



San Francisco City and County Employees' Retirement System

**GASB 67/68 Report
as of June 30, 2024**

Produced by Cheiron

December 2024

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**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 67 AND 68 REPORTING FOR JUNE 30, 2024 MEASUREMENT DATE**

SECTION I – BOARD SUMMARY

The purpose of this report is to provide accounting and financial reporting information under the Governmental Accounting Standards Board Statements 67 and 68 (GASB 67 and 68) for the San Francisco City and County Employees' Retirement System ("System") and for the participating employers, respectively. This information includes:

- Determination of the discount rate as of June 30, 2024,
- Projection of the Total Pension Liability from the valuation date to the measurement date,
- Note disclosures and required supplementary information under GASB 67 for the System,
- Determination of collective amounts under GASB 68, and
- Schedules for the financial reporting of participating employers under GASB 68.

Highlights

The measurement date for the San Francisco City and County Employees' Retirement System ("System") is June 30, 2024. Measurements are based on the fair value of assets as of June 30, 2024, and the Total Pension Liability as of the valuation date, July 1, 2023, updated to June 30, 2024. The end-of-year measurements reflect the actual Supplemental COLA paid effective July 1, 2024.

The table below summarizes the key collective results during this measurement period.

Table I-1			
Summary of Collective Results			
		Measurement Date	
		6/30/2024	6/30/2023
Net Pension Liability	\$	3,986,895	\$ 3,644,407
Deferred Outflows		(1,679,549)	(1,552,958)
Deferred Inflows		95,887	215,203
Net Impact on Statement of Net Position	\$	2,403,233	\$ 2,306,652
Pension Expense (\$ Amount)	\$	769,199	\$ 688,745
Pension Expense (% of Payroll)		17.81%	17.24%

Amounts in Thousands

At the end of the measurement year, the System and its participating employers, in aggregate, report a Net Pension Liability of \$3,986,895,000, Deferred Inflows of \$95,887,000, and Deferred Outflows of \$1,679,549,000. Consequently, the net impact on the aggregate of participating employers' Statements of Net Position due to the System is \$2,403,233,000 at the end of the measurement year. Participating employers also report any contributions between the measurement date and their reporting date as deferred outflows of resources.

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SECTION I – BOARD SUMMARY

The Net Pension Liability (NPL) increased by about \$342 million since the prior measurement date. This increase was primarily due to liability experience losses of \$480 million, offset by an investment experience gain of \$171 million. There were no assumption changes during the measurement period. The investment gains are recognized over five years, and the liability experience losses are recognized over the average remaining service life, which is also five years. Unrecognized amounts are reported as deferred inflows and deferred outflows.

For the measurement year ending June 30, 2024, the collective annual pension expense is \$769,199,000 or 17.81% of covered payroll. This amount represents the change in the net impact on participating employers' Statements of Net Position plus employer contributions (\$2,403,233,000 – \$2,306,652,000 + \$672,618,000). The collective pension expense of \$769,199,000 is an increase from the collective pension expense for the prior year of \$688,745,000. Volatility in pension expense or income from year to year is to be expected. It will largely be driven by investment gains or losses, but other changes can also have a significant impact. A breakdown of the components of the collective net pension expense is shown in Section VI of the report.

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SECTION II – CERTIFICATION

The purpose of this report is to provide accounting and financial reporting information under GASB 67 for the San Francisco City and County Employees' Retirement System ("System") and under GASB 68 for the employers that participate in the System. This report is for the use of the System, the participating employers, and their auditors in preparing financial reports in accordance with applicable law and accounting requirements. This report is not appropriate for other purposes, including the measurement of funding requirements for the System.

In preparing our report, we relied on information (some oral and some written) supplied by the System. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

Cheiron utilizes ProVal actuarial valuation software leased from Winklevoss Technologies (WinTech) to calculate liabilities and project benefit payments. We have relied on WinTech as the developer of ProVal. We have a basic understanding of ProVal and have used ProVal in accordance with its original intended purpose. We have not identified any material inconsistencies in assumptions or output of ProVal that would affect this GASB 67/68 valuation, including inputs to the crossover test.

Future actuarial measurements may differ significantly from the current measurements due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; and, changes in plan provisions or applicable law.

This report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

This report was prepared for the System for the purposes described herein and for the use by the plan auditor in completing an audit related to the matters herein. Other users of this report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.



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**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
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SECTION III – DETERMINATION OF DISCOUNT RATE

The discount rate used to measure the Total Pension Liability is 7.20%.

The projection of cash flows used to determine the discount rate assumes that plan member contributions will continue to be made at the rates specified in the Charter of the San Francisco City and County. Employer contributions are assumed to be made in accordance with the contribution policy in effect for the July 1, 2023 actuarial valuation. That policy requires contributions equal to the employer portion of the Entry Age Normal Cost for members as of the valuation date, a payment for the expected administrative expenses, and an amortization payment on the Unfunded Actuarial Liability.

The amortization payment is based on closed periods that vary in length depending on the source. Charter amendments prior to July 1, 2014 are amortized over 20 years. After July 1, 2014, any Charter changes to active member benefits are amortized over 15 years, and changes to inactive member benefits, including Supplemental COLAs, are amortized over 5 years. However, the change due to Proposition A as of July 1, 2023 was amortized over 10 years. In the July 1, 2016 valuation, the increase in the Unfunded Actuarial Liability attributable to the Supplemental COLAs granted effective July 1, 2013 was amortized over 17 years. Effective with the July 1, 2021 valuation, all amortization periods for actuarial gains and losses and prior assumption changes were reduced to 5 years. The assumption change effective July 1, 2021 is amortized over 20 years. Future experience gains and losses and assumption or method changes on or after July 1, 2021 are amortized over 20 years. If the plan becomes 100% funded based on the Actuarial Value of Assets, any new net surpluses are amortized over a rolling 20-year period. All amortization schedules are established as a level percentage of payroll so payments increase 3.25% each year.

The Unfunded Actuarial Liability is based on an Actuarial Value of Assets that smooths investment gains and losses over five years and a measurement of the Actuarial Liability that excludes the value of any future Supplemental COLAs.

While the contributions and measure of Actuarial Liability in the funding valuation do not anticipate any future Supplemental COLAs, the projected contributions for the determination of the discount rate include the anticipated future amortization payments on future Supplemental COLAs for current members when they are expected to be granted. For members hired before Proposition C passed, a Supplemental COLA is granted if the actual investment earnings during the year exceed the expected investment earnings on the Actuarial Value of Assets. For members hired after Proposition C passed, the Market Value of Assets must also exceed the Actuarial Liability for a Supplemental COLA to be granted. When a Supplemental COLA is granted, the amount depends on the excess earnings and the basic COLA amount for each membership group. Most members receive a 1.50% Supplemental COLA when a full Supplemental COLA is granted.

A 0.50% Supplemental COLA is expected to be payable as of July 1, 2024 for most non-Prop C members due to the favorable investment returns for FYE 2024.

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SECTION III – DETERMINATION OF DISCOUNT RATE

The table below shows the net assumed Supplemental COLA for members with a 2.00% Basic COLA. Appendix B contains complete information on the assumption.

Assumed Supplemental COLA for Members with a 2.00% Basic COLA		
July 1,	Before Prop C	After Prop C
2024	0.50%	0.00%
2025+	0.75%	0.50%

The projection of benefit payments to current members used to determine the discount rate includes the payment of anticipated future Supplemental COLAs.

Based on these assumptions, the System's fiduciary net position was projected to be available to make future benefit payments for current members through 2106. Projected benefit payments are discounted at the long-term expected return on assets of 7.20% to the extent the fiduciary net position is available to make the payments and at the municipal bond rate of 3.93% to the extent they are not available. The single equivalent rate used to determine the Total Pension Liability as of June 30, 2024 rounded to four decimals is 7.20%.

Appendix D shows the details of this calculation.

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SECTION IV – PROJECTION OF TOTAL PENSION LIABILITY

The Total Pension Liability (TPL) at the end of the measurement year, June 30, 2024 is measured as of a valuation date of June 30, 2023, and projected to June 30, 2024. Because the TPL shown in the prior report was measured as of June 30, 2022, and projected to June 30, 2023, it will not match the amounts measured as of June 30, 2023, shown in this exhibit.

The table below shows the projection of the TPL at discount rates equal to the rate used for disclosure and plus and minus one percent from the rate used for disclosure.

Table IV-1 Projection of Collective Total Pension Liability From Valuation to Measurement Date			
Discount Rate	6.20%	7.20%	8.20%
Valuation Collective Total Pension Liability, 6/30/2023			
Actives	\$ 16,472,228	\$ 13,909,585	\$ 11,844,889
Inactives	<u>26,314,475</u>	<u>23,871,284</u>	<u>21,811,981</u>
Total	\$ 42,786,703	\$ 37,780,869	\$ 33,656,870
Service Cost	\$ 1,112,952	\$ 872,979	\$ 692,527
Benefit Payments	\$ 1,932,046	\$ 1,932,046	\$ 1,932,046
Interest	\$ 2,627,765	\$ 2,682,759	\$ 2,710,044
Collective Total Pension Liability, 6/30/2024	\$ 44,595,374	\$ 39,404,561	\$ 35,127,395

Amounts in Thousands

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SECTION V – GASB 67 REPORTING INFORMATION

Note Disclosures

The table below shows the changes in Total Pension Liability, Plan Fiduciary Net Position (i.e., fair value of System assets), and Net Pension Liability during the measurement year.

Table V-1			
Change in Collective Net Pension Liability			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at 6/30/2023	\$ 37,332,835	\$ 33,688,428	\$ 3,644,407
Changes for the year:			
Service cost	872,979		872,979
Interest	2,650,500		2,650,500
Changes of benefits	0		0
Differences between expected and actual experience	480,293		480,293
Changes of assumptions	0		0
Contributions - employer		672,618	(672,618)
Contributions - member		427,512	(427,512)
Net investment income		2,587,698	(2,587,698)
Benefit payments	(1,932,046)	(1,932,046)	0
Administrative expense		(26,544)	26,544
Net changes	<u>2,071,726</u>	<u>1,729,238</u>	<u>342,488</u>
Balances at 6/30/2024	<u>\$ 39,404,561</u>	<u>\$ 35,417,666</u>	<u>\$ 3,986,895</u>

Amounts in Thousands

During the measurement year, the collective NPL increased by approximately \$0.3 billion.

The service cost and interest cost increased the collective NPL by approximately \$3.5 billion. Liability experience increased the TPL by approximately \$0.5 billion. Investment returns and contributions, offset by administrative expenses, decreased the collective NPL by approximately \$3.7 billion.

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SECTION V – GASB 67 REPORTING INFORMATION

Changes in the discount rate affect the measurement of the TPL. Lower discount rates produce a higher TPL, and higher discount rates produce a lower TPL. Because the discount rate does not affect the measurement of assets, the percentage change in the NPL can be very significant for a relatively small change in the discount rate. The table below shows the sensitivity of the collective NPL to the discount rate.

Table V-2			
Sensitivity of Collective Net Pension Liability to Changes in Discount Rate			
	1% Decrease 6.20%	Discount Rate 7.20%	1% Increase 8.20%
Total Pension Liability	\$ 44,595,374	\$ 39,404,561	\$ 35,127,395
Plan Fiduciary Net Position	<u>35,417,666</u>	<u>35,417,666</u>	<u>35,417,666</u>
Collective Net Pension Liability	<u>\$ 9,177,708</u>	<u>\$ 3,986,895</u>	<u>\$ (290,271)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.4%	89.9%	100.8%

Amounts in Thousands

A one-percent decrease in the discount rate increases the TPL by approximately 13%, while a one-percent increase in the discount rate decreases the TPL by approximately 11%.

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SECTION V – GASB 67 REPORTING INFORMATION

Required Supplementary Information

The Schedules of Required Supplementary Information show 10 years of historical information. The schedules below and on the next page show the changes in collective NPL and related ratios required by GASB.

Table V-3					
Schedule of Changes in Collective NPL and Related Ratios					
	FYE 2024	FYE 2023	FYE 2022	FYE 2021	FYE 2020
<u>Total Pension Liability</u>					
Service cost (MOY)	\$ 872,979	\$ 813,901	\$ 781,610	\$ 718,771	\$ 704,637
Interest	2,650,500	2,518,802	2,471,994	2,302,075	2,230,441
Changes of benefit terms	0	59,080	0	0	0
Differences between expected and actual experience	480,293	295,778	98,920	136,097	205,869
Changes of assumptions	0	0	786,100	(479,435)	(117,141)
Benefit payments	(1,932,046)	(1,844,365)	(1,737,750)	(1,619,761)	(1,548,077)
Net change in TPL	\$ 2,071,726	\$ 1,843,196	\$ 2,400,874	\$ 1,057,747	\$ 1,475,729
TPL - beginning	<u>37,332,835</u>	<u>35,489,639</u>	<u>33,088,765</u>	<u>32,031,018</u>	<u>30,555,289</u>
TPL - ending	<u>\$ 39,404,561</u>	<u>\$ 37,332,835</u>	<u>\$ 35,489,639</u>	<u>\$ 33,088,765</u>	<u>\$ 32,031,018</u>
<u>Plan fiduciary net position</u>					
Contributions - employer	\$ 672,618	\$ 672,651	\$ 768,463	\$ 836,559	\$ 742,985
Contributions - member	427,512	413,916	423,471	409,398	400,649
Net investment income	2,587,698	1,670,666	(2,308,320)	9,447,669	966,282
Benefit payments	(1,932,046)	(1,844,365)	(1,737,750)	(1,619,761)	(1,548,077)
Administrative expense	(26,544)	(22,964)	(21,174)	(20,249)	(20,270)
Net change in plan fiduciary net position	\$ 1,729,238	\$ 889,904	\$ (2,875,310)	\$ 9,053,616	\$ 541,569
Plan fiduciary net position - beginning	<u>33,688,428</u>	<u>32,798,524</u>	<u>35,673,834</u>	<u>26,620,218</u>	<u>26,078,649</u>
Plan fiduciary net position - ending	<u>\$ 35,417,666</u>	<u>\$ 33,688,428</u>	<u>\$ 32,798,524</u>	<u>\$ 35,673,834</u>	<u>\$ 26,620,218</u>
Net pension liability - ending	<u>\$ 3,986,895</u>	<u>\$ 3,644,407</u>	<u>\$ 2,691,115</u>	<u>\$ (2,585,069)</u>	<u>\$ 5,410,800</u>
Plan fiduciary net position as a percentage of the TPL	89.88%	90.24%	92.42%	107.81%	83.11%
Covered payroll	\$ 4,319,733	\$ 3,994,117	\$ 3,742,459	\$ 3,623,898	\$ 3,566,991
Net pension liability as a percentage of covered payroll	92.29%	91.24%	71.91%	-71.33%	151.69%

Amounts in Thousands

**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 67 AND 68 REPORTING FOR JUNE 30, 2024 MEASUREMENT DATE**

SECTION V – GASB 67 REPORTING INFORMATION

Table V-3					
Schedule of Changes in Collective NPL and Related Ratios					
	FYE 2019	FYE 2018	FYE 2017	FYE 2016	FYE 2015
<u>Total Pension Liability</u>					
Service cost (MOY)	\$ 675,065	\$ 632,118	\$ 644,277	\$ 567,576	\$ 523,644
Interest	2,131,847	2,041,110	1,924,206	1,669,996	1,621,582
Changes of benefit terms	0	0	0	1,293,714	0
Differences between expected and actual experience	12,484	(42,382)	57,911	(119,270)	(197,981)
Changes of assumptions	351,902	170,699	88,180	1,087,309	216,845
Benefit payments	<u>(1,456,682)</u>	<u>(1,364,587)</u>	<u>(1,278,140)</u>	<u>(1,256,146)</u>	<u>(1,131,030)</u>
Net change in TPL	\$ 1,714,616	\$ 1,436,958	\$ 1,436,434	\$ 3,243,179	\$ 1,033,060
TPL - beginning	<u>28,840,673</u>	<u>27,403,715</u>	<u>25,967,281</u>	<u>22,724,102</u>	<u>21,691,042</u>
TPL - ending	<u>\$ 30,555,289</u>	<u>\$ 28,840,673</u>	<u>\$ 27,403,715</u>	<u>\$ 25,967,281</u>	<u>\$ 22,724,102</u>
<u>Plan fiduciary net position</u>					
Contributions - employer	\$ 645,056	\$ 619,067	\$ 551,810	\$ 526,805	\$ 592,643
Contributions - member	380,980	364,696	316,844	322,764	301,682
Net investment income	1,970,312	2,549,674	2,683,467	150,190	763,429
Benefit payments	(1,456,682)	(1,364,587)	(1,278,140)	(1,256,146)	(1,131,030)
Administrative expense	<u>(18,983)</u>	<u>(21,234)</u>	<u>(18,134)</u>	<u>(17,179)</u>	<u>(19,262)</u>
Net change in plan fiduciary net position	\$ 1,520,683	\$ 2,147,616	\$ 2,255,847	\$ (273,566)	\$ 507,462
Plan fiduciary net position - beginning	<u>24,557,966</u>	<u>22,410,350</u>	<u>20,154,503</u>	<u>20,428,069</u>	<u>19,920,607</u>
Plan fiduciary net position - ending	<u>\$ 26,078,649</u>	<u>\$ 24,557,966</u>	<u>\$ 22,410,350</u>	<u>\$ 20,154,503</u>	<u>\$ 20,428,069</u>
Net pension liability - ending	<u>\$ 4,476,640</u>	<u>\$ 4,282,707</u>	<u>\$ 4,993,365</u>	<u>\$ 5,812,778</u>	<u>\$ 2,296,033</u>
Plan fiduciary net position as a percentage of the TPL	85.35%	85.15%	81.78%	77.61%	89.90%
Covered payroll	\$ 3,375,447	\$ 3,221,544	\$ 3,041,818	\$ 2,836,498	\$ 2,642,752
Net pension liability as a percentage of covered payroll	132.62%	132.94%	164.16%	204.93%	86.88%

Amounts in Thousands

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SECTION V – GASB 67 REPORTING INFORMATION

The schedule below compares actual contributions to the Actuarially Determined Contribution. The covered payroll shown in this exhibit is the pensionable pay used for determining contribution amounts.

Table V-4 Schedule of Collective Employer Contributions					
	FYE 2024	FYE 2023	FYE 2022	FYE 2021	FYE 2020
Actuarially Determined Contribution	\$ 672,618	\$ 672,651	\$ 768,463	\$ 836,559	\$ 742,985
Contributions in Relation to the Actuarially Determined Contribution	<u>672,618</u>	<u>672,651</u>	<u>768,463</u>	<u>836,559</u>	<u>742,985</u>
Contribution Deficiency/(Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered Payroll	\$ 4,319,733	\$ 3,994,117	\$ 3,742,459	\$ 3,623,898	\$ 3,566,991
Contributions as a Percentage of Covered Payroll	15.57%	16.84%	20.53%	23.08%	20.83%
	FYE 2019	FYE 2018	FYE 2017	FYE 2016	FYE 2015
Actuarially Determined Contribution	\$ 645,056	\$ 619,067	\$ 551,810	\$ 526,805	\$ 592,643
Contributions in Relation to the Actuarially Determined Contribution	<u>645,056</u>	<u>619,067</u>	<u>551,810</u>	<u>526,805</u>	<u>592,643</u>
Contribution Deficiency/(Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered Payroll	\$ 3,375,447	\$ 3,221,544	\$ 3,041,818	\$ 2,836,498	\$ 2,642,752
Contributions as a Percentage of Covered Payroll	19.11%	19.22%	18.14%	18.57%	22.43%

Amounts in Thousands

The notes on the following page summarize the key methods and assumptions used to determine the ADC for FYE 2024.

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SECTION V – GASB 67 REPORTING INFORMATION

Notes to Schedule

Valuation Date	7/1/2022
Timing	Actuarially determined contribution rates are calculated in the actuarial valuation one year prior to the beginning of the plan year.

Key Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry Age
Asset valuation method	5-year smoothed market
Amortization method	Benefit changes made prior to July 1, 2014 are amortized over closed 20-year periods as a level percentage of payroll.

The UAL as of July 1, 2013 not attributable to benefit changes was amortized over a closed 19-year period starting July 1, 2014.

Assumption changes and experience gains and losses are amortized over a closed 20-year period as a level percentage of payroll. However, effective with the July 1, 2021 valuation, the remaining amortization periods for assumption changes prior to July 1, 2021 and all prior actuarial gains and losses (including the gain for 2021) are reduced to 5 years.

Increases in the UAL due to Supplemental COLAs are amortized over a closed 5-year period.

Discount rate	7.20%
Amortization growth rate	3.25%
Price inflation	2.50%
Salary increases	3.25% plus merit component based on employee classification and years of service

Mortality For General healthy annuitants, the sex distinct 2010 Pub-G healthy annuitant mortality table, adjusted 0.977 for females and 1.031 for males. For Safety healthy annuitants, the sex distinct 2010 Pub-S healthy annuitant mortality table, adjusted 1.044 for females and 0.947 for males.

For General active members, the sex distinct 2010 Pub-G employee mortality tables, adjusted 0.866 for females and 0.834 for males. For Safety active members, the sex distinct 2010 Pub-S employee mortality tables, adjusted 0.979 for females and 1.011 for males.

Rates are projected generationally from the base year using a modified version of the MP-2019 projection scale.

A complete description of the methods and assumptions used to determine contribution rates for the year ending June 30, 2024 can be found in the July 1, 2022 actuarial valuation report.

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SECTION VI – GASB 68 COLLECTIVE INFORMATION

We understand that all of the employers elected to use the 2014 measurement date for their initial reporting under GASB 68 on their June 30, 2015 reporting date. As a result, the schedules in this report are to be used for employer reporting as of June 30, 2025 reporting dates and the schedules from our prior report are to be used for employer reporting as of June 30, 2024.

Because the System is a cost-sharing multiple-employer pension plan, each employer participating in the System must reflect a portion of the collective Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows in its financial statements. This section develops the collective amounts that are allocated to participating employers.

The table below summarizes the current balances of collective deferred outflows and deferred inflows of resources, along with the net recognition over the next five years.

Table VI-1		
Schedule of Collective Deferred Inflows and Outflows of Resources		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 628,489	\$ 0
Changes in assumptions	314,440	95,887
Net difference between projected and actual earnings on pension plan investments	736,620	0
Total	<u>\$ 1,679,549</u>	<u>\$ 95,887</u>
Amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:		
Measurement year ended June 30:		
2025	(148,896)	
2026	1,412,166	
2027	258,457	
2028	61,935	
2029	0	
Thereafter \$	0	

Amounts in Thousands

The impact of experience gains or losses and assumption changes on the TPL are recognized in expense over the average expected remaining service life of all active and inactive members of the System. As of the beginning of the measurement period, this recognition period was 5 years.

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SECTION VI – GASB 68 COLLECTIVE INFORMATION

The tables below and on the next page provide details on the deferred outflows and inflows of resources, including remaining balances and the amounts recognized in the current and following four years.

Table VI-2a Recognition of Experience (Gains) and Losses										
Experience Year	Recognition Period	Total Amount	BOY	EOY	Reporting Year					
			Remaining Amount	Remaining Amount	2024	2025	2026	2027	2028	
2024	5.0	\$ 480,293	\$ 480,293	\$ 384,234	\$ 96,059	\$ 96,059	\$ 96,059	\$ 96,059	\$ 96,057	\$ 96,057
2023	5.0	295,778	236,622	177,466	59,156	59,156	59,156	59,154	0	0
2022	5.0	98,920	59,352	39,568	19,784	19,784	19,784	0	0	0
2021	5.0	136,097	54,440	27,221	27,219	27,221	0	0	0	0
2020	5.0	205,869	41,173	0	41,173	0	0	0	0	0
Deferred Outflows			871,880	628,489	243,391	202,220	174,999	155,213	96,057	
Deferred (Inflows)			0	0	0	0	0	0	0	
Net Increase/(Decrease) in Pension Expense			\$ 871,880	\$ 628,489	\$ 243,391	\$ 202,220	\$ 174,999	\$ 155,213	\$ 96,057	

Amounts in Thousands

**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
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SECTION VI – GASB 68 COLLECTIVE INFORMATION

Table VI-2b Recognition of Assumption Changes										
Change Year	Recognition Period	Total Amount	BOY	EOY	Reporting Year					
			Remaining Amount	Remaining Amount	2024	2025	2026	2027	2028	
2024	5.0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2023	5.0	0	0	0	0	0	0	0	0	0
2022	5.0	786,100	471,660	314,440	157,220	157,220	157,220	0	0	0
2021	5.0	(479,435)	(191,774)	(95,887)	(95,887)	(95,887)	0	0	0	0
2020	5.0	(117,141)	(23,429)	0	(23,429)	0	0	0	0	0
Deferred Outflows			471,660	314,440	157,220	157,220	157,220	0	0	0
Deferred (Inflows)			(215,203)	(95,887)	(119,316)	(95,887)	0	0	0	0
Net Increase/(Decrease) in Pension Expense			\$ 256,457	\$ 218,553	\$ 37,904	\$ 61,333	\$ 157,220	\$ 0	\$ 0	\$ 0

Amounts in Thousands

Table VI-2c Recognition of Investment (Gains) and Losses										
Experience Year	Recognition Period	Total Amount	BOY	EOY	Reporting Year					
			Remaining Amount	Remaining Amount	2024	2025	2026	2027	2028	
2024	5.0	\$ (170,614)	\$ (170,614)	\$ (136,491)	\$ (34,123)	\$ (34,123)	\$ (34,123)	\$ (34,123)	\$ (34,123)	\$ (34,122)
2023	5.0	686,831	549,465	412,099	137,366	137,366	137,366	137,367	0	0
2022	5.0	4,883,512	2,930,108	1,953,406	976,702	976,702	976,704	0	0	0
2021	5.0	(7,461,978)	(2,984,790)	(1,492,394)	(1,492,396)	(1,492,394)	0	0	0	0
2020	5.0	974,636	194,928	0	194,928	0	0	0	0	0
Deferred Outflows			3,674,501	2,365,505	1,308,996	1,114,068	1,114,070	137,367	0	0
Deferred (Inflows)			(3,155,404)	(1,628,885)	(1,526,519)	(1,526,517)	(34,123)	(34,123)	(34,122)	(34,122)
Net Increase/(Decrease) in Pension Expense			\$ 519,097	\$ 736,620	\$ (217,523)	\$ (412,449)	\$ 1,079,947	\$ 103,244	\$ (34,122)	\$ (34,122)

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SECTION VI – GASB 68 COLLECTIVE INFORMATION

The collective annual pension expense recognized by the employers can be calculated two different ways. It is the change in the amounts reported on the employers' Statements of Net Position that relate to the System and are not attributable to employer contributions. That is, it is the change in collective NPL plus the changes in collective deferred outflows and inflows plus participating employer contributions.

Alternatively, annual pension expense can be calculated by its individual components. While GASB does not require or suggest the organization of the individual components shown in the table below, we believe it helps to understand the level and volatility of the collective pension expense.

Table VI-3			
Calculation of Collective Pension Expense			
	Measurement Year Ending		
	2024	2023	
Change in Net Pension Liability	\$ 342,488	\$ 953,292	
Change in Deferred Outflows	(126,591)	(608,058)	
Change in Deferred Inflows	(119,316)	(329,140)	
Employer Contributions	<u>672,618</u>	<u>672,651</u>	
Pension Expense	\$ 769,199	\$ 688,745	
Pension Expense as % of Payroll	17.81%	17.24%	
Operating Expenses			
Service cost	\$ 872,979	\$ 813,901	
Employee contributions	(427,512)	(413,916)	
Administrative expenses	<u>26,544</u>	<u>22,964</u>	
Total	\$ 472,011	\$ 422,949	
Financing Expenses			
Interest cost	\$ 2,650,500	\$ 2,518,802	
Expected return on assets	<u>(2,417,084)</u>	<u>(2,357,497)</u>	
Total	\$ 233,416	\$ 161,305	
Changes			
Benefit changes	\$ 0	\$ 59,080	
Recognition of assumption changes	37,904	108,287	
Recognition of liability gains and losses	243,391	149,829	
Recognition of investment gains and losses	<u>(217,523)</u>	<u>(212,705)</u>	
Total	\$ 63,772	\$ 104,491	
Pension Expense	\$ 769,199	\$ 688,745	

Amounts in Thousands

**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
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Operating expenses are items directly attributable to the operation of the plan during the measurement year. Service cost less employee contributions represents the increase in employer-provided benefits attributable to the year, and administrative expenses are the cost of operating the System for the year.

The financing expenses are the interest on the Total Pension Liability, including service cost, less the expected return on assets.

The recognition of changes will drive most of the volatility in pension expense from year to year. It includes any changes in benefits made during the year and the recognized amounts due to assumption changes, gains or losses on the TPL, and investment gains or losses.

The total collective pension expense increased from the prior year by about \$80 million. The recognition of changes decreased by approximately \$41 million while the financing expenses increased by approximately \$72 million. Finally, operating expenses increased by approximately \$49 million.

**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
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SECTION VII – GASB 68 REPORTING INFORMATION FOR EMPLOYERS

Proportionate Shares

GASB 68 requires that the proportionate share for each employer be determined based on the “employer’s projected long-term contribution effort to the pension ... as compared to the total projected long-term contribution effort of all employers ...” Proportionate shares for each participating employer in the System are determined based on the ratio of each participating employer’s actual contribution to the System during the measurement year to the sum of the actual contributions for all participating employers. The table below shows the actual employer contributions and proportionate shares for each participating employer for the current and prior measurement years.

Table VII-1 Determination of Employers' Proportionate Share					
Employer	June 30, 2024		June 30, 2023		
	Employer Contribution	Proportionate Share	Employer Contribution	Proportionate Share	
City and County	\$ 636,991	94.7032%	\$ 638,003	94.8491%	
Trial Courts	6,501	0.9665%	7,008	1.0418%	
Unified School District	19,791	2.9424%	19,157	2.8480%	
Community College District	9,335	1.3879%	8,483	1.2611%	
Total	\$ 672,618	100.0000%	\$ 672,651	100.0000%	

Amounts in Thousands

**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
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SECTION VII – GASB 68 REPORTING INFORMATION FOR EMPLOYERS

The table below shows the proportionate share of the collective NPL (using three different discount rates), the collective deferred outflows, the collective deferred inflows, and the collective pension expense allocated to each participating employer as of June 30, 2024.

Table VII-2 Schedule of Employers' Proportionate Share of Collective Amounts at June 30, 2024							
Employer	Proportionate Share	Share of NPL @ 6.20%	Share of NPL @ 7.20%	Share of NPL @ 8.20%	Share of Deferred Outflows	Share of Deferred Inflows	Pension Expense
City and County	94.7032%	8,691,583	3,775,718	(274,896)	1,590,587	90,808	728,456
Trial Courts	0.9665%	88,703	38,533	(2,805)	16,232	927	7,434
Unified School District	2.9424%	270,045	117,310	(8,541)	49,419	2,821	22,633
Community College District	1.3879%	127,377	55,334	(4,029)	23,311	1,331	10,676
Total	100.0000%	\$ 9,177,708	\$ 3,986,895	\$ (290,271)	\$ 1,679,549	\$ 95,887	\$ 769,199

Amounts in Thousands

The proportionate share allocated to each individual employer will change on each measurement date. The net effect of the change in proportion on the share of the collective NPL, collective deferred outflows, and collective deferred inflows allocated to each employer becomes a deferred outflow or inflow for that employer and is recognized over the average future working life of the System's active and inactive members (5 years).

Similarly, the difference between each employer's actual contributions and the employer's proportionate share of collective employer contributions becomes a deferred outflow or inflow for that employer and is recognized over the average future working life of the System's active and inactive members (5 years). Because proportionate shares are determined based on each employer's actual contributions, there is no difference between the actual contributions and the proportionate share of collective contributions for each employer.

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The table below shows the change in proportion and the impact of that change in proportion on the proportionate share of the collective NPL, collective deferred outflows, and collective deferred inflows. It also shows any contribution differences.

Table VII-3 Schedule of Employers' Changes in Proportion and Contribution Differences									
Employer	Proportionate Shares		Impact of Change in Proportion				Contributions		
	6/30/2023	6/30/2024	Net Pension Liability	Deferred Outflows	Deferred Inflows	Net Effect	Actual	Proportionate Share	Difference
City and County	94.8491%	94.7032%	\$ (5,317)	\$ (2,266)	\$ 314	\$ (3,365)	\$ 636,991	\$ 636,991	\$ 0
Trial Courts	1.0418%	0.9665%	(2,744)	(1,169)	162	(1,737)	6,501	6,501	0
Unified School District	2.8480%	2.9424%	3,440	1,466	(203)	2,177	19,791	19,791	0
Community College District	1.2611%	1.3879%	4,621	1,969	(273)	2,925	9,335	9,335	0
Total	100.0000%	100.0000%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 672,618	\$ 672,618	\$ 0

Amounts in Thousands

The table below shows the reconciliation of deferred outflows and inflows due to proportion changes for each participating employer from the prior measurement date to the current measurement date.

Table VII-4 Reconciliation of Deferred Outflows and Inflows Due to Proportion Change									
Employer	Deferred Outflows				Deferred Inflows				
	6/30/2023	Current Year Net Effect	Recognition	6/30/2024	6/30/2023	Current Year Net Effect	Recognition	6/30/2024	
City and County	\$ 11,581	\$ 0	\$ 6,321	\$ 5,260	\$ (338)	\$ (3,365)	\$ (758)	\$ (2,945)	
Trial Courts	1,940	0	485	1,455	(2,511)	(1,737)	(1,975)	(2,273)	
Unified School District	768	2,177	627	2,318	(6,947)	0	(2,931)	(4,016)	
Community College District	0	2,925	585	2,340	(4,493)	0	(2,354)	(2,139)	
Total	\$ 14,289	\$ 5,102	\$ 8,018	\$ 11,373	\$ (14,289)	\$ (5,102)	\$ (8,018)	\$ (11,373)	

Amounts in Thousands

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SECTION VII – GASB 68 REPORTING INFORMATION FOR EMPLOYERS

The table below shows the reconciliation of deferred outflows and inflows due to differences between actual contributions and the proportionate share of contributions for each participating employer from the prior measurement date to the current measurement date.

Table VII-5 Reconciliation of Deferred Outflows and Inflows Due to Contribution Differences										
Employer	Deferred Outflows					Deferred Inflows				
	Current		Recognition	6/30/2024		Current		Recognition	6/30/2024	
	6/30/2023	Difference		6/30/2023	Difference	6/30/2023	Difference			
City and County	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Trial Courts	0	0	0	0	0	0	0	0	0	0
Unified School District	0	0	0	0	0	0	0	0	0	0
Community College District	0	0	0	0	0	0	0	0	0	0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Amounts in Thousands

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SECTION VII – GASB 68 REPORTING INFORMATION FOR EMPLOYERS

The table below summarizes the deferred outflows allocated to each employer for experience, assumption changes, investment returns, proportion changes, and contribution differences.

Table VII-6 Schedule of Employers' Deferred Outflows at June 30, 2024						
Employer	Proportionate Shares	Experience	Assumption Changes	Investment Return	Proportion Change	Contribution Difference
City and County	94.7032%	\$ 595,199	\$ 297,785	\$ 697,603	\$ 5,260	\$ 0
Trial Courts	0.9665%	6,074	3,039	7,119	1,455	0
Unified School District	2.9424%	18,493	9,252	21,674	2,318	0
Community College District	1.3879%	8,723	4,364	10,224	2,340	0
Total	100.0000%	\$ 628,489	\$ 314,440	\$ 736,620	\$ 11,373	\$ 0

Amounts in Thousands

The table below summarizes the deferred inflows allocated to each employer for experience, assumption changes, investment returns, proportion changes, and contribution differences.

Table VII-7 Schedule of Employers' Deferred Inflows at June 30, 2024						
Employer	Proportionate Shares	Experience	Assumption Changes	Investment Return	Proportion Change	Contribution Difference
City and County	94.7032%	\$ 0	\$ 90,808	\$ 0	\$ 2,945	\$ 0
Trial Courts	0.9665%	0	927	0	2,273	0
Unified School District	2.9424%	0	2,821	0	4,016	0
Community College District	1.3879%	0	1,331	0	2,139	0
Total	100.0000%	\$ 0	\$ 95,887	\$ 0	\$ 11,373	\$ 0

Amounts in Thousands

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SECTION VII – GASB 68 REPORTING INFORMATION FOR EMPLOYERS

The table below shows the net amount of deferred outflows and inflows to be recognized in each of the next five years and the total thereafter.

Table VII-8							
Schedule of Employers' Recognition of Deferred Outflows and Inflows at June 30, 2024							
Employer	Recognition for Measurement Year Ending						Thereafter
	2025	2026	2027	2028	2029		
City and County	\$ (137,894)	\$ 1,337,995	\$ 244,011	\$ 57,981	\$ 0	\$ 0	
Trial Courts	(2,035)	13,638	2,636	250	0	0	
Unified School District	(6,570)	40,979	8,232	2,259	0	0	
Community College District	(2,397)	19,554	3,578	1,445	0	0	
Total	\$ (148,896)	\$ 1,412,166	\$ 258,457	\$ 61,935	\$ 0	\$ 0	

Amounts in Thousands

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SECTION VII – GASB 68 REPORTING INFORMATION FOR EMPLOYERS

The table below shows the calculation of the pension expense for each participating employer. The calculation is shown first as the sum of the proportionate share of the collective pension expense and the amounts recognized for proportion changes and contribution differences. The right side of the table shows the calculation as the sum of the changes in NPL and deferred amounts not attributable to contributions.

Table VII-9 Schedule of Employers' Pension Expense for the Measurement Year Ending June 30, 2024									
Employer	Collective			Employer Pension Expense	Change in Employer			Employer Contributions	Employer Pension Expense
	Pension Expense	Change in Proportion	Contribution Difference		Net Pension Liability	Deferred Outflows	Deferred Inflows		
City and County	\$ 728,456	\$ 5,563	\$ 0	\$ 734,019	\$ 319,031	\$ (111,299)	\$ (110,703)	\$ 636,991	\$ 734,020
Trial Courts	7,434	(1,490)	0	5,944	565	431	(1,553)	6,501	5,944
Unified School District	22,633	(2,304)	0	20,329	13,517	(6,741)	(6,239)	19,791	20,328
Community College District	10,676	(1,769)	0	8,907	9,375	(6,066)	(3,737)	9,335	8,907
Total	\$ 769,199	\$ 0	\$ 0	\$ 769,199	\$ 342,488	\$ (123,675)	\$ (122,232)	\$ 672,618	\$ 769,199

Amounts in Thousands

The table below summarizes the information needed for each employer's schedules of required supplementary information.

Table VII-10 Schedule of Employers' RSI Information at June 30, 2024									
Employer	Proportionate Shares	Proportionate Share of NPL	Covered Payroll	Share of NPL as a % of Payroll	Plan Fiduciary Net Position as % of TPL	Contractually Required Contribution	Actual Contributions	Contribution Deficiency	Contributions
									as a % of Payroll
City and County	94.7032%	\$ 3,775,718	\$ 4,109,863	91.9%	89.9%	\$ 636,991	\$ 636,991	\$ 0	15.5%
Trial Courts	0.9665%	38,533	41,346	93.2%	89.9%	\$ 6,501	6,501	0	15.7%
Unified School District	2.9424%	117,310	113,529	103.3%	89.9%	\$ 19,791	19,791	0	17.4%
Community College District	1.3879%	55,334	54,995	100.6%	89.9%	\$ 9,335	9,335	0	17.0%
Total	100.0000%	\$ 3,986,895	\$ 4,319,733	92.3%	89.9%	\$ 672,618	\$ 672,618	\$ 0	15.6%

Amounts in Thousands

**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
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APPENDIX A – MEMBERSHIP INFORMATION

Active Member Data - By Group			
	July 1, 2022	July 1, 2023	% Change
Total			
Count	33,199	34,016	2.5%
Average Current Age	47.3	47.2	-0.1
Average Service	10.9	11.0	0.1
Annual Pensionable Earnings	\$ 3,708,897,220	\$ 4,038,465,958	8.9%
Average Pensionable Earnings	\$ 111,717	\$ 118,723	6.3%
Police			
Count	2,269	2,221	-2.1%
Average Current Age	41.4	41.5	0.1
Average Service	13.0	13.2	0.2
Annual Pensionable Earnings	\$ 315,938,119	\$ 343,677,600	8.8%
Average Pensionable Earnings	\$ 139,241	\$ 154,740	11.1%
Fire			
Count	1,664	1,699	2.1%
Average Current Age	42.9	42.5	-0.4
Average Service	12.3	12.1	-0.2
Annual Pensionable Earnings	\$ 237,555,937	\$ 258,174,078	8.7%
Average Pensionable Earnings	\$ 142,762	\$ 151,956	6.4%
Miscellaneous			
Count	29,266	30,096	2.8%
Average Current Age	48.0	47.9	-0.1
Average Service	10.7	10.8	0.1
Annual Pensionable Earnings	\$ 3,155,403,164	\$ 3,436,614,280	8.9%
Average Pensionable Earnings	\$ 107,818	\$ 114,188	5.9%

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APPENDIX A – MEMBERSHIP INFORMATION

Non-Active Member Data - Total System				
	July 1, 2022		July 1, 2023	Change
Retired				
Count	24,964		25,379	1.7%
Average Age	71.6		71.9	0.3
Average Annual Benefit ¹	\$ 57,831	\$	\$ 59,601	3.1%
Disabled				
Count	2,485		2,507	0.9%
Average Age	69.9		69.8	-0.1
Average Annual Benefit ¹	\$ 75,773	\$	\$ 78,892	4.1%
Beneficiaries				
Count	4,270		4,218	-1.2%
Average Age	77.8		78.1	0.3
Average Annual Benefit ¹	\$ 40,159	\$	\$ 42,128	4.9%
Total Payees				
Count	31,719		32,104	1.2%
Average Age	72.3		72.6	0.3
Average Annual Benefit ¹	\$ 56,857	\$	\$ 58,812	3.4%
Inactives				
Count	12,085		12,641	4.6%
Average Age	47.6		48.1	0.5
Total Contribution Balance with Interest	\$ 420,865,353	\$	\$ 466,779,572	10.9%
Average Contribution Balance with Interest	\$ 34,825	\$	\$ 36,926	6.0%

¹ Benefits provided in June 30 valuation data, plus estimated Basic COLAs effective July 1, 2023 and January 6, 2024 for Old Safety payees. If applicable, limited by Section 415(b) of the Internal Revenue Code.

Please refer to the July 1, 2023 actuarial valuation report for a more complete summary of the data.

**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

Changes Since Last GASB 67/68 Valuation

None.

APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

Contribution Allocation Procedure

The contribution allocation procedure primarily consists of an actuarial cost method, an asset smoothing method, and an amortization method as described below.

1. Actuarial Cost Method

The Entry Age Actuarial Cost Method was used for active employees, whereby the normal cost is computed as the level annual percentage of pay required to fund the retirement benefits between each member’s date of hire and assumed retirement. The Actuarial Liability is the difference between the present value of future benefits and the present value of future normal costs. The normal cost and Actuarial Liability are calculated on an individual basis. The sum of the individual amounts is the normal cost and Actuarial Liability for the System.

2. Asset Valuation Method

For the purpose of determining contribution rates, an Actuarial Value of Assets is used that dampens the volatility in the Market Value of Assets, resulting in a smoother pattern of contribution rates. The Actuarial Value of Assets is calculated by recognizing 20% of each of the past five years of actual investment earnings compared to the expected earnings on the Actuarial Value of Assets.

3. Amortization Method

The Unfunded Actuarial Liability is the difference between the Actuarial Liability and the Actuarial Value of Assets. Effective with the July 1, 2021 valuation, the remaining amortization periods for assumption changes prior to July 1, 2021 and all prior actuarial gains and losses (including the gain for 2021) were reduced to 5 years. The amortization is based on level percent of pay, assuming pay increases 3.25% a year.

Source	Method
Charter amendments	15-year closed for active members and 5-year closed for inactive members effective July 1, 2014. However, Proposition A is amortized over a 10-year closed period. 20-year closed for amortizations established prior to July 1, 2014
Actuarial gains and losses, assumption, and method changes	20-year closed layers Remaining portion of 2013 amortization is re-amortized over 19 years as of July 1, 2014
Supplemental COLAs	5-year closed Remaining portion of 2013 amortization is re-amortized over 19 years as of July 1, 2014
Surplus	When 100% funded (AVA basis), any net surplus is amortized over a rolling 20-year rolling period

**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

4. Contributions

The normal cost for members as of the valuation date, increased with interest to the middle of the year, is divided by the total salary expected to be paid during the year (including new entrants) to determine the total normal cost rate. The employer's normal cost rate is the total normal cost rate less the employee contribution rate.

The total employer contribution rate is the sum of the employer normal cost rate, the administrative expense rate, and the UAL rate. The UAL payments are adjusted for interest from the valuation date to the date of expected payment in the following fiscal year. The UAL rate is determined by dividing the UAL payments by the total expected payroll for the fiscal year (including new entrants).

**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 67 AND 68 REPORTING FOR JUNE 30, 2024 MEASUREMENT DATE**

APPENDIX C – SUMMARY OF PLAN PROVISIONS

The plan provisions are the same as those summarized in the July 1, 2023 actuarial valuation report.

**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 67 AND 68 REPORTING FOR JUNE 30, 2024 MEASUREMENT DATE**

APPENDIX D – DETERMINATION OF DISCOUNT RATE

FYE	Projected Beginning Fiduciary Net Position	Normal Cost Contribution - Employer and Employee	UAL Contribution	Projected Admin Expenses	Projected Benefit Payments	Projected Investment Earnings	Projected Ending Fiduciary Net Position	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments
2025	\$ 35,417,666	\$ 791,438	\$ 244,129	\$ 24,057	\$ 2,078,210	\$ 2,506,096	\$ 36,857,061	\$ 2,078,210	\$ 0
2026	36,857,061	771,498	205,819	23,505	2,190,085	2,603,398	38,224,185	2,190,085	0
2027	38,224,185	748,529	206,725	22,900	2,303,514	2,696,718	39,549,744	2,303,514	0
2028	39,549,744	725,780	287,804	22,297	2,414,481	2,789,985	40,916,534	2,414,481	0
2029	40,916,534	702,946	356,545	21,688	2,526,244	2,885,750	42,313,843	2,526,244	0
2030	42,313,843	679,647	301,969	21,065	2,640,097	2,979,254	43,613,550	2,640,097	0
2031	43,613,550	655,845	329,117	20,427	2,754,518	3,068,582	44,892,150	2,754,518	0
2032	44,892,150	631,760	344,237	19,775	2,870,113	3,155,911	46,134,170	2,870,113	0
2033	46,134,170	607,303	356,843	19,113	2,985,617	3,240,508	47,334,093	2,985,617	0
2034	47,334,093	582,488	360,375	18,439	3,100,639	3,321,759	48,479,638	3,100,639	0
2035	48,479,638	557,749	340,813	17,761	3,215,300	3,398,295	49,543,432	3,215,300	0
2036	49,543,432	532,700	349,038	17,070	3,328,443	3,469,975	50,549,633	3,328,443	0
2037	50,549,633	507,300	359,132	16,364	3,442,305	3,537,535	51,494,932	3,442,305	0
2038	51,494,932	481,055	369,115	15,629	3,557,031	3,600,644	52,373,086	3,557,031	0
2039	52,373,086	453,518	378,863	14,854	3,672,302	3,658,846	53,177,158	3,672,302	0
2040	53,177,158	425,746	388,422	14,062	3,786,425	3,711,743	53,902,582	3,786,425	0
2041	53,902,582	397,590	397,821	13,250	3,899,554	3,758,997	54,544,187	3,899,554	0
2042	54,544,187	368,937	406,936	12,415	4,010,616	3,800,269	55,097,298	4,010,616	0
2043	55,097,298	338,982	312,742	11,533	4,122,735	3,831,429	55,446,182	4,122,735	0
2044	55,446,182	308,233	360,701	10,619	4,234,912	3,852,885	55,722,470	4,234,912	0
2045	55,722,470	277,530	358,551	9,696	4,343,706	3,867,473	55,872,621	4,343,706	0
2046	55,872,621	247,350	435,899	8,777	4,448,769	3,875,953	55,974,277	4,448,769	0
2047	55,974,277	217,816	528,551	7,865	4,549,475	3,881,672	56,044,976	4,549,475	0
2048	56,044,976	189,150	396,875	6,964	4,644,771	3,877,465	55,856,730	4,644,771	0
2049	55,856,730	161,956	362,526	6,096	4,731,567	3,858,434	55,501,983	4,731,567	0

Amounts in Thousands

**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 67 AND 68 REPORTING FOR JUNE 30, 2024 MEASUREMENT DATE**

APPENDIX D – DETERMINATION OF DISCOUNT RATE

FYE	Projected Beginning Fiduciary Net Position	Normal Cost Contribution - Employer and Employee	UAL Contribution	Projected Admin Expenses	Projected Benefit Payments	Projected Investment Earnings	Projected Ending Fiduciary Net Position	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments
2050	\$ 55,501,983	\$ 137,129	\$ 355,464	\$ 5,282	\$ 4,807,222	\$ 3,828,889	\$ 55,010,961	\$ 4,807,222	\$ 0
2051	55,010,961	114,823	362,217	4,526	4,871,030	3,790,563	54,403,007	4,871,030	0
2052	54,403,007	95,086	357,905	3,837	4,921,810	3,744,015	53,674,367	4,921,810	0
2053	53,674,367	77,543	355,428	3,209	4,960,219	3,689,393	52,833,304	4,960,219	0
2054	52,833,304	62,189	352,315	2,641	4,985,879	3,627,219	51,886,505	4,985,879	0
2055	51,886,505	49,303	349,048	2,147	4,997,488	3,558,050	50,843,270	4,997,488	0
2056	50,843,270	38,705	347,784	1,725	4,994,767	3,482,637	49,715,903	4,994,767	0
2057	49,715,903	30,068	341,303	1,369	4,978,428	3,401,571	48,509,048	4,978,428	0
2058	48,509,048	23,069	332,916	1,072	4,949,588	3,315,251	47,229,623	4,949,588	0
2059	47,229,623	17,462	323,316	826	4,908,875	3,224,165	45,884,865	4,908,875	0
2060	45,884,865	13,038	312,580	627	4,857,048	3,128,802	44,481,610	4,857,048	0
2061	44,481,610	9,580	300,911	468	4,794,930	3,029,623	43,026,325	4,794,930	0
2062	43,026,325	6,932	288,518	343	4,723,097	2,927,071	41,525,406	4,723,097	0
2063	41,525,406	4,907	275,565	246	4,642,579	2,821,569	39,984,621	4,642,579	0
2064	39,984,621	3,401	276,777	173	4,553,875	2,714,029	38,424,781	4,553,875	0
2065	38,424,781	2,318	257,961	119	4,457,534	2,604,716	36,832,122	4,457,534	0
2066	36,832,122	1,543	244,658	80	4,354,241	2,493,512	35,217,514	4,354,241	0
2067	35,217,514	1,013	220,278	53	4,244,400	2,380,595	33,574,948	4,244,400	0
2068	33,574,948	657	193,193	35	4,128,488	2,265,809	31,906,084	4,128,488	0
2069	31,906,084	417	198,207	22	4,006,940	2,150,485	30,248,230	4,006,940	0
2070	30,248,230	256	191,154	14	3,880,079	2,035,733	28,595,280	3,880,079	0
2071	28,595,280	154	179,156	8	3,748,152	1,921,356	26,947,785	3,748,152	0
2072	26,947,785	89	164,876	5	3,611,475	1,807,474	25,308,745	3,611,475	0
2073	25,308,745	47	152,186	3	3,470,351	1,694,429	23,685,053	3,470,351	0
2074	23,685,053	24	139,538	1	3,325,075	1,582,651	22,082,189	3,325,075	0

Amounts in Thousands

**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 67 AND 68 REPORTING FOR JUNE 30, 2024 MEASUREMENT DATE**

APPENDIX D – DETERMINATION OF DISCOUNT RATE

FYE	Projected Beginning Fiduciary Net Position	Normal Cost Contribution - Employer and Employee	UAL Contribution	Projected Admin Expenses	Projected Benefit Payments	Projected Investment Earnings	Projected Ending Fiduciary Net Position	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments
2075	\$ 22,082,189	\$ 10	\$ 127,207	\$ 1	\$ 3,176,024	\$ 1,472,528	\$ 20,505,909	\$ 3,176,024	\$ 0
2076	20,505,909	4	115,181	0	3,023,583	1,364,461	18,961,971	3,023,583	0
2077	18,961,971	2	103,191	0	2,868,213	1,258,836	17,455,787	2,868,213	0
2078	17,455,787	1	92,292	0	2,710,452	1,156,060	15,993,688	2,710,452	0
2079	15,993,688	0	68,053	0	2,550,884	1,056,055	14,566,912	2,550,884	0
2080	14,566,912	0	44,021	0	2,390,171	958,645	13,179,406	2,390,171	0
2081	13,179,406	0	21,285	0	2,229,068	864,123	11,835,746	2,229,068	0
2082	11,835,746	0	10,206	0	2,068,397	773,154	10,550,709	2,068,397	0
2083	10,550,709	0	1,014	0	1,909,044	686,421	9,329,100	1,909,044	0
2084	9,329,100	0	16,880	0	1,751,954	605,056	8,199,082	1,751,954	0
2085	8,199,082	0	31,646	0	1,598,095	530,122	7,162,755	1,598,095	0
2086	7,162,755	0	48,245	0	1,448,441	461,837	6,224,396	1,448,441	0
2087	6,224,396	0	45,218	0	1,303,944	399,713	5,365,382	1,303,944	0
2088	5,365,382	0	42,752	0	1,165,506	343,090	4,585,718	1,165,506	0
2089	4,585,718	0	41,157	0	1,033,946	291,947	3,884,875	1,033,946	0
2090	3,884,875	0	35,618	0	909,989	246,047	3,256,551	909,989	0
2091	3,256,551	0	32,143	0	794,228	205,128	2,699,593	794,228	0
2092	2,699,593	0	30,102	0	687,116	169,065	2,211,644	687,116	0
2093	2,211,644	0	29,043	0	588,962	137,663	1,789,389	588,962	0
2094	1,789,389	0	28,321	0	499,922	110,652	1,428,439	499,922	0
2095	1,428,439	0	37,573	0	420,001	88,058	1,134,069	420,001	0
2096	1,134,069	0	38,837	0	349,058	69,631	893,478	349,058	0
2097	893,478	0	39,842	0	286,814	54,732	701,239	286,814	0
2098	701,239	0	41,193	0	232,868	43,009	552,573	232,868	0
2099	552,573	0	24,705	0	186,716	33,493	424,056	186,716	0

Amounts in Thousands

**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 67 AND 68 REPORTING FOR JUNE 30, 2024 MEASUREMENT DATE**

APPENDIX D – DETERMINATION OF DISCOUNT RATE

FYE	Projected Beginning Fiduciary Net Position	Normal Cost Contribution - Employer and Employee	UAL Contribution	Projected Admin Expenses	Projected Benefit Payments	Projected Investment Earnings	Projected Ending Fiduciary Net Position	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments
2100	\$ 424,056	\$ 0	\$ 12,945	\$ 0	\$ 147,761	\$ 25,319	\$ 314,558	\$ 147,761	\$ 0
2101	314,558	0	3,693	0	115,349	18,352	221,255	115,349	0
2102	221,255	0	5,416	0	88,779	12,715	150,605	88,779	0
2103	150,605	0	6,841	0	67,338	8,501	98,610	67,338	0
2104	98,610	0	7,889	0	50,316	5,448	61,630	50,316	0
2105	61,630	0	4,700	0	37,030	3,183	32,483	37,030	0
2106	32,483	0	1,676	0	26,841	1,368	8,685	26,841	0
2107	8,685	0	0	0	19,167	(110)	(10,593)	8,685	10,482
2108	(10,593)	0	0	0	13,495	(1,281)	(25,368)	0	13,495
2109	(25,368)	0	0	0	9,379	(2,186)	(36,934)	0	9,379
2110	(36,934)	0	0	0	6,446	(2,907)	(46,287)	0	6,446
2111	(46,287)	0	408	0	4,395	(3,487)	(53,761)	0	4,395
2112	(53,761)	0	1,072	0	2,984	(3,947)	(59,621)	0	2,984
2113	(59,621)	0	1,533	0	2,028	(4,316)	(64,432)	0	2,028
2114	(64,432)	0	1,829	0	1,385	(4,628)	(68,616)	0	1,385
2115	(68,616)	0	2,051	0	955	(4,904)	(72,425)	0	955
2116	(72,425)	0	855	0	667	(5,210)	(77,447)	0	667
2117	(77,447)	0	741	0	473	(5,568)	(82,747)	0	473
2118	(82,747)	0	762	0	339	(5,944)	(88,268)	0	339
2119	(88,268)	0	756	0	244	(6,338)	(94,095)	0	244
2120	(94,095)	0	3,291	0	176	(6,665)	(97,645)	0	176
2121	(97,645)	0	5,261	0	127	(6,849)	(99,360)	0	127
2122	(99,360)	0	6,762	0	90	(6,918)	(99,606)	0	90
2123	(99,606)	0	6,617	0	63	(6,940)	(99,992)	0	63
2124	(99,992)	0	6,395	0	43	(6,975)	(100,614)	0	43

Amounts in Thousands

**SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 67 AND 68 REPORTING FOR JUNE 30, 2024 MEASUREMENT DATE**

APPENDIX D – DETERMINATION OF DISCOUNT RATE

FYE	Projected Beginning Fiduciary Net Position	Normal Cost Contribution - Employer and Employee	UAL Contribution	Projected Admin Expenses	Projected Benefit Payments	Projected Investment Earnings	Projected Ending Fiduciary Net Position	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments	
2125	\$ (100,614)	\$ 0	\$ 6,230	\$ 0	\$ 0	\$ (7,024)	\$ (101,408)	\$ 0	\$ 0	
								Discount Rate:	7.20%	3.93%
								Present Value: \$	46,580,863	\$ 2,035
								Total Present Value:	\$	46,582,898
								GASB Discount Rate:		7.20%

Amounts in Thousands

APPENDIX E – GLOSSARY OF TERMS

1. Actuarially Determined Contribution

A target or recommended contribution for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.

2. Actuarial Valuation Date

The date as of which an actuarial valuation is performed. This date may be up to 24 months prior to the measurement date and up to 30 months prior to the employer's reporting date.

3. Deferred Inflow of Resources

An acquisition of net assets by a government employer that is applicable to a future reporting period. In the context of GASB 68, these are experience gains on the Total Pension Liability, assumption changes reducing the Total Pension Liability, or investment gains that are recognized in future reporting periods.

4. Deferred Outflow of Resources

A consumption of net assets by a government employer that is applicable to a future reporting period. In the context of GASB 68, these are experience losses on the Total Pension Liability, assumption changes increasing the Total Pension Liability, or investment losses that are recognized in future reporting periods.

5. Entry Age Actuarial Cost Method

The actuarial cost method required for GASB 67 and 68 calculations. Under this method, the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit ages. The portion of this actuarial present value allocated to a valuation year is called the service cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future service costs is called the Total Pension Liability.

6. Measurement Date

The date as of which the Total Pension Liability and Plan Fiduciary Net Position are measured. The Total Pension Liability may be projected from the actuarial valuation date to the measurement date. The measurement date must be the same as the reporting date for the plan.

APPENDIX E – GLOSSARY OF TERMS

7. Net Pension Liability

The liability of employers and nonemployer contributing entities to employees for benefits provided through a defined benefit pension plan. It is calculated as the Total Pension Liability less the Plan Fiduciary Net Position.

8. Plan Fiduciary Net Position

The fair or Market Value of Assets.

9. Reporting Date

The last day of the plan or employer's fiscal year.

10. Service Cost

The portion of the actuarial present value of projected benefit payments that is attributed to the current period of employee service in conformity with the requirements of GASB 67 and 68. The service cost is the normal cost calculated under the Entry Age actuarial cost method.

11. Total Pension Liability

The portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service in conformity with the requirements of GASB 67 and 68. The Total Pension Liability is the Actuarial Liability calculated under the Entry Age Actuarial Cost Method.



Classic Values, Innovative Advice