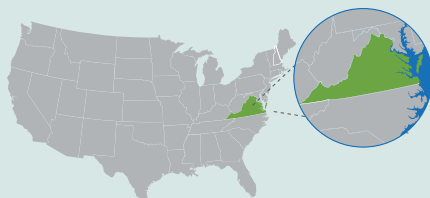


A summary of VRS financial, investment and statistical information for our stakeholders

Virginia Retirement System

19th largest*
public or private pension
system in the U.S.



706,045
total members, retirees
and beneficiaries



43rd largest*
public or private pension
system in the world

* As ranked by *Pensions & Investments*, September 2017



\$4.8 billion
paid in retirement benefits



7.5%
rate of return on
investments



\$79.2 billion
combined fiduciary net position
of VRS trust fund

DCP

Virginia Retirement System

79,396 members held accounts
through the Commonwealth of Virginia 457
Deferred Compensation Plan; of these,

70,880 members received a
cash match through the Virginia
Cash Match Plan



57% of active hybrid plan members are making voluntary contributions
24% have an "Active Election" above the 0.5% auto-escalation



59,489 active and inactive
hybrid plan member accounts in the
Hybrid 457 Deferred Compensation Plan

113,952 active and inactive
member accounts in the Hybrid
401(a) Plan

Administration

VRS Board of Trustees

Mitchell L. Nason, *Chairman*
Prince William County
Department of Fire and Rescue

Diana F. Cantor, *Vice Chairman*
Alternative Investment Management

The Hon. J. Brandon Bell II, CRPC
Brandon Bell Financial Partners

Wallace G. “Bo” Harris, Ph.D.
University of Richmond

W. Brett Hayes
Wells Fargo Advisors Financial Network

William H. Leighty
Virginia Tech

O’Kelly E. McWilliams III
Mintz Levin

Joseph W. Montgomery
The Optimal Service Group,
Wells Fargo Advisors

Troilen Gainey Seward, Ed.S.
Dinwiddie County Public Schools



From the VRS Director

Patricia S. Bishop
Director

The VRS vision of being the trusted leader in the delivery of benefits and services is the centerpiece for all we do. We assist members during some of the most important times in their lives—beginning a new job, saving for the future and transitioning to retirement. Our diverse team of professionals demonstrates a

high commitment to meeting the needs of more than 700,000 members, retirees and beneficiaries.

Two-thirds of retirement benefits are funded through investment earnings. The VRS-managed investment portfolio reached a historic year-end high of \$80.4 billion, and the combined fiduciary net position of the VRS trust fund was \$79.2 billion. Our highly qualified investment staff directly manages about one-third of plan assets in-house, saving the fund approximately \$45 million in external fees annually.

As we continue to look toward the future, we’re making great strides in empowering our members with the information and tools they need to manage their own retirement outcomes. Members have easy access to their information in their secure online myVRS accounts. And by implementing programs like myVRS Financial Wellness, which provides personalized content recommendations based on career stage, VRS is providing additional resources to empower members with financial knowledge.

During this fiscal year, we’ve also provided Hybrid Retirement Plan members with additional features to encourage voluntary contributions and effective planning for their future. An online paycheck calculator shows how those contributions will affect their paychecks. And SmartStep allows hybrid plan members to choose their own automatic annual increases to voluntary contributions. VRS also launched a new employer website with a responsive and intuitive design to help employers efficiently administer VRS benefits.

Service to our members, retirees and employers is what shapes our work each day. As you browse through the PAFR, you’ll discover additional insights into our organization, including a summary of VRS financial results, investment information, membership numbers and plan funded status. It is our privilege to serve the Commonwealth’s public employees, and VRS is committed to helping members plan for tomorrow, today.

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What does it mean?

As you read the PAFR, you may encounter unfamiliar financial terms. VRS has included brief definitions of key terms. Watch for the green boxes with the asterisks! More definitions are available at www.varetire.org.

VRS Total Membership AT JUNE 30, 2018

	Plan 1	Plan 2	Hybrid	Total
Teachers	77,317	32,622	36,856	146,795
Political Subdivisions	48,879	31,526	27,422	107,827
State Employees	39,845	16,707	20,785	77,337
State Police Officers' Retirement System (SPORS)	1,242	645	—	1,887
Virginia Law Officers' Retirement System (VaLORS)	3,556	5,186	—	8,742
Judicial Retirement System (JRS)	253	48	116	417
Total Active Members	171,092	86,734	85,179	343,005

Total Active Members	Retirees/Beneficiaries	Inactive/Deferred Members	VRS Total Population
343,005	206,776	156,264	706,045

DISTRIBUTION OF RETIREES BY YEARS OF SERVICE

ALL RETIREES AT JUNE 30, 2018

	1-10 Years	11-20 Years	21-30 Years	Over 30 Years	Total
VRS	11.32%	24.79%	29.25%	34.64%	100.00%
SPORS	2.51%	3.83%	23.90%	69.76%	100.00%
VaLORS	7.50%	21.88%	52.71%	17.91%	100.00%
JRS	0.65%	2.93%	7.64%	88.78%	100.00%
All Plans	11.15%	24.52%	29.67%	34.66%	100.00%

DISTRIBUTION OF RETIREES BY AGE AT RETIREMENT

ALL RETIREES AT JUNE 30, 2018

	Under 55	55-59	60-65	Over Age 65	Total
VRS	15.56%	24.74%	46.08%	13.62%	100.00%
SPORS	48.04%	32.72%	16.54%	2.70%	100.00%
VaLORS	42.53%	25.06%	27.45%	4.96%	100.00%
JRS	1.36%	11.41%	41.03%	46.20%	100.00%
All Plans	16.19%	24.76%	45.57%	13.48%	100.00%



What does it mean?

Defined Benefit Plan: The retirement plan under VRS is a defined benefit plan for Plan 1 and Plan 2 members. This plan provides a monthly benefit during retirement based on age, total service credit and average final compensation.

Defined Contribution Plan: The benefit under a defined contribution plan for Plan 1 and Plan 2 members is based on contributions and net investment gains on these contributions. The defined contribution plans administered or authorized by VRS include the Commonwealth of Virginia 457 Deferred Compensation and Cash Match Plans, optional retirement plans for selected employees and a supplemental plan for certain school employees.

Defined Benefit Component: The defined benefit component under the Hybrid Retirement Plan provides a retirement benefit based on your age, total creditable service and average final compensation at retirement. VRS manages the investments and related risk for member and employer contributions under this component.

Defined Contribution Component: The defined contribution component of the Hybrid Retirement Plan provides a retirement benefit based on member and employer contributions and net investment gains on contributions. Members manage the investments and related risk for this component.

Deferred Compensation: A portion of an employee's compensation that is set aside to be paid at a later date. In most cases, taxes on this income are deferred until it is paid out.

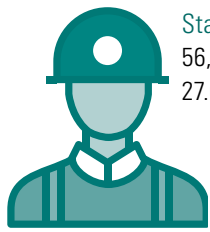
Other Post-Employment Benefits (OPEB): Benefits that an employee will begin to receive at the start of retirement. This does not include pension benefits paid to the retired employee.

For more detailed information on the plans offered by VRS, visit www.varetire.org.

Membership

DISTRIBUTION OF RETIREES AND BENEFICIARIES

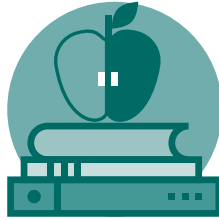
AT JUNE 30, 2018



State Employees (VRS)
56,980
27.6%



State Police Officers (SPORS)
1,336
0.6%



Teachers (VRS)
89,667
43.4%



Virginia Law Officers (VaLORS)
4,702
2.3%



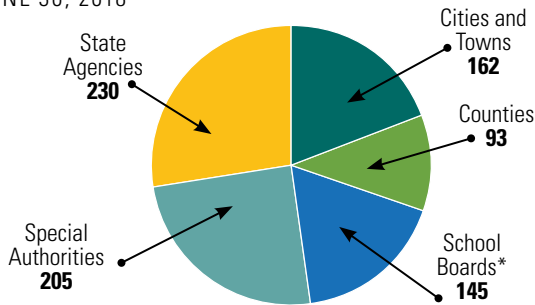
Political Subdivision Employees (VRS)
53,579
25.9%



Judges (JRS)
512
0.2%

DISTRIBUTION OF EMPLOYERS

AT JUNE 30, 2018



*Of the 145 school boards, 133 also provide for coverage for non-professional employees and are treated as political subdivisions. A list of VRS-participating employers and additional employer information is presented in the Statistical Section of the CAFR.



What does it mean?

Active Member: A member working in a covered position with an employer that participates in the Virginia Retirement System (VRS) or who is covered under an optional retirement plan (ORP) administered by VRS.

Deferred Member: A member who has left covered employment but has not withdrawn funds and has service credit in VRS or an account balance in a Virginia optional retirement plan.

Retiree: A retiree is no longer employed in a covered position and receives a retirement benefit from VRS.

VRS is an independent state agency. As provided under the *Constitution of Virginia*, VRS funds are separate from other state funds and can be used only to administer and pay benefits for members, retirees and beneficiaries. Pursuant to Title 51.1 of the *Code of Virginia*, the Board of Trustees administers and is trustee of the following funds:

- Virginia Retirement System Trust, including Plan 1, Plan 2, the defined benefit component of the Hybrid Retirement Plan, and Plan 1 and Plan 2 hazardous duty benefits for political subdivision employees
- State Police Officers' Retirement System Trust, including Plan 1 and Plan 2
- Virginia Law Officers' Retirement System Trust, including Plan 1 and Plan 2
- Judicial Retirement System Trust, including Plan 1 and Plan 2, and the defined benefit component of the Hybrid Retirement Plan for judges
- Virginia Sickness and Disability Program (VSDP) Trust for state employees, including VSDP long-term care
- Virginia Local Disability Program (VLDP) Trust for eligible school division and political subdivision employees, including VLDP long-term care

- A disability retirement option for certain members not covered under VSDP or VLDP
- Hybrid 457 Deferred Compensation Plan
- Hybrid 401(a) Cash Match Plan
- Optional Retirement Plan for Political Appointees, Optional Retirement Plan for School Superintendents and Optional Retirement Plan for Higher Education
- Commonwealth of Virginia 457 Deferred Compensation Plan
- Virginia Cash Match Plan
- Virginia Supplemental Retirement Plan
- Group Life Insurance Program
- Retiree Health Insurance Credit Program
- Line of Duty Death and Health Benefits Trust Fund

In addition, the Board administers or has substantial oversight responsibilities for the Benefit Restoration Plan, the Commonwealth of Virginia Voluntary Group Long-Term Care Insurance Program, and the Volunteer Firefighters' and Rescue Squad Workers' Service Award Fund Program, as well as benefit eligibility determinations under the Line of Duty Act in Title 9.1.

SUMMARY OF FIDUCIARY NET POSITION

FOR THE YEARS ENDED JUNE 30

(EXPRESSED IN MILLIONS)

	2018	Increase (Decrease)	2017	Increase (Decrease)	2016
Assets:					
Cash, Receivables and Capital Assets	\$ 2,026.2	\$ 72.5	\$ 1,953.7	\$ (314.7)	\$ 2,268.4
Investments	80,763.2	3,965.5	76,797.7	7,871.1	68,926.6
Security Lending Collateral	4,500.3	(296.6)	4,796.9	(226.1)	5,023.0
Total Assets	87,289.7	3,741.4	83,548.3	7,330.3	76,218.0
Liabilities:					
Accounts Payable	310.0	(42.4)	352.4	(499.1)	851.5
Investment Purchases Payable	3,294.0	(19.4)	3,313.4	1,217.9	2,095.5
Obligations Under Securities Lending	4,500.3	(296.6)	4,796.9	(226.1)	5,023.0
Total Liabilities	8,104.3	(358.4)	8,462.7	492.7	7,970.0
Total Net Position – Restricted for Benefits	\$ 79,185.4	\$ (4,099.8)	\$ 75,085.6	\$ 6,837.6	\$ 68,248.0

SUMMARY OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEARS ENDED JUNE 30

(EXPRESSED IN MILLIONS)

	2018	Increase (Decrease)	2017	Increase (Decrease)	2016
Additions					
Member Contributions	\$ 1,088.5	\$ 25.8	\$ 1,062.7	\$ 66.9	\$ 995.8
Employer Contributions	2,849.7	225.1	2,624.5	(157.6)	2,782.1
Net Investment Income	5,510.4	(2,730.9)	8,241.3	7,071.5	1,169.8
Miscellaneous Revenue & Transfers	3.6	(0.1)	3.7	1.2	2.5
Total Additions	\$ 9,452.2	\$ (2,480)	\$ 11,932.2	\$ 6,982.0	\$ 4,950.2
Deductions:					
Retirement Benefits	4,752.9	233.9	4,518.9	161.9	4,357.0
Refunds of Member Contributions	123.0	3.3	119.7	15.1	104.6
Insurance Premiums and Claims	200.3	16.2	184.1	10.3	173.8
Retiree Health Insurance Credit Reimbursements	163.9	5.0	159.0	5.1	153.9
Disability Insurance Benefits	39.8	0.9	38.9	(0.4)	39.3
Line of Duty Act Reimbursements	12.4	2.1	10.3	1.8	8.5
Administrative and Other Expenses	60.1	(3.6)	63.7	16.5	47.2
Total Deductions	\$ 5,352.4	\$ 257.8	\$ 5,094.6	\$ 210.3	\$ 4,884.3
Net Increase (Decrease) in Net Position	\$ 4,099.8	\$ (2,737.8)	\$ 6,837.6	\$ 6,771.7	\$ 65.9
Net Position – Beginning of Year	75,085.6	6,837.6	68,248.0	65.9	68,182.1
Net Position – End of Year	\$ 79,185.4	\$ 4,099.8	\$ 75,085.6	\$ 6,837.6	\$ 68,248.0

 **What does it mean?**

Fiduciary Net Position: Reflects the balance of resources available to pay benefits at the end of the fiscal year.

Changes in Fiduciary Net Position: Reflects the changes in resources available to pay benefits during the fiscal year.

Financial

PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF TOTAL PENSION LIABILITY:

- VRS State Plan: **77.39%**
- VRS Teacher Plan: **74.81%**
- VRS Political Subdivision Plans (Aggregate Total): **90.24%**
- SPORS: **78.16%**
- VaLORS: **69.56%**
- JRS: **82.78%**

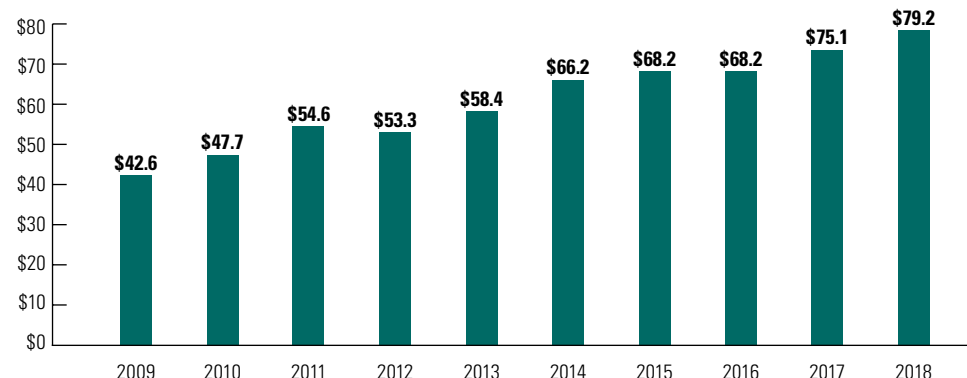
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF TOTAL OPEB LIABILITY:

- Group Life Insurance Fund: **51.22%**
- State Employee Health Insurance Credit: **9.51%**
- Teacher Employee Health Insurance Credit: **8.08%**
- VRS Political Subdivision Plans Health Insurance Credit (Aggregate Total): **57.39%**
- State-funded Health Insurance Credit for constitutional officers: **11.06%**
- State-funded Health Insurance Credit for social services employees: **9.27%**
- State-funded Health Insurance Credit for registrars: **10.41%**
- Disability Insurance Program: **194.74%**
- Teacher Employee segment, Virginia Local Disability Program: **46.05%**
- Political Subdivision segment, Virginia Local Disability Program: **51.22%**
- Line of Duty Act Program: **0.60%**

VRS NET POSITION

FOR THE YEARS ENDED JUNE 30

(EXPRESSED IN BILLIONS)



NET POSITION RESTRICTED FOR BENEFITS

FOR THE YEARS ENDED JUNE 30

(EXPRESSED IN THOUSANDS)

	2018	2017
Virginia Retirement System	\$ 70,084,142	\$ 70,342,933
State Police Officers' Retirement System	836,702	796,073
Virginia Law Officers' Retirement System	1,423,980	1,345,887
Judicial Retirement System	544,158	515,399
Group Life Insurance Advance Premium Deposit Reserve	1,594,773	1,437,586
Retiree Health Insurance Credit Reserve	235,372	201,315
Disability Insurance Trust Fund (VSDP)	462,961	442,334
Line of Duty Act Trust Fund	1,889	3,461
Disability Insurance Trust Fund (VLDP)	1,463	630
Total Pension and Other Employee Benefit Reserves	\$79,185,440	\$75,085,618

PENSION PLAN ACTIVITY

FOR THE YEARS ENDED JUNE 30

(EXPRESSED IN MILLIONS)

	2018	Increase (Decrease)	2017	Increase (Decrease)	2016
Benefits	\$ 4,752.9	\$ 234.0	\$ 4,518.9	\$ 161.9	\$ 4,357.0
Refunds	123.0	3.3	119.7	15.1	104.6
Administrative and Other Expenses	55.5	(3.9)	59.4	15.5	43.9
Total Primary Expenses	\$4,931.4	\$233.4	\$4,698.0	\$192.5	\$4,505.5

EQUITY INTERESTS

FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

Fund	2018	2017
Virginia Retirement System	93.46%	93.59%
State Police Officers' Retirement System	1.07%	1.07%
Virginia Law Officers' Retirement System	1.82%	1.81%
Judicial Retirement System	0.69%	0.69%
Group Life Insurance Fund	2.08%	1.99%
Retiree Health Insurance Credit Fund	0.30%	0.27%
Disability Insurance Trust Fund (VSDP)	0.58%	0.58%
Line of Duty Act Trust Fund	—	—
Virginia Local Disability Program	—	—
Total Equity Interests	100%	100%

FUNDS FLOW

FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

(EXPRESSED IN THOUSANDS)

	2018	2017
Contributions	\$ 3,938,182	\$ 3,687,234
Net Investment Income	5,510,397	8,241,266
Miscellaneous Additions and Transfers	3,626	3,684
Total Additions	9,452,205	11,932,184
Total Deductions	5,352,383	5,094,582
Net Increase (Decrease)	4,099,822	6,837,602
Net Position – Beginning of Year	75,085,618	68,248,016
Net Position – Ending of Year	\$79,185,440	\$75,085,618

INVESTMENT EXPENSES

FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

(EXPRESSED IN THOUSANDS)

	2018	2017
External Management Fees	\$ 407,570	\$ 383,132
Performance Fees	4,906	2,485
Miscellaneous Fees and Expenses	10,643	7,211
In-House Investment Management	34,225	31,430
Total Investment Expenses	\$457,344	\$424,258



What does it mean?

Asset Allocation: Assigning specific percentages of investments to different asset classes according to financial goals, risk tolerance and investment time horizon.

Asset Class: A group of securities that typically behaves similarly in the marketplace when compared to other groups of securities. Three common asset classes are equities, fixed income and cash equivalents.

Benchmark: A standard by which something can be measured or judged.

Diversification: Spreading money among different securities, sectors, industries and strategies within a number of asset classes.

Total Return: Return on an investment over a specific period of time. Total return includes income and share price appreciation and depreciation. It assumes that all dividends and capital gains paid during the period are reinvested to buy additional shares.



From the CIO

Ronald D. Schmitz
Chief Investment Officer

Fiscal year 2018 continued to bring solid corporate earnings and positive economic growth, resulting in a favorable response from equity markets. Tax cuts enhanced earnings of U.S. companies, and the Federal Reserve began raising interest rates.

VRS' Total Fund generated 7.5% for the fiscal year, falling just short of the 7.7% benchmark. The lag was attributable to a defensively positioned portfolio going into the year, while markets provided robust returns.

The VRS portfolio is diversified across a variety of asset classes. The Board has adopted an efficient portfolio policy, with the target portfolio expected to generate returns similar to our peers with lower-than-average risk levels. Our investment staff's performance has generated more than \$1.6 billion for the plan over the past 10 years, directly managing one-third of plan assets in-house.

The Fixed Income, Credit Strategies and Real Assets portfolio returns all exceeded their benchmarks this year. Private Equity, the highest long-term performing asset, just missed its index return. The one-year Public Equity return also fell short, but its portfolio has performed above the market benchmark over five- and 10-year periods.

Staff analyzed near-term shifts in projected inflation and growth scenarios defined by external economists. Positive scenarios included increased productivity and an extension in the business cycle. Negative scenarios included a recession, tariff-driven disruption to global trade, a Chinese economic crisis, Eurozone breakup and inflation shocks.

Looking ahead, growth is expected to remain above trend. However, fiscal deficits and rising rates will increase the cost of debt burdens. In response, we have positioned the portfolio neutrally and remain watchful.

I want to thank the Board of Trustees, the Investment Advisory Committee and the excellent team of investment professionals at VRS. Together, we continue to build on the agency's great legacy.

Annualized Return for Periods Ended June 30, 2018:

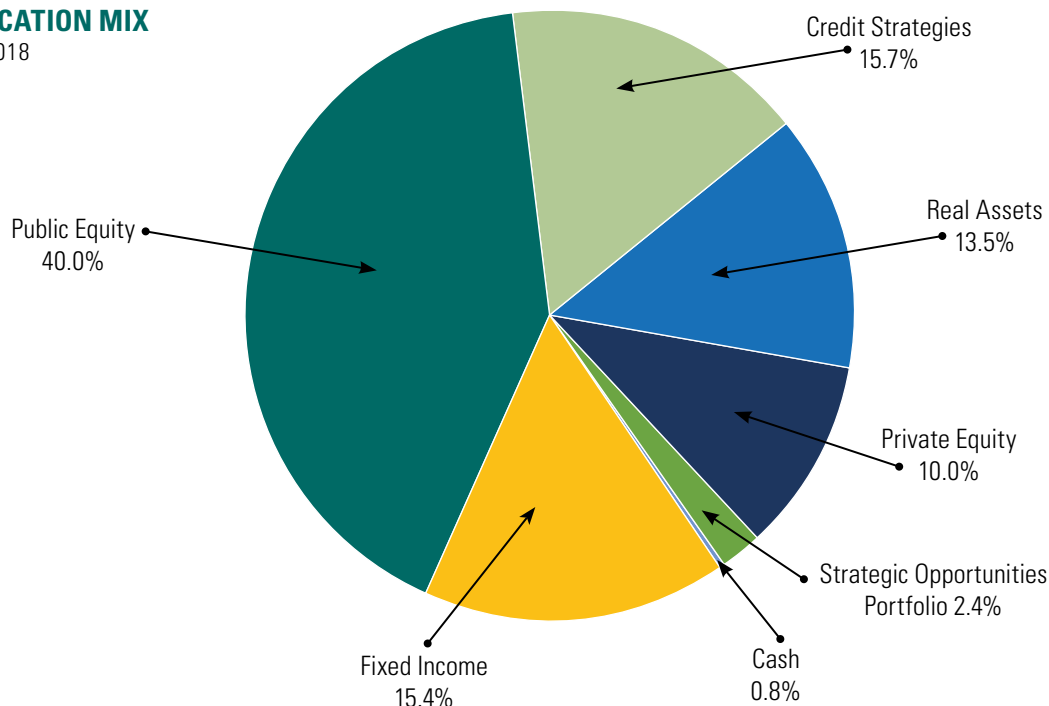
	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years	25 Years
VRS Total Fund	7.5%	7.1%	8.3%	6.1%	7.8%	6.5%	8.2%
Benchmark*	7.7%	6.8%	7.8%	5.8%	7.3%	6.0%	7.7%

Investment return calculations were prepared using a time-weighted return methodology based on market value, net of investment expenses.

** The VRS Total Fund Benchmark is a blend of the asset class benchmarks at policy weights. Benchmarks are selected with the help of a third-party investment consultant.*

ASSET ALLOCATION MIX

AT JUNE 30, 2018



Source: Bank of New York Mellon

INVESTMENT SUMMARY: DEFINED BENEFIT PLANS

AT JUNE 30, 2018 AND 2017

(EXPRESSED IN THOUSANDS)

	2018 Fair Value	Percent of Total Value	2017 Fair Value	Percent of Total Value
Total Bonds and Mortgage Securities	\$ 21,773,662	27.06%	\$ 21,960,682	28.66%
Common and Preferred Stocks	24,452,265	30.40%	24,329,065	31.75%
Total Index and Pooled Funds	11,863,208	14.75%	10,781,939	14.07%
Real Assets	9,242,121	11.49%	8,279,144	10.81%
Private Equity	12,919,297	16.07%	11,114,649	14.51%
Total Short-Term Investments	183,400	0.23%	149,844	0.20%
Total Investments	\$ 80,433,953	100.00%	\$ 76,615,323	100.00%

HYBRID PARTICIPANT ACCOUNT PLAN ASSETS

AS OF JUNE 30, 2018

Fund Name	Hybrid 401(a)	Hybrid 457	Total
Total Plan Assets	\$234,413,645	\$94,842,790	\$329,256,435

Funding

FISCAL YEAR 2018 EMPLOYER CONTRIBUTION RATES*

State Employees	13.49%
Teachers	16.32%
State Police Officers' Retirement System	28.54%
Virginia Law Officers' Retirement System	21.05%
Judicial Retirement System	41.97%
Non-Professional School Board and Political Subdivision Employees	Varies by Employer

* Rates are net of member contributions.

FISCAL YEAR 2018 OTHER POST-EMPLOYMENT BENEFIT (OPEB) CONTRIBUTION RATES

Group Life Insurance	
Employee	0.79%
Employer	0.52%
Total	1.31%
Health Insurance Credit	
State Employees	1.18%
Teachers	1.23%
Non-Professional School Board Members and Political Subdivision Employees	Varies by Employer
Virginia Sickness and Disability Program (VSDP)	
Covered Payroll	0.66%
Virginia Local Disability Program (VLDP)	
Teachers	0.31%
Political Subdivision Employees	0.60%

Impact of Pension Reform

The Governor and General Assembly focused on reducing plan costs and liabilities with a multi-pronged approach that included:

- Accelerating repayment of deferred contributions, estimated to save \$60.5 million over six years
- Funding 100% of actuarially determined contribution rates earlier than anticipated, saving \$232 million over 20 years
- Implementing plan design changes (VRS Plan 2 and the Hybrid Retirement Plan) that have lowered future benefit costs



The Hybrid Retirement Plan will become the dominant plan within a few years. The combined defined benefit and defined contribution plan:

- Reduces future benefit costs
- Introduces risk-sharing between employer and employee
- Lowers defined benefit risk to employers by approximately one-third

For 2018, the funded status of the plans is as follows:

State: 76.3% Teacher: 74.5% Political Subdivisions: 89.3%*

* Political subdivisions funded status is an estimate of all plans in aggregate.



What does it mean?

Income for VRS plans comes from contributions and investment income. Contributions to VRS plans are shared between employers and employees. Pension contributions are collected as a percentage of each employee paycheck and regularly deposited into the pension trust fund. The allocation of pension costs between employers and

employees depends on the cost-sharing policy for the pension plan.

The VRS Board of Trustees **sets the retirement plan funding policy and adopts contribution rates** for the plans based on recommendations from the plan actuary.

The Board also sets **investment policy** with the objective of maximizing returns

while managing risk within an acceptable range. Member and employer contributions are deposited into the pension trust fund and managed by VRS investment staff under the guidelines established by the Board.

Recommended **contribution rates** for the statewide retirement systems are communicated to the General Assembly, which has the final authority for the funding of these plans.



MEMBERS

- The total number of registered users as of June 30, 2018, was **183,046**
- Members created **313,984** estimates through the myVRS Benefit Estimator and **50,499** retirement plans through the myVRS Retirement Planner

RETIREES

- In fiscal year 2018, there were **24,390** retiree registrations
- Retirees completed more than **5,482** income tax transactions through the myVRS retiree tax tool during the fiscal year

EMPLOYERS

- As of June 30, 2018, more than **3,629** participating employer contacts were authorized to access member information in myVRS Navigator
- During the fiscal year, employers created **57,952** estimates to help counsel employees getting ready to retire

ORPPA AND ORPHE ONLINE PLAN ELECTION:

- Launched in December 2017
- Designed for newly hired political appointees of Commonwealth of Virginia state agencies offering the Optional Retirement Plan for Political Appointees (ORPPA) and faculty employees of institutions of higher education offering the Optional Retirement Plan for Higher Education (ORPHE)

- Provides newly hired employees with secure online tools and resources, including a plan comparison calculator, to assist in making an informed decision about retirement plan options

myVRS FINANCIAL WELLNESS:

- Released in December 2017 in partnership with third-party provider iGrad
- Integrates financial wellness content with the retirement planning tools within myVRS
- Provides VRS members with access to personalized content, including mini-courses with action plans, budget worksheets and recommended content based on their interests and goals

Education & Counseling

MEMBER COUNSELING TEAM

- Assisted members and retirees, responded to emails and conducted retirement education and group counseling sessions, special presentations, video conferences, webinars and benefit fairs, reaching members across the state
- Engaged with **23,568** members across the state
- Assisted **4,436** members and retirees in person
- Responded to **7,481** emails
- Conducted **310** retirement education sessions, presentations, video-conferences, webinars and benefit fairs

- Participated in the ICMA-RC Realize Retirement tour at **15** locations throughout the state

HYBRID COUNSELING TEAM

- Held **80** sessions and webinars attended by **712** Hybrid Retirement Plan members
- Responded to **717** myVRS online assistance requests
- Answered **212** hybrid-related emails
- Participated in ICMA-RC Realize Retirement tour, reaching **1,058** Defined Contribution Plan and Hybrid Retirement Plan participants

EMPLOYER REPRESENTATIVES

- Conducted **56** employer site visits and **55** roundtables, with **930** participants representing **472** employers

VRS WEBSITE

- Approximately **3.4 million** total page views, reflecting a **142.9%** increase over the **1,337,966** total page views in fiscal year 2017
- **myVRS**, the secure online system, led again as one of the top online destinations.

Highlights

VRS Awards and Honors

LEADERSHIP RECOGNITION AWARD, PLAN DESIGN AND ADMINISTRATION

Optional Retirement Plan Online Election Project in myVRS
National Association of Government Defined Contribution Administrators (NAGDCA)

PACESETTER AWARD

Recognizing VRS' efforts over nine years to increase capital placed with high-performing and diverse managers, resulting in an

increase in capital with diverse managers from less than \$100 million to greater than \$4 billion over that period
National Association of Investment Companies (NAIC)

CERTIFICATE OF ACHIEVEMENT (36th consecutive year)

Comprehensive Annual Financial Report (FY 2017)
Government Finance Officers Association (GFOA)

CERTIFICATE OF ACHIEVEMENT (2nd year)

Popular Annual Financial Report (FY 2017)
Government Finance Officers Association (GFOA)

PUBLIC PENSION STANDARDS AWARD (14th consecutive year)

VRS Funding and Administration
Public Pension Coordinating Council (PPCC)

Learn More About the Virginia Retirement System

In addition to this *Popular Annual Financial Report* (PAFR), VRS publishes a *Comprehensive Annual Financial Report* (CAFR). The 2018 CAFR provides complete audited financial statements and accompanying notes to the financial statements.

Visit www.varetire.org/publications to view or download a copy.



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