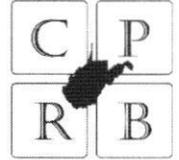
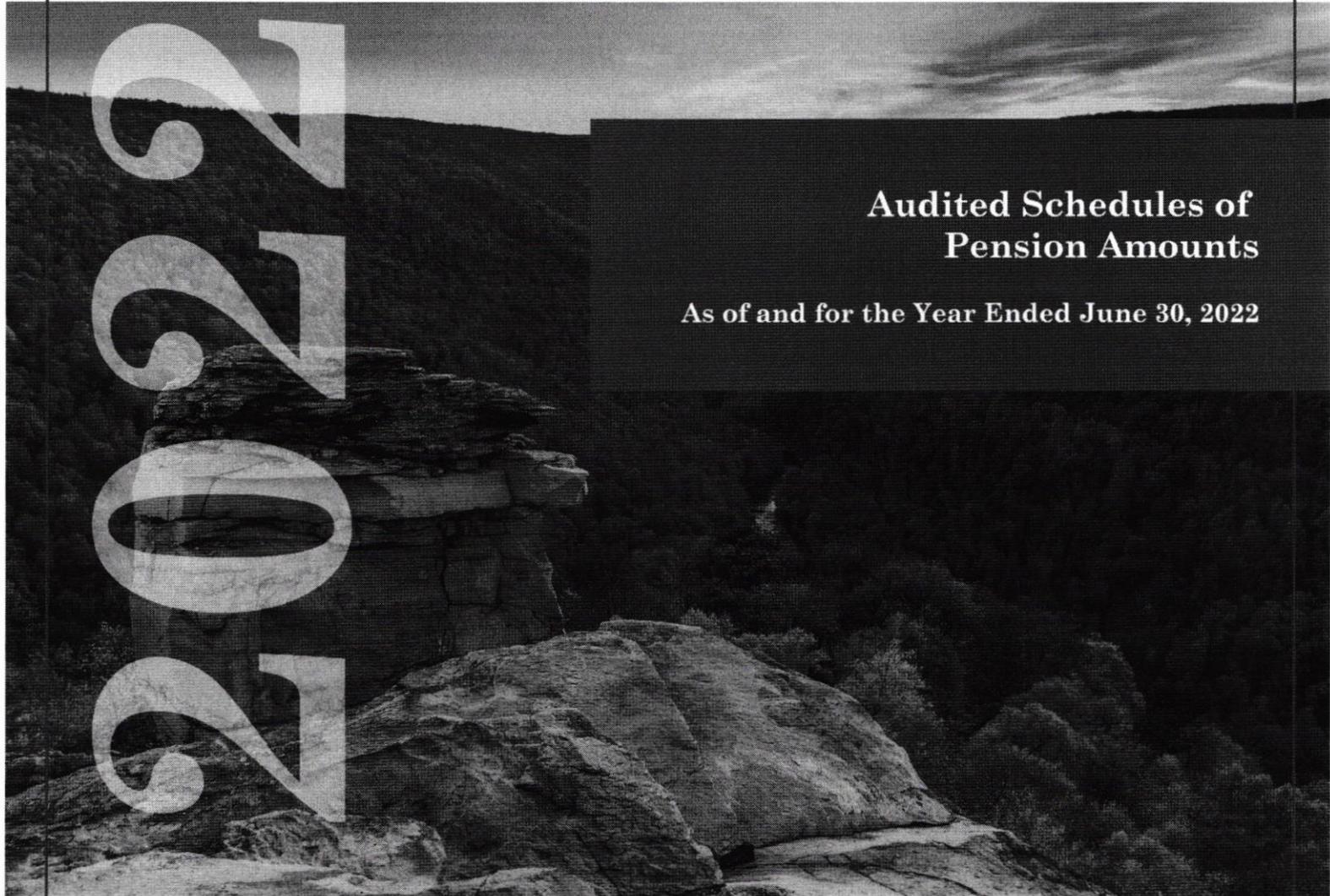


**West Virginia State Police Death,
Disability and Retirement System**



*Administered by:
The West Virginia Consolidated Public Retirement Board*



**Audited Schedules of
Pension Amounts**

As of and for the Year Ended June 30, 2022

*Serving Those Who
Serve West Virginia*



West Virginia State Police Death, Disability and Retirement System
Audited Schedule of Pension Amounts
As of and for the Year Ended June 30, 2022

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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

Opinions

We have audited the net pension asset (liability), total deferred outflows of resources, total deferred inflows of resources and total pension expense (expense offset) included in the accompanying schedule of pension amounts (the Schedule) of the West Virginia State Police Death, Disability and Retirement System, administered by the West Virginia Consolidated Public Retirement Board, as of and for the year ended June 30, 2022, and related notes.

In our opinion, the Schedule referred to above present fairly, in all material respects, the net pension liability (asset), total deferred outflows of resources, total deferred inflow of resources, and total employer pension plan expense (expense offset) for the West Virginia State Police Death, Disability and Retirement System as of and for the year ended June 30, 2022, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report. We are required to be independent of West Virginia Consolidated Public Retirement Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Other Matters

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of West Virginia Consolidated Public Retirement Board as of and for the year ended June 30, 2022, and our report thereon, dated October 13, 2022, expressed an unmodified opinion on those financial statements.

Responsibilities of Management for the Schedule

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

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Schedule.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Schedule.
- Obtain an understanding of internal control relevant to the audit 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 West Virginia Consolidated Public Retirement Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Schedule.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Restriction on Use

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

Eide Bailly LLP

Boise, Idaho

WEST VIRGINIA STATE POLICE DEATH, DISABILITY AND RETIREMENT SYSTEM
Schedule Of Pension Amounts
As of and the Year Ended June 30, 2022

	Deferred Outflows of Resources		Deferred Inflows of Resources	
Net Pension Asset (Liability)	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Total Deferred Outflows of Resources	Total Deferred Inflows of Resources	Pension Expense (Offset)
\$ (40,461,000)	\$ 8,188,000	\$ 8,188,000	\$ -	\$ (7,396,000)

The accompanying notes are an integral part of this schedule

WEST VIRGINIA STATE POLICE DEATH, DISABILITY AND RETIREMENT SYSTEM

NOTES TO SCHEDULE OF PENSION AMOUNTS

1 - NATURE OF ENTITY

The State Police Death, Disability and Retirement System (SPDDRS) is a single employer defined benefit public employee retirement system covering all West Virginia State Police (State Police) hired on or before March 11, 1994. This plan is closed to new entrants.

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 nine retirement systems administered by the Board.

Chapter 15, Article 2 and Article 2A 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 pension expense and related net pension liability and/or a net pension asset as employees earn pension benefits.

Basis of Accounting - The schedule of pension amounts of the West Virginia State Police Death, Disability and Retirement System (the Plan) have 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.

Accounting Estimates - The preparation of the schedule of pension amounts 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 the total pension liability, fiduciary net position, 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.

WEST VIRGINIA STATE POLICE DEATH, DISABILITY AND RETIREMENT SYSTEM

NOTES TO SCHEDULE OF PENSION AMOUNTS (Continued)

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 - Total pension liability, net pension liability, deferred inflows of resources, deferred outflows of resources, and pension expense were determined by actuarial valuations as of July 1, 2021 rolled forward to June 30, 2022, 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 would be amortized and included in pension expense over the average expected remaining service life of 1 year.

WEST VIRGINIA STATE POLICE DEATH, DISABILITY AND RETIREMENT SYSTEM

NOTES TO SCHEDULE OF PENSION AMOUNTS
(Continued)

3 - AMORTIZATION (Continued)

Amortization of Differences between Projected and Actual Earnings (in thousands, excluding the recognition period):

<u>Measurement date June 30</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Amount	\$ (13,490)	\$ 11,933	\$ 29,210	\$ (159,157)	\$ 112,015			
Recognition period (years)	5.00	5.00	5.00	5.00	5.00			
Amount recognized in fiscal year:								
2018	(2,698)	-	-	-	-	-	(2,698)	(2,698)
2019	(2,698)	2,387	-	-	-	2,387	(2,698)	(311)
2020	(2,698)	2,387	5,842	-	-	8,229	(2,698)	5,531
2021	(2,698)	2,387	5,842	(31,832)	-	8,229	(34,530)	(26,301)
2022	(2,698)	2,387	5,842	(31,832)	22,403	30,632	(34,530)	(3,898)
2023	-	2,385	5,842	(31,832)	22,403	30,630	(31,832)	(1,202)
2024	-	-	5,842	(31,832)	22,403	28,245	(31,832)	(3,587)
2025	-	-	-	(31,829)	22,403	22,403	(31,829)	(9,426)
2026	-	-	-	-	22,403	22,403	-	22,403
Balance as of June 30:								
2018	(10,792)	-	-	-	-	-	(10,792)	(10,792)
2019	(8,094)	9,546	-	-	-	9,546	(8,094)	1,452
2020	(5,396)	7,159	23,368	-	-	30,527	(5,396)	25,131
2021	(2,698)	4,772	17,526	(127,325)	-	22,298	(130,023)	(107,725)
2022	-	2,385	11,684	(95,493)	89,612	103,681	(95,493)	8,188
2023	-	-	5,842	(63,661)	67,209	73,051	(63,661)	9,390
2024	-	-	-	(31,829)	44,806	44,806	(31,829)	12,977
2025	-	-	-	-	22,403	22,403	-	22,403

WEST VIRGINIA STATE POLICE DEATH, DISABILITY AND RETIREMENT SYSTEM

NOTES TO SCHEDULE OF PENSION AMOUNTS
(Continued)

4 - PENSION EXPENSE

The components of pension expense (offset) for the year ended June 30, 2022 (in thousands):

Service cost	\$	98
Interest cost		56,238
Projected earnings on plan investments		(60,545)
Employee contributions		(26)
Recognition of current period deferred outflows/inflows:		
Differences between expected and actual experience		1,458
Differences between projected and actual investment earnings		22,403
Recognition of prior years' deferred outflows/inflows:		
Differences between projected and actual investment earnings		(26,301)
Other changes in fiduciary net position		<u>(721)</u>
Total pension expense (offset)	\$	<u>(7,396)</u>

The average of the expected remaining service lifetime of actives and inactive members as of July 1, 2021, which is 1 year.

5 - NET PENSION LIABILITY AND ACTUARIAL INFORMATION

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

The components of the net pension asset (liability) as of June 30, 2022, are as follows (in thousands):

Total Pension Liability	\$	(807,666)
Fiduciary Net Position		<u>767,205</u>
Net Pension Asset (Liability)	\$	<u>(40,461)</u>
Fiduciary Net Position as a percent of Total Pension Liability		94.99%

WEST VIRGINIA STATE POLICE DEATH, DISABILITY AND RETIREMENT SYSTEM

NOTES TO SCHEDULE OF PENSION AMOUNTS
(Continued)

4 - PENSION EXPENSE

The components of pension expense (offset) for the year ended June 30, 2022 (in thousands):

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Interest cost	56,238
Projected earnings on plan investments	(60,545)
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Recognition of current period deferred outflows/inflows:	
Differences between expected and actual experience	1,458
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Differences between projected and actual investment earnings	(26,301)
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