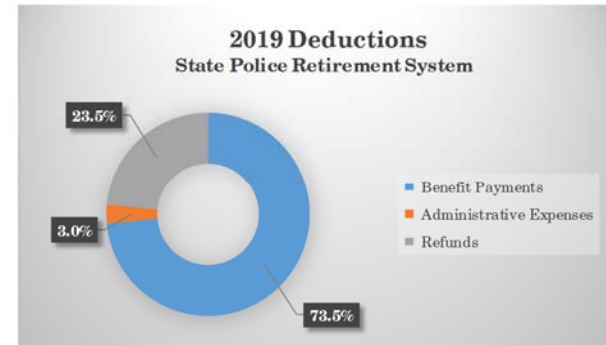
State Police Death, Disability, and Retirement System

Fiscal Year Ended June 30,	Benefit Payments	Service Transfers	Administrative Expenses	Refunds	Total
2019	\$ 47,550	\$ -	\$ 63	\$ -	\$ 47,613
2018	45,529	-	61	-	45,590
2017	43,325	-	46	-	43,371
2016	41,969	-	53	-	42,022
2015	39,708	-	51	-	39,759



State Police Retirement System

Fiscal Year Ended June 30,	Benefit Payments	Service Transfers	Administrative Expenses	Refunds	Total
2019	\$ 1,474	\$ -	\$ 60	\$ 471	\$ 2,005
2018	1,186	-	60	656	1,902
2017	957	-	64	497	1,518
2016	811	-	47	260	1,118
2015	633	-	45	418	1,096

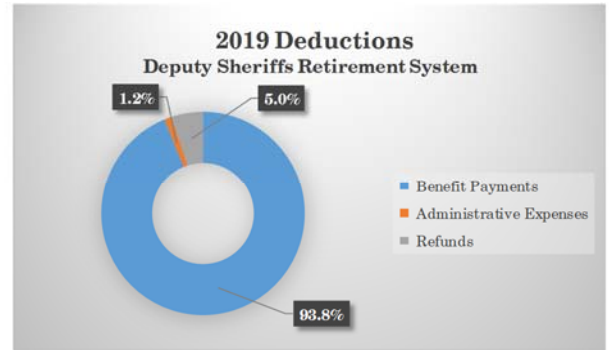


RETIREMENT SYSTEMS DEDUCTIONS (continued)

(All \$ in thousands)

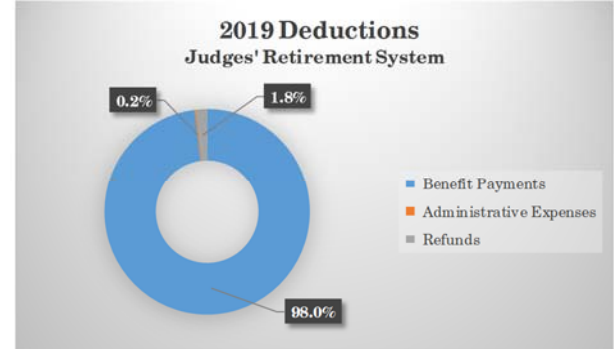
Deputy Sheriffs Retirement System

Fiscal Year Ended June 30,	Benefit Payments	Service Transfers	Administrative Expenses	Refunds	Total
2019	\$ 11,338	\$ -	\$ 145	\$ 602	\$ 12,085
2018	9,614	-	137	997	10,748
2017	8,957	-	102	1,186	10,245
2016	8,187	-	101	611	8,899
2015	7,554	-	96	817	8,467



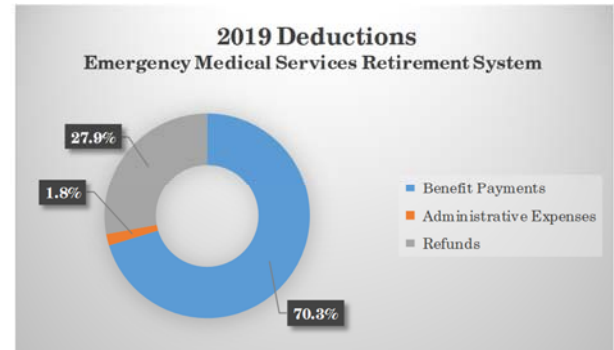
Judges' Retirement System

Fiscal Year Ended June 30,	Benefit Payments	Service Transfers	Administrative Expenses	Refunds	Total
2019	\$ 4,846	\$ 86	\$ 11	\$ 87	\$ 5,030
2018	4,765	-	8	167	4,940
2017	4,510	12	6	99	4,627
2016	4,382	-	27	47	4,456
2015	4,244	-	6	69	4,319



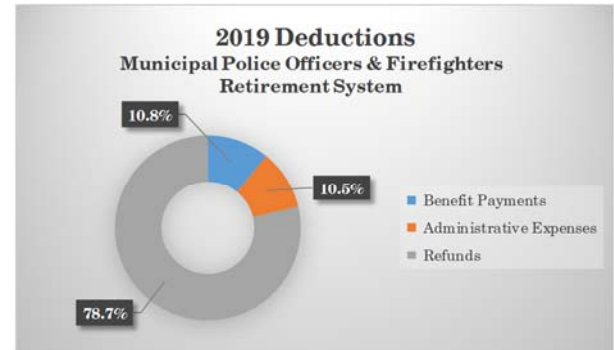
Emergency Medical Services Retirement System

Fiscal Year Ended June 30,	Benefit Payments	Service Transfers	Administrative Expenses	Refunds	Total
2019	\$ 2,989	\$ -	\$ 77	\$ 1,187	\$ 4,253
2018	2,582	-	73	1,071	3,726
2017	2,201	-	53	575	2,829
2016	1,953	-	49	605	2,607
2015	1,600	-	46	666	2,312



Municipal Police Officers & Firefighters Retirement System

Fiscal Year Ended June 30,	Benefit Payments	Service Transfers	Administrative Expenses	Refunds	Total
2019	\$ 36	\$ (28)	\$ 35	\$ 262	\$ 305
2018	20	-	23	125	168
2017	-	-	14	79	93
2016	-	-	11	34	45
2015	-	-	7	49	56

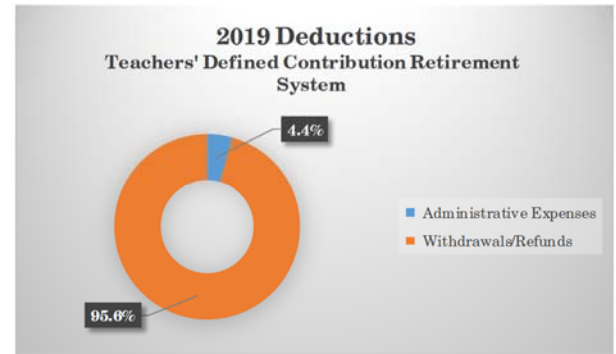


RETIREMENT SYSTEMS DEDUCTIONS (continued)

(All \$ in thousands)

Teachers' Defined Contribution Retirement System

Fiscal Year Ended June 30,	Benefit Payments	Service Transfers	Administrative Expenses	Withdrawals /Refunds	Total
2019	\$ -	\$ -	\$ 752	\$ 16,282	\$ 17,034
2018	-	-	1,054	12,173	13,227
2017	-	247	1,288	18,432	19,967
2016	-	(10)	1,417	16,046	17,453
2015	-	3	1,064	15,552	16,619



Deductions are for the payment of pension benefits to retirees and their beneficiaries, refund of contributions to employees that separate from employment with a participating employer and requested a refund, and the cost of administering the retirement systems.



RETIREMENT SYSTEMS FUNDING STATUS

Actuarial Valuation

Date	PERS	TRS	SPDDRS	SPRS	DSRS	JRS	EMSRS	MPFRS	TDC
7/1/2018	92.9%	69.6%	90.4%	101.8%	92.1%	185.5%	104.9%	168.3%	n/a
7/1/2017	91.5%	67.1%	86.7%	98.1%	98.8%	174.4%	99.4%	186.7%	n/a
7/1/2016	89.0%	65.4%	79.4%	95.4%	88.2%	155.1%	87.8%	153.0%	n/a
7/1/2015	86.8%	66.0%	84.7%	101.2%	91.0%	158.8%	94.4%	183.3%	n/a
7/1/2014	83.1%	66.2%	76.5%	105.5%	80.2%	155.8%	95.0%	211.4%	n/a

RETIREMENT SYSTEM MEMBERSHIP SNAPSHOT

As of June 30, 2019

	PERS	TRS	SPDDRS	SPRS	DSRS	JRS	EMSRS	MPFRS	TDC
Total Membership									
Active	34,765	33,174	20	570	1,050	74	577	332	3,314
Terminated vested	4,626	3,169	4	17	114	-	61	2	829
Retired	27,568	36,394	759	33	403	58	102	1	-
2019 New Retirees									
Average years of	22.4	27.6	27.2	28.4	26.3	26.7	17.2	n/a	n/a
All Retirees									
Average annual benefit	\$ 1,528	\$ 2,216	\$ 5,174	\$ 3,606	\$ 2,238	\$ 6,907	\$ 2,277	\$ 3,228	n/a

CONTACT US

This *Popular Annual Financial Report* is derived from information contained in the WVCPRB's Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2019, but does not contain detailed financial information for the retirement systems, nor is it presented in a manner to conform to Generally Accepted Accounting Principles (GAAP). For a complete set of financial information included in this summary report, please refer to the WVCPRB CAFR, which is prepared in conformity with GAAP and may be obtained by visiting our website, wvretirement.com, or by contacting the WVCPRB to request a copy.



Serving Those Who Serve West Virginia

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Fax: (304) 957-7522

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Consolidated Public Retirement Board *(Pension Trust Funds of the State of West Virginia)*

4101 MacCorkle Ave. S.E., Charleston, WV 25304

Hours of Operation:

8:00 AM – 5:00 PM (EST) Monday-Friday