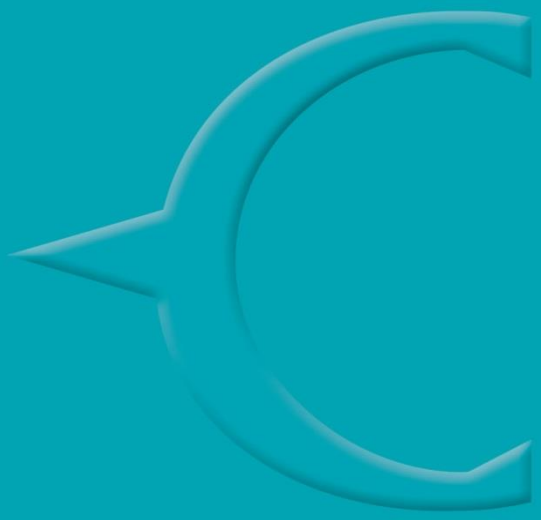
CHEIRON

Classic Values, Innovative Advice



San Francisco City and County Employees' Retirement System GASB 67/68 Report June 30, 2026

Produced by Cheiron
October 2026

www.cheiron.us 1.877.CHEIRON (243.4766)

TABLE OF CONTENTS

Section *Page*

Section I – Board Summary 1
Section II – Certification 3
Section III – Determination of Discount Rate 5
Section IV – Projection of Total Pension Liability 7
Section V – GASB 67 Reporting Information 8
Section VI – GASB 68 Collective Information 15
Section VII – GASB 68 Reporting Information for Employers 22
Appendix A – Membership Information 32
Appendix B – Actuarial Assumptions and Methods 34
Appendix C – Summary of Plan Provisions 38
Appendix D – Determination of Discount Rate 39
Appendix E – Glossary of Terms 44

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, 2026,
- 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 the participating employers under GASB 68.

Highlights

The measurement date for the San Francisco City and County Employees' Retirement System ("System") is June 30, 2026. Measurements are based on the fair value of assets as of June 30, 2026, and the Total Pension Liability as of the valuation date, July 1, 2025, updated to June 30, 2026. The end-of-year measurements reflect the estimated Supplemental COLA to be paid effective July 1, 2026.

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

Table I-1
Summary of Collective Results
Amounts in Thousands

Measurement Date	6/30/2026	6/30/2025
Net Pension Liability	$3,017,731	$4,385,979
Deferred Outflows	(1,091,356)	(1,950,024)
Deferred Inflows	1,860,783	0
Net Impact on Statement of Net Position	$3,787,158	$2,435,955
Pension Expense ($ Amount)	$2,046,582	$718,031
Pension Expense (% of Payroll)	41.97%	15.41%

SECTION I – BOARD SUMMARY

At the end of the measurement year, the System and its participating employers, in aggregate, report a Net Pension Liability of $3,017,731,000, Deferred Inflows of $1,860,783,000, and Deferred Outflows of $1,091,356,000. Consequently, the net impact on the aggregate of participating employers' Statements of Net Position due to the System is $3,787,158,000 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.

The Net Pension Liability (NPL) decreased by about $1.368 billion since the prior measurement date, primarily due to an investment gain of $2.096 billion. There were economic and demographic assumption changes that increased the NPL by $31 million, as well as a liability experience loss that increased the NPL by $499 million. In addition, the service cost and interest cost exceeded contributions and expected investment income net of expenses by about $198 million.

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, 2026, the collective annual pension expense is $2,046,582,000 or 41.97% of covered payroll. This amount represents the change in the net impact on participating employers' Statements of Net Position plus employer contributions ($3,787,158,000 – $2,435,955,000 + $695,379,000). The collective pension expense of $2,046,582,000 is an increase from the collective pension expense for the prior year of $718,031,000. 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.

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.

SECTION II – CERTIFICATION

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.



William R. Hallmark, ASA, EA, MAAA, FCA
Consulting Actuary



Anne D. Harper, FSA, EA, MAAA
Principal Consulting Actuary

SECTION III – DETERMINATION OF DISCOUNT RATE

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

The cash flow projection 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, 2025 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, 2022 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 measurement 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.

SECTION III – DETERMINATION OF DISCOUNT RATE

A 1.50% Supplemental COLA is expected to be payable as of July 1, 2026, for most non-Prop C members due to the favorable investment returns for FYE 2026.

The table below shows the net assumed Supplemental COLA for members with a 2.00% Basic COLA. Since it is not clear yet whether the System will be 100% funded, there was a 50% probability applied for Prop C members. Appendix B contains complete information on the assumptions.

Table III-1
Assumed Supplemental COLA for Members with a 2.00% Basic COLA

July 1,	Before Prop C	After Prop C
2026	1.50%	0.75%
2027+	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 all future benefit payments for current members. 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 4.67% to the extent they are not available. The discount rate used to determine the Total Pension Liability as of June 30, 2026 is 7.20%.

Appendix D shows the details of this calculation.

SECTION IV – PROJECTION OF TOTAL PENSION LIABILITY

The Total Pension Liability (TPL) at the end of the measurement year, June 30, 2026 is measured as of a valuation date of June 30, 2025, and projected to June 30, 2026. Because the TPL shown in the prior report was measured as of June 30, 2024, and projected to June 30, 2025, it will not match the amounts measured as of June 30, 2025, 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 TPL from Valuation to Measurement Date

Amounts in Thousands

Discount Rate	6.20%	7.20%	8.20%
Valuation Collective Total Pension Liability, 6/30/2025			
Actives	$18,462,101	$15,598,971	$13,284,589
Inactives	29,424,531	26,733,450	24,458,704
Total	$47,886,632	$42,332,421	$37,743,293
Service Cost	1,322,448	1,039,256	825,482
Benefit Payments	(2,167,671)	(2,167,671)	(2,167,671)
Interest	2,943,163	3,008,017	3,041,004
Collective Total Pension Liability, 6/30/2026	$49,984,572	$44,212,023	$39,442,108

SECTION V – GASB 67 REPORTING INFORMATION

Note Disclosures

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

Table V-1
Change in Collective Net Pension Liability
Amounts in Thousands

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/2025	$41,836,074	$37,450,095	$4,385,979
Changes for the year:			
Service cost	1,039,256		1,039,256
Interest	2,974,511		2,974,511
Changes of benefits	0		0
Differences between expected and actual experience	498,875		498,875
Changes of assumptions	30,978		30,978
Contributions - employer		695,379	(695,379)
Contributions - member		465,344	(465,344)
Net investment income		4,779,532	(4,779,532)
Benefit payments	(2,167,671)	(2,167,671)	0
Administrative expense		(28,387)	28,387
Net changes	2,375,949	3,744,197	(1,368,248)
Balances at 6/30/2026	$44,212,023	$41,194,292	$3,017,731

During the measurement year, the collective NPL decreased by approximately $1.4 billion.

The service cost and interest cost increased the collective NPL by approximately $4.0 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 $5.9 billion. Assumption changes increased the TPL by approximately $31 million.

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

Amounts in Thousands

	1% Decrease 6.20%	Discount Rate 7.20%	1% Increase 8.20%
Total Pension Liability	$49,984,572	$44,212,023	$39,442,108
Plan Fiduciary Net Position	41,194,292	41,194,292	41,194,292
Collective Net Pension Liability	$8,790,280	$3,017,731	($1,752,184)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.4%	93.2%	104.4%

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%.

Required Supplementary Information

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

SECTION V – GASB 67 REPORTING INFORMATION

Table V-3
Schedule of Changes in Collective NPL and Related Ratios
FYE 2022 – 2026
Amounts in Thousands

	FYE 2026	FYE 2025	FYE 2024	FYE 2023	FYE 2022
Total Pension Liability (TPL)					
Service cost	$1,039,256	$944,777	$872,979	$813,901	$781,610
Interest	2,974,511	2,800,168	2,650,500	2,518,802	2,471,994
Changes of benefit terms	0	16,897	0	59,080	0
Differences between expected and actual experience	498,875	693,672	480,293	295,778	98,920
Changes of assumptions	30,978	0	0	0	786,100
Benefit payments	(2,167,671)	(2,024,001)	(1,932,046)	(1,844,365)	(1,737,750)
Net change in TPL	$2,375,949	$2,431,513	$2,071,726	$1,843,196	$2,400,874
TPL - beginning	41,836,074	39,404,561	37,332,835	35,489,639	33,088,765
TPL - ending	$44,212,023	$41,836,074	$39,404,561	$37,332,835	$35,489,639
Plan fiduciary net position (FNP)					
Contributions - employer	$695,379	$685,309	$672,618	$672,651	$768,463
Contributions - member	465,344	442,009	427,512	413,916	423,471
Net investment income	4,779,532	2,961,176	2,587,698	1,670,666	(2,308,320)
Benefit payments	(2,167,671)	(2,024,001)	(1,932,046)	(1,844,365)	(1,737,750)
Administrative expense	(28,387)	(32,064)	(26,544)	(22,964)	(21,174)
Net change in plan FNP	$3,744,197	$2,032,429	$1,729,238	$889,904	($2,875,310)
Plan FNP - beginning	37,450,095	35,417,666	33,688,428	32,798,524	35,673,834
Plan FNP - ending	$41,194,292	$37,450,095	$35,417,666	$33,688,428	$32,798,524
Net pension liability - ending	$3,017,731	$4,385,979	$3,986,895	$3,644,407	$2,691,115
Plan FNP as a percentage of the TPL	93.17%	89.52%	89.88%	90.24%	92.42%
Covered payroll	$4,876,344	$4,660,826	$4,319,733	$3,994,117	$3,742,459
Net pension liability as a percentage of covered payroll	61.89%	94.10%	92.29%	91.24%	71.91%

SECTION V – GASB 67 REPORTING INFORMATION

Table V-4
Schedule of Changes in Collective NPL and Related Ratios
FYE 2017 – 2021
Amounts in Thousands

	FYE 2021	FYE 2020	FYE 2019	FYE 2018	FYE 2017
Total Pension Liability (TPL)					
Service cost	$718,771	$704,637	$675,065	$632,118	$644,277
Interest	2,302,075	2,230,441	2,131,847	2,041,110	1,924,206
Changes of benefit terms	0	0	0	0	0
Differences between expected and actual experience	136,097	205,869	12,484	(42,382)	57,911
Changes of assumptions	(479,435)	(117,141)	351,902	170,699	88,180
Benefit payments	(1,619,761)	(1,548,077)	(1,456,682)	(1,364,587)	(1,278,140)
Net change in TPL	$1,057,747	$1,475,729	$1,714,616	$1,436,958	$1,436,434
TPL - beginning	32,031,018	30,555,289	28,840,673	27,403,715	25,967,281
TPL - ending	$33,088,765	$32,031,018	$30,555,289	$28,840,673	$27,403,715
Plan fiduciary net position (FNP)					
Contributions - employer	$836,559	$742,985	$645,056	$619,067	$551,810
Contributions - member	409,398	400,649	380,980	364,696	316,844
Net investment income	9,447,669	966,282	1,970,312	2,549,674	2,683,467
Benefit payments	(1,619,761)	(1,548,077)	(1,456,682)	(1,364,587)	(1,278,140)
Administrative expense	(20,249)	(20,270)	(18,983)	(21,234)	(18,134)
Net change in plan FNP	$9,053,616	$541,569	$1,520,683	$2,147,616	$2,255,847
Plan FNP - beginning	26,620,218	26,078,649	24,557,966	22,410,350	20,154,503
Plan FNP - ending	$35,673,834	$26,620,218	$26,078,649	$24,557,966	$22,410,350
Net pension liability - ending	($2,585,069)	$5,410,800	$4,476,640	$4,282,707	$4,993,365
Plan FNP as a percentage of the TPL	107.81%	83.11%	85.35%	85.15%	81.78%
Covered payroll	$3,623,898	$3,566,991	$3,375,447	$3,221,544	$3,041,818
Net pension liability as a percentage of covered payroll	-71.33%	151.69%	132.62%	132.94%	164.16%

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-5

Schedule of Collective Employer Contributions

Amounts in Thousands

Measurement Year Ending	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency or (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2026	$695,379	$695,379	$0	$4,876,344	14.26%
2025	685,309	685,309	0	4,660,826	14.70%
2024	672,618	672,618	0	4,319,733	15.57%
2023	672,651	672,651	0	3,994,117	16.84%
2022	768,463	768,463	0	3,742,459	20.53%
2021	836,559	836,559	0	3,623,898	23.08%
2020	742,985	742,985	0	3,566,991	20.83%
2019	645,056	645,056	0	3,375,447	19.11%
2018	619,067	619,067	0	3,221,544	19.22%
2017	551,810	551,810	0	3,041,818	18.14%

The notes on the following page summarize the key methods and assumptions used to determine the ADC for FYE 2026.

SECTION V – GASB 67 REPORTING INFORMATION

Notes to Schedule

Valuation date	7/1/2024
Timing	Actuarially Determined Contribution rates are calculated in the actuarial valuation one year prior to the beginning of the plan year.
Actuarial cost method	Entry age
Asset valuation method	Five-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. Effective with the July 1, 2014 valuation, changes to active member benefits are amortized over a closed 15-year period and changes to inactive or retired member benefits are amortized over a closed five-year period. However, the Board elected to amortize the increase in the UAL due to Proposition A over a 10-year period effective with the July 1, 2022 valuation. 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.

SECTION V – GASB 67 REPORTING INFORMATION

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, multiplied by 0.977 for females and 1.031 for males. For Safety healthy annuitants, the sex distinct 2010 Pub-S healthy annuitant mortality table, multiplied by 1.044 for females and 0.947 for males. For General active members, the sex distinct 2010 Pub-G employee mortality tables, multiplied by 0.866 for females and 0.834 for males. For Safety active members, the sex distinct 2010 Pub-S employee mortality tables, multiplied by 0.979 for females and 1.011 for males. Rates are projected generationally from the base year using the MP-2019 projection scale.

A complete description of the methods and assumptions used to determine contribution rates for the year ending June 30, 2026 can be found in the July 1, 2024 actuarial valuation report.

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, 2027 reporting dates, and the schedules from our prior report are to be used for employer reporting as of June 30, 2026.

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

Collective Deferred Inflow and Outflow Balances

Amounts in Thousands

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$1,066,574	$0
Changes in assumptions	24,782	0
Net difference between projected and actual earnings on pension plan investments	0	1,860,783
Total	$1,091,356	$1,860,783

SECTION VI – GASB 68 COLLECTIVE INFORMATION

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 five years. Table VI-2 shows the deferred outflows and inflows of resources that will be recognized in pension expense over the next five years and the amount recognized thereafter.

Table VI-2

Recognition Schedule for Collective Deferred Inflows and Outflows

Amounts in Thousands

Measurement Year Ended June 30	Amount Recognized
2027	($406)
2028	(196,928)
2029	(258,861)
2030	(313,232)
2031	0
Thereafter	0

SECTION VI – GASB 68 COLLECTIVE INFORMATION

The tables below and on the following two pages 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-3
Recognition of Collective Experience (Gains) and Losses
Amounts in Thousands

Experience Year	Recognition Period	Total Amount	Beginning Remaining Amount	Ending Remaining Amount	Recognition Year 2026	2027	2028	2029	2030
2026	5.0	$498,875	$498,875	$399,100	$99,775	$99,775	$99,775	$99,775	$99,775
2025	5.0	693,672	554,938	416,204	138,734	138,734	138,734	138,736	0
2024	5.0	480,293	288,175	192,116	96,059	96,059	96,057	0	0
2023	5.0	295,778	118,310	59,154	59,156	59,154	0	0	0
2022	5.0	98,920	19,784	0	19,784	0	0	0	0
Deferred Outflows			1,480,082	1,066,574	413,508	393,722	334,566	238,511	99,775
Deferred (Inflows)			0	0	0	0	0	0	0
Net Change in Expense			$1,480,082	$1,066,574	$413,508	$393,722	$334,566	$238,511	$99,775

SECTION VI – GASB 68 COLLECTIVE INFORMATION

Table VI-4
Recognition of Collective Assumption Changes
Amounts in Thousands

Change Year	Recognition Period	Total Amount	Beginning Remaining Amount	Ending Remaining Amount	Recognition Year 2026	2027	2028	2029	2030
2026	5.0	$30,978	$30,978	$24,782	$6,196	$6,196	$6,196	$6,196	$6,194
2025	5.0	0	0	0	0	0	0	0	0
2024	5.0	0	0	0	0	0	0	0	0
2023	5.0	0	0	0	0	0	0	0	0
2022	5.0	786,100	157,220	0	157,220	0	0	0	0
Deferred Outflows			188,198	24,782	163,416	6,196	6,196	6,196	6,194
Deferred (Inflows)			0	0	0	0	0	0	0
Net Change in Expense			$188,198	$24,782	$163,416	$6,196	$6,196	$6,196	$6,194

SECTION VI – GASB 68 COLLECTIVE INFORMATION

Table VI-5
Recognition of Collective Investment (Gains) and Losses
Amounts in Thousands

Experience Year	Recognition Period	Total Amount	Beginning Remaining Amount	Ending Remaining Amount	Recognition Year 2026	2027	2028	2029	2030
2026	5.0	($2,096,001)	($2,096,001)	($1,676,801)	($419,200)	($419,200)	($419,200)	($419,200)	($419,201)
2025	5.0	(421,840)	(337,472)	(253,104)	(84,368)	(84,368)	(84,368)	(84,368)	0
2024	5.0	(170,614)	(102,368)	(68,245)	(34,123)	(34,123)	(34,122)	0	0
2023	5.0	686,831	274,733	137,367	137,366	137,367	0	0	0
2022	5.0	4,883,512	976,704	0	976,704	0	0	0	0
Deferred Outflows			1,251,437	137,367	1,114,070	137,367	0	0	0
Deferred (Inflows)			(2,535,841)	(1,998,150)	(537,691)	(537,691)	(537,690)	(503,568)	(419,201)
Net Change in Expense			($1,284,404)	($1,860,783)	$576,379	($400,324)	($537,690)	($503,568)	($419,201)

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 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-6

Calculation of Collective Pension Expense

Amounts in Thousands

Measurement Year Ending	2026	2025
Change in Net Pension Liability	($1,368,248)	$399,084
Change in Deferred Outflows	858,668	(270,475)
Change in Deferred Inflows	1,860,783	(95,887)
Employer Contributions	695,379	685,309
Pension Expense	$2,046,582	$718,031
Pension Expense as % of Payroll	41.97%	15.41%
Operating Expenses		
Service cost	$1,039,256	$944,777
Employee contributions	(465,344)	(442,009)
Administrative expenses	28,387	32,064
Total Operating Expenses	$602,299	$534,832
Financing Expenses		
Interest cost	$2,974,511	$2,800,168
Expected return on assets	(2,683,531)	(2,539,336)
Total Financing Expenses	$290,980	$260,832
Changes		
Benefit changes	$0	$16,897
Recognition of assumption changes	163,416	61,333
Recognition of liability gains and losses	413,508	340,954
Recognition of investment gains and losses	576,379	(496,817)
Total Changes	$1,153,303	($77,633)
Pension Expense	$2,046,582	$718,031

SECTION VI – GASB 68 COLLECTIVE INFORMATION

Operating expenses are items directly attributable to the plan's operations 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 year-to-year volatility in pension expense. It includes any changes in benefits made during the year, as well as the recognized amounts due to assumption changes, gains or losses on the TPL, and investment gains or losses. The most significant change this year is the completion of the recognition of the 2021 investment gain, which had reduced pension expense by $1.49 billion each of the last five years.

The total collective pension expense increased by about $1.329 billion from the prior year. The recognition of changes increased by approximately $1.231 billion, while financing expenses increased by approximately $30 million, and the operating expenses increased by approximately $67 million.

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

Amounts in Thousands

Employer	June 30, 2026 Employer Contribution	June 30, 2026 Proportionate Share	June 30, 2025 Employer Contribution	June 30, 2025 Proportionate Share
City and County	$661,823	95.1744%	$651,570	95.0768%
Trial Courts	6,343	0.9122%	6,565	0.9580%
Unified School District	18,491	2.6591%	18,530	2.7039%
Community College District	8,722	1.2543%	8,644	1.2613%
Total	$695,379	100.0000%	$685,309	100.0000%

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, 2026.

Table VII-2

Schedule of Employers' Proportionate Share of Collective Amounts at June 30, 2026

Amounts in Thousands

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	95.1744%	8,366,097	2,872,108	(1,667,631)	1,038,692	1,770,989	1,947,822
Trial Courts	0.9122%	80,185	27,528	(15,983)	9,955	16,974	18,669
Unified School District	2.6591%	233,742	80,244	(46,592)	29,020	49,480	54,421
Community College District	1.2543%	110,256	37,851	(21,978)	13,689	23,340	25,670
Total	100.0000%	$8,790,280	$3,017,731	($1,752,184)	$1,091,356	$1,860,783	$2,046,582

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.

SECTION VII – GASB 68 REPORTING INFORMATION FOR EMPLOYERS

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
Amounts in Thousands

Employer	Proportionate Shares		Impact of Change in Proportion				Contributions		
	6/30/2025	6/30/2026	Net Pension Liability	Deferred Outflows	Deferred Inflows	Net Effect	Actual	Proportionate Share	Difference
City and County	95.0768%	95.1744%	$4,281	$1,904	$0	$2,377	$661,823	$661,823	$0
Trial Courts	0.9580%	0.9122%	(2,009)	(893)	0	(1,116)	6,343	6,343	0
Unified School District	2.7039%	2.6591%	(1,965)	(874)	0	(1,091)	18,491	18,491	0
Community College District	1.2613%	1.2543%	(307)	(137)	0	(170)	8,722	8,722	0
Total	100.0000%	100.0000%	$0	$0	$0	$0	$695,379	$695,379	$0

SECTION VII – GASB 68 REPORTING INFORMATION FOR EMPLOYERS

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

Amounts in Thousands

Employer	Deferred Outflows				Deferred Inflows			
	6/30/2025	Current Year Net Effect	Recognition	6/30/2026	6/30/2025	Current Year Net Effect	Recognition	6/30/2026
City and County	$8,570	$2,377	$3,657	$7,290	($2,187)	$0	($758)	($1,429)
Trial Courts	970	0	485	485	(1,355)	(1,116)	(760)	(1,711)
Unified School District	1,691	0	627	1,064	(5,786)	(1,091)	(2,564)	(4,313)
Community College District	1,755	0	585	1,170	(3,658)	(170)	(1,272)	(2,556)
Total	$12,986	$2,377	$5,354	$10,009	($12,986)	($2,377)	($5,354)	($10,009)

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

Amounts in Thousands

Employer	Deferred Outflows				Deferred Inflows			
	6/30/2025	Current Year Difference	Recognition	6/30/2026	6/30/2025	Current Year Difference	Recognition	6/30/2026
City and County	$0	$0	$0	$0	$0	$0	$0	$0
Trial Courts	0	0	0	0	0	0	0	0
Unified School District	0	0	0	0	0	0	0	0
Community College District	0	0	0	0	0	0	0	0
Total	$0	$0	$0	$0	$0	$0	$0	$0

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, 2026

Amounts in Thousands

Employer	Proportionate Shares	Experience	Assumption Changes	Investment Return	Proportion Change	Contribution Difference
City and County	95.1744%	$1,015,106	$23,586	$0	$7,290	$0
Trial Courts	0.9122%	9,729	226	0	485	0
Unified School District	2.6591%	28,361	659	0	1,064	0
Community College District	1.2543%	13,378	311	0	1,170	0
Total	100.0000%	$1,066,574	$24,782	$0	$10,009	$0

SECTION VII – GASB 68 REPORTING INFORMATION FOR EMPLOYERS

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, 2026

Amounts in Thousands

Employer	Proportionate Shares	Experience	Assumption Changes	Investment Return	Proportion Change	Contribution Difference
City and County	95.1744%	$0	$0	$1,770,989	$1,429	$0
Trial Courts	0.9122%	0	0	16,974	1,711	0
Unified School District	2.6591%	0	0	49,480	4,313	0
Community College District	1.2543%	0	0	23,340	2,556	0
Total	100.0000%	$0	$0	$1,860,783	$10,009	$0

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, 2026

Amounts in Thousands

	Recognition for Measurement Year Ending					
Employer	**2027**	**2028**	**2029**	**2030**	**2031**	**Thereafter**
City and County	$1,128	($185,828)	($244,097)	($297,640)	$0	$0
Trial Courts	($130)	(2,409)	(2,624)	(3,081)	0	0
Unified School District	($748)	(6,164)	(8,249)	(8,548)	0	0
Community College District	($656)	(2,527)	(3,891)	(3,963)	0	0
Total	($406)	($196,928)	($258,861)	($313,232)	$0	$0

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, 2026

Amounts in Thousands

Employer	Collective Pension Expense	Change in Proportion	Contribution Difference	Employer Pension Expense	Change in Employer			Employer Contributions	Employer Pension Expense
					Net Pension Liability	Deferred Outflows	Deferred Inflows		
City and County	$1,947,822	$2,899	$0	$1,950,721	($1,297,941)	$816,608	$1,770,231	$661,823	$1,950,721
Trial Courts	18,669	(275)	0	18,394	(14,490)	9,211	17,330	6,343	18,394
Unified School District	54,421	(1,937)	0	52,484	(38,348)	24,334	48,007	18,491	52,484
Community College District	25,670	(687)	0	24,983	(17,469)	11,492	22,238	8,722	24,983
Total	$2,046,582	$0	$0	$2,046,582	($1,368,248)	$861,645	$1,857,806	$695,379	$2,046,582

SECTION VII – GASB 68 REPORTING INFORMATION FOR EMPLOYERS

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, 2026

Amounts in Thousands

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	95.1744%	$2,872,108	$4,661,729	61.6%	93.2%	$661,823	$661,823	$0	14.2%
Trial Courts	0.9122%	27,528	43,720	63.0%	93.2%	$6,343	6,343	0	14.5%
Unified School District	2.6591%	80,244	112,710	71.2%	93.2%	$18,491	18,491	0	16.4%
Community College District	1.2543%	37,851	58,185	65.1%	93.2%	$8,722	8,722	0	15.0%
Total	100.0000%	$3,017,731	$4,876,344	61.9%	93.2%	$695,379	$695,379	$0	14.3%

APPENDIX A – MEMBERSHIP INFORMATION

Table A-1
Active Member Data – By Group

	July 1, 2024	July 1, 2025	% Change
Total Count	35,418	35,990	1.6%
Total Average Current Age	47.1	47.0	-0.1
Total Average Service	10.7	10.7	0.0
Total Annual Pensionable Earnings	$4,398,687,240	$4,692,542,727	6.7%
Total Average Pensionable Earnings	$124,194	$130,385	5.0%
Police Count	2,397	2,445	2.0%
Police Average Current Age	41.9	41.9	0.0
Police Average Service	13.3	13.2	-0.1
Police Annual Pensionable Earnings	$385,941,427	$413,562,753	7.2%
Police Average Pensionable Earnings	$161,010	$169,146	5.1%
Fire Count	1,733	1,749	0.9%
Fire Average Current Age	42.0	41.8	-0.2
Fire Average Service	11.8	11.7	-0.1
Fire Annual Pensionable Earnings	$273,595,062	$286,623,159	4.8%
Fire Average Pensionable Earnings	$157,874	$163,878	3.8%
Miscellaneous Count	31,288	31,796	1.6%
Misc. Average Current Age	47.8	47.7	-0.1
Misc. Average Service	10.5	10.4	-0.1
Misc. Annual Pensionable Earnings	$3,739,150,751	$3,992,356,815	6.8%
Misc. Average Pensionable Earnings	$119,508	$125,562	5.1%

APPENDIX A – MEMBERSHIP INFORMATION

Table A-2
Non-Active Member Data – Total System

	July 1, 2024	July 1, 2025	Change
Retired Count	25,864	26,418	2.1%
Retired Average Age	72.2	72.4	0.2
Retired Average Annual Benefit	$61,580	$64,389	4.6%
Disabled Count	2,505	2,532	1.1%
Disabled Average Age	69.9	69.9	0.0
Disabled Average Annual Benefit	$82,500	$87,161	5.6%
Beneficiaries Count	4,285	4,378	2.2%
Beneficiaries Average Age	78.3	78.6	0.3
Beneficiaries Average Annual Benefit	$44,009	$45,711	3.9%
Total Payees Count	32,654	33,328	2.1%
Total Payees Average Age	72.8	73.1	0.3
Total Payees Average Annual Benefit	$60,879	$63,665	4.6%
Inactives Count	13,103	13,842	5.6%
Inactives Average Age	48.6	48.7	0.1
Inactives Total Contribution Balance with Interest	$503,006,354	$527,423,222	4.9%
Inactives Average Contribution Balance with Interest	$38,389	$38,103	-0.7%

Benefits are based on the July 1 valuation data, plus estimated Basic COLAs effective July 1, 2025 for Old Safety payees and the estimated Supplemental COLA effective July 1, 2025. If applicable, amounts are limited by Section 415(b) of the Internal Revenue Code.

Please refer to the July 1, 2025 actuarial valuation report for a more complete summary of the data.

APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

A summary of the actuarial assumptions and methods used to calculate the Total Pension Liability as of June 30, 2026, is provided below, including any assumptions that differ from those used in the July 1, 2025 actuarial valuation. Please refer to the July 1, 2025 actuarial valuation report for a complete description of all other assumptions and the rationale for those assumptions.

Actuarial Assumptions

Expected Return on Assets

7.20 percent net of investment expenses

Municipal Bond Yield

5.20 percent as of June 30, 2025

4.67 percent as of June 30, 2026

Bond Buyer 20-Bond GO Index, June 26, 2025 and June 25, 2026

Discount Rate

7.20 percent

Administrative Expenses

0.60 percent of payroll

Basic COLA

Group	Increase
Old Plans – Miscellaneous	2.0% per year
New Plans – Safety and Miscellaneous	2.0% per year
Old Plans – Police and Fire, Charters 8.559 and 8.585	3.2% per year
Old Plans – Police and Fire, Charters 8.595 and 8.596	2.4% per year
Old Plans – Police and Fire, pre-7/1/75 dates of retirement	1.9% per year

APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

SUPPLEMENTAL COLAS

Group	Prop C	Pre-Prop C – Old Misc. and New Plans	Pre Prop C- Old Safety
July 1, 2026	0.75%	1.50%	3.50% - Assumed Basic COLA
2027 and Future Years	0.50%	0.75%	0.15% to 0.8%; ½ x (3.50% less assumed Basic COLA), not less than 0%

CHANGES SINCE LAST GASB 67/68 VALUATION

Details of all demographic assumption changes can be found in the demographic experience study report for the period covering July 1, 2019 to June 30, 2024.

Old Police & Fire Basic COLA assumptions were reduced from 3.4% to 3.2% for Charters 8.559 and 8.585 and from 2.5% to 2.4% for Charters 8.595 and 8.596.

The Supplemental COLA assumptions for July 1, 2026 were changed to reflect that there are sufficient excess earnings to pay a full Supplemental COLA. Since it is not clear yet whether the System will be 100% funded, there was a 50% probability applied for Prop C members. Since this change is made to estimate the actual cost of this year's Supplemental COLA, the impact of the change is treated as an experience gain or loss.

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.

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.

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.

APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

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. All amortization payment amounts increase each year at the assumed wage inflation rate.

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 The UAL not attributable to Charter changes as of July 1, 2013, was re-amortized over 19 years as of July 1, 2014
Supplemental COLAs	5-year closed layers
Surplus	When 100% funded (AVA basis), any net surplus is amortized over a 20-year rolling period

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).

APPENDIX C – SUMMARY OF PLAN PROVISIONS

The plan provisions are the same as those summarized in the July 1, 2025 actuarial valuation report.

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
2027	$ 41,194,292	$ 943,924	$ 252,122	$ 30,018	$ 2,356,565	$ 2,916,796	$ 42,920,550	$ 2,356,565	$ 0
2028	42,920,550	925,595	317,737	29,503	2,478,119	3,038,113	44,694,373	2,478,119	0
2029	44,694,373	903,142	325,288	28,867	2,597,864	3,160,728	46,456,799	2,597,864	0
2030	46,456,799	880,521	206,118	28,241	2,717,655	3,278,031	48,075,573	2,717,655	0
2031	48,075,573	857,102	157,892	27,605	2,841,068	3,387,335	49,609,229	2,841,068	0
2032	49,609,229	833,093	141,074	26,949	2,966,585	3,491,520	51,081,383	2,966,585	0
2033	51,081,383	808,404	163,040	26,274	3,092,616	3,592,606	52,526,544	3,092,616	0
2034	52,526,544	782,479	97,014	25,581	3,219,358	3,688,565	53,849,663	3,219,358	0
2035	53,849,663	755,911	83,387	24,855	3,346,448	3,777,556	55,095,214	3,346,448	0
2036	55,095,214	728,375	104,526	24,108	3,473,020	3,862,178	56,293,165	3,473,020	0
2037	56,293,165	700,019	52,450	23,329	3,601,501	3,940,682	57,361,485	3,601,501	0
2038	57,361,485	670,475	69,759	22,526	3,732,133	4,012,183	58,359,244	3,732,133	0
2039	58,359,244	639,089	74,520	21,675	3,865,363	4,077,997	59,263,812	3,865,363	0
2040	59,263,812	607,079	79,519	20,775	3,999,341	4,137,061	60,067,355	3,999,341	0
2041	60,067,355	574,071	118,907	19,856	4,134,229	4,189,997	60,796,245	4,134,229	0
2042	60,796,245	540,103	165,786	18,895	4,268,872	4,237,801	61,452,168	4,268,872	0
2043	61,452,168	504,292	112,852	17,887	4,406,812	4,276,629	61,921,242	4,406,812	0
2044	61,921,242	466,870	205,361	16,814	4,547,398	4,306,994	62,336,254	4,547,398	0
2045	62,336,254	428,460	251,191	15,684	4,687,927	4,331,784	62,644,078	4,687,927	0
2046	62,644,078	389,930	293,898	14,521	4,827,818	4,348,768	62,834,335	4,827,818	0
2047	62,834,335	351,818	380,742	13,349	4,965,455	4,358,949	62,947,039	4,965,455	0
2048	62,947,039	314,432	400,348	12,176	5,099,708	4,361,324	62,911,259	5,099,708	0
2049	62,911,259	278,030	484,638	11,004	5,228,273	4,355,549	62,790,199	5,228,273	0
2050	62,790,199	243,422	599,272	9,866	5,349,131	4,345,066	62,618,962	5,349,131	0
2051	62,618,962	211,206	622,112	8,767	5,459,790	4,328,197	62,311,919	5,459,790	0

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
2052	$ 62,311,919	$ 181,688	$ 637,197	$ 7,727	$ 5,558,308	$ 4,301,835	$ 61,866,604	$ 5,558,308	$ 0
2053	61,866,604	154,448	650,796	6,753	5,645,924	4,265,962	61,285,133	5,645,924	0
2054	61,285,133	129,104	663,186	5,830	5,722,741	4,220,722	60,569,573	5,722,741	0
2055	60,569,573	106,093	674,236	4,950	5,786,424	4,166,366	59,724,895	5,786,424	0
2056	59,724,895	86,168	683,763	4,146	5,834,034	4,103,383	58,760,028	5,834,034	0
2057	58,760,028	69,467	691,609	3,443	5,864,111	4,032,469	57,686,018	5,864,111	0
2058	57,686,018	55,563	697,602	2,831	5,877,429	3,954,371	56,513,294	5,877,429	0
2059	56,513,294	44,167	623,382	2,304	5,873,934	3,867,060	55,171,666	5,873,934	0
2060	55,171,666	34,768	616,965	1,860	5,855,220	3,770,637	53,736,955	5,855,220	0
2061	53,736,955	26,992	613,874	1,478	5,822,405	3,668,226	52,222,165	5,822,405	0
2062	52,222,165	20,696	604,275	1,155	5,775,404	3,560,414	50,630,991	5,775,404	0
2063	50,630,991	15,608	591,501	891	5,715,177	3,447,538	48,969,571	5,715,177	0
2064	48,969,571	11,514	591,142	673	5,642,445	3,330,558	47,259,666	5,642,445	0
2065	47,259,666	8,384	569,037	498	5,557,290	3,209,826	45,489,126	5,557,290	0
2066	45,489,126	6,005	550,647	363	5,460,722	3,085,323	43,670,016	5,460,722	0
2067	43,670,016	4,230	531,722	261	5,353,474	2,957,735	41,809,966	5,353,474	0
2068	41,809,966	2,940	505,417	185	5,236,131	2,827,341	39,909,349	5,236,131	0
2069	39,909,349	2,030	487,384	129	5,109,249	2,694,698	37,984,083	5,109,249	0
2070	37,984,083	1,379	459,846	90	4,973,419	2,560,296	36,032,094	4,973,419	0
2071	36,032,094	914	426,788	62	4,828,993	2,424,111	34,054,851	4,828,993	0
2072	34,054,851	595	406,094	41	4,676,131	2,286,873	32,072,241	4,676,131	0
2073	32,072,241	371	386,783	27	4,515,123	2,149,614	30,093,860	4,515,123	0
2074	30,093,860	222	367,164	17	4,346,122	2,012,958	28,128,065	4,346,122	0
2075	28,128,065	127	347,102	10	4,169,411	1,877,489	26,183,362	4,169,411	0
2076	26,183,362	65	326,678	6	3,985,393	1,743,808	24,268,514	3,985,393	0

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
2077	$ 24,268,514	$ 29	$ 305,983	$ 3	$ 3,794,547	$ 1,612,530	$ 22,392,506	$ 3,794,547	$ 0
2078	22,392,506	10	285,109	1	3,597,566	1,484,279	20,564,336	3,597,566	0
2079	20,564,336	4	264,138	1	3,395,274	1,359,672	18,792,876	3,395,274	0
2080	18,792,876	1	254,241	0	3,188,745	1,239,703	17,098,077	3,188,745	0
2081	17,098,077	0	234,896	0	2,979,181	1,125,036	15,478,828	2,979,181	0
2082	15,478,828	0	214,116	0	2,767,959	1,015,821	13,940,806	2,767,959	0
2083	13,940,806	0	194,051	0	2,556,584	912,486	12,490,758	2,556,584	0
2084	12,490,758	0	174,463	0	2,346,661	815,446	11,134,006	2,346,661	0
2085	11,134,006	0	147,752	0	2,139,823	724,753	9,866,687	2,139,823	0
2086	9,866,687	0	124,364	0	1,937,714	640,435	8,693,772	1,937,714	0
2087	8,693,772	0	101,496	0	1,741,934	562,690	7,616,023	1,741,934	0
2088	7,616,023	0	79,674	0	1,553,966	491,534	6,633,265	1,553,966	0
2089	6,633,265	0	60,027	0	1,375,169	426,942	5,745,065	1,375,169	0
2090	5,745,065	0	40,500	0	1,206,720	368,766	4,947,611	1,206,720	0
2091	4,947,611	0	23,605	0	1,049,577	316,782	4,238,420	1,049,577	0
2092	4,238,420	0	9,005	0	904,479	270,773	3,613,719	904,479	0
2093	3,613,719	0	0	0	771,922	230,563	3,072,359	771,922	0
2094	3,072,359	0	0	0	652,145	196,182	2,616,397	652,145	0
2095	2,616,397	0	0	0	545,152	167,459	2,238,703	545,152	0
2096	2,238,703	0	0	0	450,710	143,889	1,931,882	450,710	0
2097	1,931,882	0	0	0	368,371	124,958	1,688,469	368,371	0
2098	1,688,469	0	6,273	0	297,499	110,374	1,507,618	297,499	0
2099	1,507,618	0	13,555	0	237,307	99,921	1,383,786	237,307	0
2100	1,383,786	0	20,791	0	186,887	93,196	1,310,886	186,887	0
2101	1,310,886	0	26,337	0	145,250	89,741	1,281,714	145,250	0

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
2102	$ 1,281,714	$ 0	$ 33,063	$ 0	$ 111,367	$ 89,179	$ 1,292,589	$ 111,367	$ 0
2103	1,292,589	0	40,013	0	84,210	91,250	1,339,642	84,210	0
2104	1,339,642	0	46,813	0	62,778	95,701	1,419,378	62,778	0
2105	1,419,378	0	38,342	0	46,134	101,781	1,513,367	46,134	0
2106	1,513,367	0	31,033	0	33,418	108,778	1,619,759	33,418	0
2107	1,619,759	0	24,581	0	23,864	116,576	1,737,053	23,864	0
2108	1,737,053	0	19,293	0	16,805	125,105	1,864,646	16,805	0
2109	1,864,646	0	15,030	0	11,678	134,338	2,002,336	11,678	0
2110	2,002,336	0	11,517	0	8,015	144,268	2,150,106	8,015	0
2111	2,150,106	0	8,926	0	5,441	154,915	2,308,506	5,441	0
2112	2,308,506	0	6,801	0	3,660	166,313	2,477,960	3,660	0
2113	2,477,960	0	5,057	0	2,446	178,498	2,659,069	2,446	0
2114	2,659,069	0	3,954	0	1,628	191,530	2,852,925	1,628	0
2115	2,852,925	0	4,088	0	1,083	205,514	3,061,444	1,083	0
2116	3,061,444	0	4,012	0	720	220,538	3,285,274	720	0
2117	3,285,274	0	3,479	0	480	236,644	3,524,917	480	0
2118	3,524,917	0	2,333	0	321	253,864	3,780,793	321	0
2119	3,780,793	0	425	0	215	272,224	4,053,226	215	0
2120	4,053,226	0	0	0	144	291,827	4,344,909	144	0
2121	4,344,909	0	0	0	96	312,830	4,657,643	96	0
2122	4,657,643	0	0	0	63	335,348	4,992,928	63	0
2123	4,992,928	0	0	0	41	359,489	5,352,376	41	0
2124	5,352,376	0	0	0	26	385,370	5,737,720	26	0
2125	5,737,720	0	0	0	16	413,115	6,150,818	16	0
2126	6,150,818	0	0	0	10	442,859	6,593,667	10	0

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
2127	$ 6,593,667	$ 0	$ 0	$ 0	$ 0	$ 474,744	$ 7,068,411	$ 0	$ 0
							Discount Rate:	7.20%	4.67%
							Present Value:	$ 53,107,756	$ 0
								Total Present Value:	**$ 53,107,756**
								GASB Discount Rate:	**7.20%**

APPENDIX E – GLOSSARY OF TERMS

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.

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.

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.

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.

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 individual's earnings between entry age and the 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.

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

Net Pension Liability

The liability of employers and non-employer 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.

Plan Fiduciary Net Position

The fair or Market Value of Assets.

Reporting Date

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

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.

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. This measurement is generally not appropriate for estimating the cost to settle the Plan's liabilities.

CHEIRON

Classic Values, Innovative Advice