

Educational Employees' Supplementary Retirement System of Fairfax County

Information Required Under Governmental
Accounting Standards Board Statement No. 67
and 68 as of June 30, 2025

August 2025



Gallagher

Insurance | Risk Management | Consulting

Pension Committee
Educational Employees' Supplementary Retirement System of Fairfax County
(ERFC)

We have prepared selected required accounting information for Governmental Accounting Standards Board (GASB) Statement No. 67 and No. 68 for the Educational Employees' Supplementary Retirement System of Fairfax County ("ERFC"). Information contained in this report is based on data from the Actuarial Valuation Report for ERFC for the valuation year December 31, 2024 and a Measurement Date of June 30, 2025. The actuarial assumptions and methods used in this report are the same used in the December 31, 2024 actuarial valuation of the System, except as noted herein. Please refer to the December 31, 2024 valuation report dated May 6, 2025 for detailed information regarding data, assumptions and methods used to prepare this report.

This report may be used for the review of the operation of the System as well as in preparation of audited financial statements of the System. Use of this report for any other purpose may not be appropriate and may result in mistaken conclusions due to failure to understand applicable assumptions, methodologies, or inapplicability of the report for that purpose. Because of the risk of misinterpretation of actuarial results, you should ask Gallagher to review any statement you wish to make on the results contained in this report. Gallagher will not accept any liability for any such statement made without prior review.

In preparing results shown in this report, we have relied upon information provided by ERFC's administrative staff regarding plan provisions, plan participants, and plan assets. Although we did not audit the data, we reviewed the data for reasonableness and consistency with the prior year's information. The accuracy of the results presented herein is dependent on the accuracy of the data.

We certify that the information contained in this report has been prepared in accordance with generally accepted actuarial principles and practices. To the best of our knowledge, the information fairly presents the actuarial position of the System in accordance with the requirements of GASB 67 and GASB 68 as of June 30, 2025.

Future actuarial measurements may differ significantly from current measurements due to plan experience differing from that anticipated by the economic and demographic assumptions, increases or decreases expected as part of the natural operation of the methodology used for these measurements, and changes in plan provisions or applicable law. An analysis of the potential range of such future differences is beyond the scope of this report.

Funded status measurements shown in this report are determined based on various measures of plan assets and liabilities. For entity and plan disclosure and reporting purposes, funded status is determined using plan assets measured at market value.

These funded status measurements may not be appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations, and funded status measurements for ERFC and plan disclosure and reporting purposes may not be appropriate for assessing the need for or the amount of future contributions.

The plan sponsor selected the assumptions used for the accounting results in this report. We believe that these assumptions are reasonable and comply with the Actuarial Standard of Practice ("ASOP") 27 and the requirements of GASB Statement No. 67. We prepared this report in accordance with the requirement of this standard.

ASOP 27 asks the actuary to disclose the information and analysis used to support the actuary's determination that the assumptions selected by the plan sponsor do not significantly conflict with what, in the actuary's professional judgment, are reasonable for the purpose of the measurement. In the case of the Board's selection

of the investment return assumption, we used GEMS® Economic Scenario Generator from Conning & Company to assess reasonableness of the investment return rate. GEMS® uses a multifactor model to create internally consistent, realistic economic scenarios (paths) that reflect the current economic environment as a starting point. Asset class correlations may vary from year to year (just as in the real world), as well as from path to path. The model generates results that are not normally distributed, with fatter tails, and should therefore estimate the probabilities of rare events more realistically than a pure mean-variance model. Based on the actuaries' analysis, including consistency with other assumptions used in the valuation, the percentiles generated by the GEMS® Economic Scenario Generator and review of actuarial gain/loss experience, the actuaries believe the assumptions, in the actuaries' professional judgment, are reasonable for the purpose of the measurement. In addition, in our professional judgment, the combined effect of the assumptions is expected to have no significant bias.

Actuarial Standard of Practice No. 56 provides guidance to actuaries performing actuarial services with respect to designing, developing, selecting, modifying, using, reviewing, or evaluating models. Gallagher uses third-party software to perform annual actuarial valuations and projections. The model is intended to calculate the liabilities associated with the System's provisions using data and assumptions as of the measurement date under the funding methods specified in this report. The output from the third-party vendor software is used as input to an internally developed model that applies applicable funding methods and policies to the derived liabilities and other inputs, such as plan assets and contributions, to generate many of the exhibits found in this report.

Gallagher maintains an extensive review process in which the results of the liability calculations are checked using detailed sample life output, changes from year to year are summarized by source, and significant deviations from expectations are investigated. Other funding outputs and the internal model are similarly reviewed in detail and at a higher level for accuracy, reasonability, and consistency with prior results. Gallagher also reviews the third-party model when significant changes are made to the software. This review is performed by experts within Gallagher who are familiar with applicable funding methods, as well as the manner in which the model generates its output. If significant changes are made to the internal model, extra checking and review are completed.

This report was prepared under the supervision of Kevin Spanier and Elizabeth Wiley who are members of the American Academy of Actuaries and have met the Academy's Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. This report has been prepared in accordance with all applicable Actuarial Standards of Practice.

Gallagher Benefit Services, Inc. (hereinafter "Gallagher")



Kevin Spanier, ASA, EA, MAAA, FCA
Principal, Public Sector Retirement Operations Leader



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Development of GASB 68 Net Pension Expense

Table 1: Net Pension Liability

The following table illustrates the Net Pension Liability under GASB 68.

Fiscal Year Ending	June 30, 2024	June 30, 2025
(1) Total Pension Liability	\$ 4,380,439,604	\$ 4,637,806,410
(2) Plan Fiduciary Net Position	<u>3,213,424,628</u>	<u>3,439,140,398</u>
(3) Net Pension Liability (Asset)	\$ 1,167,014,976	\$ 1,198,666,012
(4) Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	73.36%	74.15%
(5) Deferred Outflow of Resources for Contributions Made After Measurement Date	\$ 0	\$ 0

Table 2: Expense

The following table illustrates the pension expense under GASB 68.

Fiscal Year Ending	June 30, 2024	June 30, 2025
(1) Service Cost	\$ 102,289,996	\$ 107,817,361
(2) Interest Cost	293,865,503	306,314,247
(3) Expected Investment Return	(213,842,723)	(223,437,143)
(4) Employee Contributions	(56,450,447)	(59,011,733)
(5) Administrative Expense	5,685,425	6,542,969
(6) Changes of Benefit Terms	161,937,951	0
(7) Amortization of Unrecognized		
(a) Liability (Gain) / Loss	(17,603,968)	(6,484,000)
(b) Asset (Gain) / Loss	25,556,005	1,912,559
(c) Assumption Change (Gain) / Loss	<u>19,811,983</u>	<u>19,811,983</u>
(8) Total Expense	\$ 321,249,725	\$ 153,466,243

Table 3: Expense Calculation

Shown below are details regarding the calculation of Service and Interest Cost components of the Expense.

Fiscal Year Ending	June 30, 2024	June 30, 2025
(1) Development of Service Cost		
(a) Normal Cost at Beginning of Measurement Period	\$ 102,289,996	\$ 107,817,361
(2) Development of Interest Cost		
(a) Total Pension Liability at Beginning of Measurement Period	\$ 4,203,831,095	\$ 4,380,439,604
(b) Normal Cost at Beginning of Measurement Period	102,289,996	107,817,361
(c) Actual Benefit Payments	(216,084,948)	(224,678,293)
(d) Discount Rate, Beginning of Measurement Period	7.00%	7.00%
(e) Interest Cost [(a) + (b) + {(c) / 2} x (d)]	\$ 293,865,503	\$ 306,314,247
(3) Development of Expected Investment Return		
(a) Plan Fiduciary Net Position at Beginning of Measurement Period	\$ 3,076,733,102	\$ 3,213,424,628
(b) Prior Period Adjustment	0	0
(c) Actual Contributions - Employer	121,645,811	129,278,658
(d) Actual Contributions - Employee	56,450,447	59,011,733
(e) Actual Benefit Payments	(216,084,948)	(224,678,293)
(f) Administrative Expenses	(5,685,425)	(6,542,969)
(g) Other	0	0
(h) Expected Return on Assets, Beginning of Measurement Period	7.00%	7.00%
(i) Expected Return [(a) + (b) + {(c) + (d) + (e) + (f) / 2} x (h)]	\$ 213,842,723	\$ 223,437,143

Reconciliation of Net Pension Liability

Table 4: Reconciliation of Net Pension Liability

Shown below are details regarding the Total Pension Liability, Plan Fiduciary Net Position, and Net Pension Liability for the Measurement Period from June 30, 2024 to June 30, 2025.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c) = (a) - (b)
Balance Recognized at 06/30/2024 (Based on 06/30/2024 Measurement Date)	\$ 4,380,439,604	\$ 3,213,424,628	\$ 1,167,014,976
Changes Recognized for the Fiscal Year			
Service Cost	\$ 107,817,361	\$ 0	\$ 107,817,361
Interest on the Total Pension Liability	306,314,247	0	306,314,247
Changes of Benefit Terms	0	0	0
Differences Between Expected and Actual Experience	67,913,491	0	67,913,491
Changes of Assumptions	0	0	0
Benefit Payments	(224,678,293)	(224,678,293)	0
Contributions from the Employer	0	129,278,658	(129,278,658)
Contributions from the Employee	0	59,011,733	(59,011,733)
Net Investment Income	0	268,646,641	(268,646,641)
Administrative Expense	0	(6,542,969)	6,542,969
Net Changes	\$ 257,366,806	\$ 225,715,770	\$ 31,651,036
Balance Recognized at 06/30/2025 (Based on 06/30/2025 Measurement Date)	\$ 4,637,806,410	\$ 3,439,140,398	\$ 1,198,666,012

Liability (Gain) / Loss

Table 5: Liability (Gain) / Loss

The following table illustrates the liability gain / loss under GASB 68.

Fiscal Year Ending	June 30, 2024	June 30, 2025
(1) Pension Liability at Beginning of Measurement Period	\$ 4,203,831,095	\$ 4,380,439,604
(2) Service Cost	102,289,996	107,817,361
(3) Interest on the Total Pension Liability	293,865,503	306,314,247
(4) Changes of Benefit Terms	161,937,951	0
(5) Changes of Assumptions	0	0
(6) Benefit Payments	<u>(216,084,948)</u>	<u>(224,678,293)</u>
(7) Expected Pension Liability at End of Measurement Period	\$ 4,545,839,597	\$ 4,569,892,919
(8) Actual Pension Liability at End of Measurement Period	<u>4,380,439,604</u>	<u>4,637,806,410</u>
(9) Pension Liability (Gain) / Loss	\$ (165,399,993)	\$ 67,913,491
(10) Average Future Working Life Expectancy	<u>5.4060</u>	<u>5.1994</u>
(11) Total Pension Liability (Gain) / Loss Amortization [(9) / (10)]	\$ (30,595,633)	\$ 13,061,794
(12) Pension Assumption Change (Gain) / Loss Amortization [(5) / (10)]	<u>0</u>	<u>0</u>
(13) Pension Overall Liability (Gain) / Loss Amortization [(11) + (12)]	\$ (30,595,633)	\$ 13,061,794

Table 6: Liability (Gain) / Loss Impact on Expense

The following table details the allocation of the FY2025 liability gain / loss in the expense calculation under GASB 68.

Fiscal Year Ending	June 30, 2024	June 30, 2025
(1) Total Liability (Gain) / Loss	\$ (165,399,993)	\$ 67,913,491
(2) Recognized in Current Year Expense	<u>(30,595,633)</u>	<u>13,061,794</u>
(3) Amount Recognized in Future Years as Deferred Outflows [(1) - (2)]	\$ (134,804,360)	\$ 54,851,697

Table 7: Asset (Gain) / Loss

The following table illustrates the asset gain / loss under GASB 68.

Fiscal Year Ending	June 30, 2024	June 30, 2025
(1) Pension Asset at Beginning of Measurement Period	\$ 3,076,733,102	\$ 3,213,424,628
(2) Prior Period Adjustment	0	0
(3) Contributions - Employer	121,645,811	129,278,658
(4) Contributions - Employee	56,450,447	59,011,733
(5) Expected Investment Income	213,842,723	223,437,143
(6) Benefit Payments	(216,084,948)	(224,678,293)
(7) Administrative Expense	(5,685,425)	(6,542,969)
(8) Other	0	0
(9) Expected Pension Asset at End of Measurement Period	\$ 3,246,901,710	\$ 3,393,930,900
(10) Actual Pension Asset at End of Measurement Period	<u>3,213,424,628</u>	<u>3,439,140,398</u>
(11) Pension Asset (Gain) / Loss	\$ 33,477,082	\$ (45,209,498)
(12) Amortization Factor	<u>5.0000</u>	<u>5.0000</u>
(13) Pension Asset (Gain) / Loss Amortization	\$ 6,695,416	\$ (9,041,900)

Table 8: Asset (Gain) / Loss Impact on Expense

The following table details the allocation of the FY2025 asset gain / loss under GASB 68.

Fiscal Year Ending	June 30, 2024	June 30, 2025
(1) Total Asset (Gain) / Loss	\$ 33,477,082	\$ (45,209,498)
(2) Recognized in Current Year Expense	<u>6,695,416</u>	<u>(9,041,900)</u>
(3) Amount Recognized in Future Years as Deferred Outflows [(1) - (2)]	\$ 26,781,666	(36,167,598)

Deferred Outflows / Inflows

Table 9: Deferred Outflows / Inflows

The following table illustrates the deferred outflows and inflows as of June 30, 2025 under GASB 68.

	Deferred Outflows	Deferred Inflows
(1) Difference Between Actual and Expected Experience	\$ 75,630,679	\$ (107,155,211)
(2) Net Difference Between Expected and Actual Earnings on Pension Plan Investments	148,711,114	(36,167,598)
(3) Assumption Changes	42,154,006	(2,791,948)
(4) Sub Total	\$ 266,495,799	\$ (146,114,757)
(5) Contributions Made in Fiscal Year Ending 2024 After Measurement Date	0	0
(6) Total	\$ 266,495,799	\$ (146,114,757)

Table 10: Schedule of Differences Between Expected and Actual Experience

The following schedule illustrates the recognition in pension expense of differences between expected and actual experience as of June 30, 2025 under GASB 68.

Schedule of Differences Between Expected and Actual Experience														
Measurement Year	2025		2024		2023		2022		2021		2020		2019	
Amount Established	\$	67,913,491	\$	(165,399,993)	\$	33,027,559	\$	(5,133,211)	\$	29,758,913	\$	(12,696,483)	\$	27,726,555
Recognition Period		5.1994		5.4060		5.8149		5.8552		5.9594		6.6962		6.7688
Annual Recognition	\$	13,061,794	\$	(30,595,633)	\$	5,679,815	\$	(876,693)	\$	4,993,609	\$	(1,896,073)	\$	4,096,229
Amount Recognized														
Fiscal Year End														
2025	\$	13,061,794	\$	(30,595,633)	\$	5,679,815	\$	(876,693)	\$	4,993,609	\$	(1,896,073)	\$	3,149,181
2026		13,061,794		(30,595,633)		5,679,815		(876,693)		4,790,868		(1,320,045)		0
2027		13,061,794		(30,595,633)		5,679,815		(749,746)		0		0		0
2028		13,061,794		(30,595,633)		4,628,484		0		0		0		0
2029		13,061,794		(12,421,828)		0		0		0		0		0
2030		2,604,521		0		0		0		0		0		0
Deferred Balance														
Fiscal Year End														
2025	\$	54,851,697	\$	(104,208,727)	\$	15,988,114	\$	(1,626,439)	\$	4,790,868	\$	(1,320,045)	\$	0
2026		41,789,903		(73,613,094)		10,308,299		(749,746)		0		0		0
2027		28,728,109		(43,017,461)		4,628,484		0		0		0		0
2028		15,666,315		(12,421,828)		0		0		0		0		0
2029		2,604,521		0		0		0		0		0		0
2030		0		0		0		0		0		0		0

Table 11: Schedule of Changes in Assumptions

The following schedule illustrates the recognition in pension expense of changes in assumptions as of June 30, 2025 under GASB 68.

Schedule of Changes in Assumptions														
Measurement Year	2025		2024		2023		2022		2021		2020		2019	
Amount Established	\$	0	\$	0	\$	0	\$	133,042,334	\$	(17,342,443)	\$	0	\$	0
Recognition Period		5.1994		5.4060		5.8149		5.8552		5.9594		6.6962		6.7688
Annual Recognition	\$	0	\$	0	\$	0	\$	22,722,082	\$	(2,910,099)	\$	0	\$	0
Amount Recognized														
Fiscal Year End														
2025	\$	0	\$	0	\$	0	\$	22,722,082	\$	(2,910,099)	\$	0	\$	0
2026		0		0		0		22,722,082		(2,791,948)		0		0
2027		0		0		0		19,431,924		0		0		0
2028		0		0		0		0		0		0		0
2029		0		0		0		0		0		0		0
2030		0		0		0		0		0		0		0
Deferred Balance														
Fiscal Year End														
2025	\$	0	\$	0	\$	0	\$	42,154,006	\$	(2,791,948)	\$	0	\$	0
2026		0		0		0		19,431,924		0		0		0
2027		0		0		0		0		0		0		0
2028		0		0		0		0		0		0		0
2029		0		0		0		0		0		0		0
2030		0		0		0		0		0		0		0

Table 12: Schedule of Differences Between Projected and Actual Earnings

The following schedule illustrates the recognition in pension expense of differences between projected and actual earnings on pension plan investments as of June 30, 2025 under GASB 68.

Schedule of Differences Between Projected and Actual Earnings								
Measurement Year	2025	2024	2023	2022	2021	2020	2019	
Amount Established	\$ (45,209,498)	\$ 33,477,082	\$ 87,589,257	\$ 467,945,800	\$ (534,239,840)	\$ 73,007,730	\$ 58,084,778	
Recognition Period	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	
Annual Recognition	\$ (9,041,900)	\$ 6,695,416	\$ 17,517,851	\$ 93,589,160	\$ (106,847,968)	\$ 14,601,546	\$ 11,616,956	
Amount Recognized								
Fiscal Year End								
2025	\$ (9,041,900)	\$ 6,695,416	\$ 17,517,851	\$ 93,589,160	\$ (106,847,968)	\$ 0	\$ 0	
2026	(9,041,900)	6,695,416	17,517,851	93,589,160	0	0	0	
2027	(9,041,900)	6,695,416	17,517,853	0	0	0	0	
2028	(9,041,900)	6,695,418	0	0	0	0	0	
2029	(9,041,898)	0	0	0	0	0	0	
2030	0	0	0	0	0	0	0	
Deferred Balance								
Fiscal Year End								
2025	\$ (36,167,598)	\$ 20,086,250	\$ 35,035,704	\$ 93,589,160	\$ 0	\$ 0	\$ 0	
2026	(27,125,698)	13,390,834	17,517,853	0	0	0	0	
2027	(18,083,798)	6,695,418	0	0	0	0	0	
2028	(9,041,898)	0	0	0	0	0	0	
2029	0	0	0	0	0	0	0	
2030	0	0	0	0	0	0	0	

Table 13: Schedule of Deferred Inflows / Outflows

Amounts recognized in the deferred inflows of resources and deferred outflows of resources related to pensions will be recognized in the pension expense as follows:

Reporting Year Fiscal Year End	Amount Recognized
2026	\$ 119,430,767
2027	21,999,523
2028	(15,251,837)
2029	(8,401,932)
2030	2,604,521
Total thereafter	0

Table 14: Interest Rate Sensitivity

The following table illustrates the impact of interest rate sensitivity on the net pension liability for fiscal year ending June 30, 2025.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
	1% Decrease	Current	1% Increase
Discount Rate	6.00%	7.00%	8.00%
Total Pension Liability	\$ 5,307,716,070	\$ 4,637,806,410	\$ 4,093,894,309
Plan Fiduciary Net Position	3,439,140,398	3,439,140,398	3,439,140,398
Net Pension Liability	\$ 1,868,575,672	\$ 1,198,666,012	\$ 654,753,911

Table 15: Participant Data

The actuarial valuation was based on personnel information from ERFC records as of December 31, 2024. Following are some of the pertinent characteristics from the personnel data as of that date. Prior year characteristics are also provided for comparison purposes. Both age and service have been determined using years and months as of the valuation date.

	December 31, 2023	December 31, 2024
Active Participants	23,093	23,381
Active Participants in the DROP Program	0	235
Inactives with Deferred Benefits	7,588	8,819
Inactives Receiving Payment	14,098	14,427
Total Participants	44,779	46,862

Statement of Fiduciary Net Position

Table 16: Statement of Fiduciary Net Position

Fiscal Year Ending	June 30, 2024	June 30, 2025
Assets		
Cash Equivalents	\$ 258,157,985	\$ 204,921,601
Receivables		
Contributions	\$ 0	\$ 0
Investment Income	2,426,596	2,336,901
Accounts Receivable - Sale of Investments	57,988,110	18,642,817
Other Receivables	47,004	13,518
Total Receivables	\$ 60,461,710	\$ 20,993,236
Investments		
Equities	\$ 242,393,289	\$ 191,503,176
Bonds and Mortgage Backed Securities	557,591,511	650,320,055
U.S. Government Obligations	176,910,401	260,967,495
Preferred Securities	0	0
Real Estate	272,834,792	291,587,674
Global Asset Allocation	0	0
Better Beta	0	0
Multi Asset Class Solutions (MACS)	128,865,750	69,848,848
Hedge Funds	263,926,035	285,582,462
Private Equity	337,958,279	347,488,368
Private Debt	86,546,300	106,358,603
Infrastructure	66,051,827	78,724,684
Natural Resources	23,445,055	58,921,801
Commingled Fixed Income Funds	163,116,095	73,972,062
Commingled Equity Funds	808,479,325	941,457,139
Total Investments	\$ 3,128,118,659	\$ 3,356,732,367
Prepaid Expenses	0	0
Other	2,357,728	2,141,753
Total Assets	\$ 3,449,096,082	\$ 3,584,788,957
Liabilities		
Payables		
Accounts Payable & Securities Purchased	\$ 82,691,016	\$ 23,751,267
Securities Lending Collateral	150,091,528	119,201,065
Other	2,888,910	2,696,227
Total Liabilities	\$ 235,671,454	\$ 145,648,559
Net Position Restricted for Pensions	\$ 3,213,424,628	\$ 3,439,140,398

Table 17: Statement of Change in Fiduciary Net Position

Fiscal Year Ending	June 30, 2024	June 30, 2025
Additions		
Contributions		
Employer	\$ 121,645,811	\$ 129,278,658
Employee	56,450,447	59,011,733
Total Contributions	\$ 178,096,258	\$ 188,290,391
Investment Income		
Net Increase in Fair Value of Investments	\$ 146,964,353	\$ 228,319,435
Interest and Dividends	39,825,878	47,152,402
Real Estate	0	0
Less Investment Expense	<u>(6,997,293)</u>	<u>(7,275,103)</u>
Net Investment Income	\$ 179,792,938	\$ 268,196,734
Other	<u>572,703</u>	<u>449,907</u>
Total Additions	\$ 358,461,899	\$ 456,937,032
Deductions		
Benefit Payments / Refunds	\$ 216,084,948	\$ 224,678,293
Administrative Expenses	5,459,646	6,326,994
Depreciation Expense	225,779	215,975
Other	<u>0</u>	<u>0</u>
Total Deductions	\$ 221,770,373	\$ 231,221,262
Net Increase in Net Position	\$ 136,691,526	\$ 225,715,770
Net Position Restricted for Pensions		
Beginning of Year	\$ 3,076,733,102	\$ 3,213,424,628
End of Year	\$ 3,213,424,628	\$ 3,439,140,398

Plan Fiduciary Net Position Projection

Table 18: Projection of Contributions¹

Fiscal Year	Payroll for Current Employees	Contributions from Current Employees ²	Service Cost and Expense Contributions	UAL Contributions	Total Contributions
2026	\$ 2,006,207,511	\$ 59,759,884	\$ 53,164,499	\$ 115,288,924	\$ 228,213,307
2027	1,922,766,559	57,682,997	50,953,314	120,408,534	229,044,845
2028	1,855,635,391	55,669,062	49,174,338	125,287,541	230,130,941
2029	1,798,992,097	53,969,763	47,673,291	129,757,061	231,400,114
2030	1,734,385,457	52,031,564	45,961,215	136,205,617	234,198,395
2031	1,661,033,455	49,831,004	44,017,387	140,448,708	234,297,098
2032	1,593,789,200	47,813,676	42,235,414	144,867,752	234,916,842
2033	1,530,882,383	45,926,472	40,568,383	149,506,062	236,000,917
2034	1,473,931,204	44,217,936	39,059,177	154,122,811	237,399,924
2035	1,421,414,014	42,642,420	37,667,471	158,943,789	239,253,681
2036	1,369,752,788	41,092,584	36,298,449	163,866,070	241,257,103
2037	1,317,222,674	39,516,680	34,906,401	169,014,687	243,437,768
2038	1,263,878,018	37,916,341	33,492,767	66,340,678	137,749,786
2039	1,211,261,656	36,337,850	32,098,434	68,891,204	137,327,488
2040	1,159,894,822	34,796,845	30,737,213	67,056,864	132,590,921
2041	1,110,924,155	33,327,725	29,439,490	61,391,644	124,158,859
2042	1,061,757,086	31,852,713	28,136,563	50,154,014	110,143,289
2043	1,007,291,698	30,218,751	26,693,230	54,630,556	111,542,537
2044	946,992,919	28,409,788	25,095,312	41,552,557	95,057,657
2045	882,296,524	26,468,896	23,380,858	29,955,388	79,805,142
2046	815,175,164	24,455,255	21,602,142	8,770,123	54,827,520
2047	747,393,445	22,421,803	19,805,926	6,495,665	48,723,395
2048	678,999,390	20,369,982	17,993,484	3,828,959	42,192,425
2049	612,255,437	18,367,663	16,224,769	0	34,592,432
2050	550,377,726	16,511,332	14,585,010	0	31,096,341
2051	492,602,852	14,778,086	13,053,976	0	27,832,061
2052	435,049,653	13,051,490	11,528,816	0	24,580,305
2053	375,937,272	11,278,118	9,962,338	0	21,240,456
2054	317,501,522	9,525,046	8,413,790	0	17,938,836
2055	262,338,360	7,870,151	6,951,967	0	14,822,117
2056	210,588,554	6,317,657	5,580,597	0	11,898,253
2057	162,138,277	4,864,148	4,296,664	0	9,160,813
2058	118,840,276	3,565,208	3,149,267	0	6,714,476
2059	83,565,709	2,506,971	2,214,491	0	4,721,463
2060	56,888,517	1,706,656	1,507,546	0	3,214,201
2061	37,852,525	1,135,576	1,003,092	0	2,138,668
2062	25,134,269	754,028	666,058	0	1,420,086
2063	16,653,023	499,591	441,305	0	940,896
2064	11,009,704	330,291	291,757	0	622,048
2065	7,273,704	218,211	192,753	0	410,964
2066	4,797,777	143,933	127,141	0	271,074
2067	3,152,999	94,590	83,554	0	178,144
2068	2,061,469	61,844	54,629	0	116,473
2069	1,338,941	40,168	35,482	0	75,650
2070	863,514	25,905	22,883	0	48,789
2071	551,130	16,534	14,605	0	31,139
2072	344,445	10,333	9,128	0	19,461
2073	209,280	6,278	5,546	0	11,824
2074	122,358	3,671	3,242	0	6,913
2075	67,225	2,017	1,781	0	3,798

¹ The projections in this report are strictly for the purposes of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

² Members who have entered the DROP program do not continue their employee contributions while part of the DROP program, which is reflected in the calculations shown above.

Table 18: Projection of Contributions¹ (continued)

Fiscal Year	Payroll for Current Employees	Contributions from Current Employees ²	Service Cost and Expense Contributions	UAL Contributions	Total Contributions
2076	\$ 34,022	\$ 1,021	\$ 902	\$ 0	1,922
2077	15,056	452	399	0	851
2078	5,052	152	134	0	285
2079	1,317	40	35	0	74
2080	473	14	13	0	27
2081	169	5	4	0	10
2082	45	1	1	0	3
2083	6	0	0	0	0
2084	0	0	0	0	0

¹ The projections in this report are strictly for the purposes of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

² Members who have entered the DROP program do not continue their employee contributions while part of the DROP program, which is reflected in the calculations shown above.

Table 19: Projection of Plan Fiduciary Net Position Ending June 30, 2025¹

Fiscal Year	Beginning Plan Net Position	Total Contributions	Benefit Payments	Administrative Expenses	Investment Return 7.00%	Ending Plan Net Position
2026	\$ 3,439,140,398	\$ 228,213,307	\$ 244,334,749	\$ 5,416,760	\$ 239,998,741	\$ 3,657,600,936
2027	3,657,600,936	229,044,845	243,337,131	5,191,470	255,361,667	3,893,478,847
2028	3,893,478,847	230,130,941	247,969,775	5,010,216	271,757,328	4,142,387,125
2029	4,142,387,125	231,400,114	263,712,025	4,857,279	288,688,180	4,393,906,116
2030	4,393,906,116	234,198,395	315,256,164	4,682,841	304,623,262	4,612,788,768
2031	4,612,788,768	234,297,098	345,990,642	4,484,790	318,897,745	4,815,508,179
2032	4,815,508,179	234,916,842	339,729,172	4,303,231	333,331,120	5,039,723,738
2033	5,039,723,738	236,000,917	338,504,742	4,133,382	349,111,484	5,282,198,014
2034	5,282,198,014	237,399,924	340,274,528	3,979,614	366,077,217	5,541,421,012
2035	5,541,421,012	239,253,681	347,466,573	3,837,818	384,044,025	5,813,414,327
2036	5,813,414,327	241,257,103	356,568,420	3,698,333	402,844,113	6,097,248,790
2037	6,097,248,790	243,437,768	363,868,936	3,556,501	422,541,242	6,395,802,363
2038	6,395,802,363	137,749,786	368,122,329	3,412,471	439,662,080	6,601,679,429
2039	6,601,679,429	137,327,488	372,280,299	3,270,406	453,920,765	6,817,376,976
2040	6,817,376,976	132,590,921	376,084,280	3,131,716	468,730,502	7,039,482,404
2041	7,039,482,404	124,158,859	383,195,698	2,999,495	483,747,611	7,261,193,680
2042	7,261,193,680	110,143,289	394,166,931	2,866,744	498,412,221	7,472,715,515
2043	7,472,715,515	111,542,537	407,131,104	2,719,688	512,825,883	7,687,233,143
2044	7,687,233,143	95,057,657	422,229,683	2,556,881	526,760,993	7,884,265,229
2045	7,884,265,229	79,805,142	439,481,850	2,382,201	539,440,828	8,061,647,148
2046	8,061,647,148	54,827,520	458,070,258	2,200,973	550,364,775	8,206,568,212
2047	8,206,568,212	48,723,395	478,330,320	2,017,962	559,608,407	8,334,551,732
2048	8,334,551,732	42,192,425	499,370,436	1,833,298	567,624,940	8,443,165,363
2049	8,443,165,363	34,592,432	519,516,572	1,653,090	574,279,405	8,530,867,538
2050	8,530,867,538	31,096,341	538,331,369	1,486,020	579,656,632	8,601,803,122
2051	8,601,803,122	27,832,061	556,562,404	1,330,028	583,887,878	8,655,630,629
2052	8,655,630,629	24,580,305	575,045,649	1,174,634	586,913,292	8,690,903,943
2053	8,690,903,943	21,240,456	593,190,851	1,015,031	588,648,657	8,706,587,174
2054	8,706,587,174	17,938,836	609,961,574	857,254	589,061,262	8,702,768,444
2055	8,702,768,444	14,822,117	624,931,104	708,314	588,176,763	8,680,127,907
2056	8,680,127,907	11,898,253	638,333,644	568,589	586,034,974	8,639,158,901
2057	8,639,158,901	9,160,813	649,989,434	437,773	582,676,401	8,580,568,907
2058	8,580,568,907	6,714,476	658,602,522	320,869	578,198,591	8,506,558,583
2059	8,506,558,583	4,721,463	664,047,744	225,627	572,765,211	8,419,771,885
2060	8,419,771,885	3,214,201	666,774,970	153,599	566,546,919	8,322,604,436
2061	8,322,604,436	2,138,668	666,648,944	102,202	559,714,295	8,217,706,253
2062	8,217,706,253	1,420,086	663,979,709	67,863	552,439,723	8,107,518,490
2063	8,107,518,490	940,896	659,146,740	44,963	544,877,172	7,994,144,854
2064	7,994,144,854	622,048	652,360,108	29,726	537,164,085	7,879,541,153
2065	7,879,541,153	410,964	643,762,092	19,639	529,430,752	7,765,601,138
2066	7,765,601,138	271,074	633,456,992	12,954	521,804,945	7,654,207,212
2067	7,654,207,212	178,144	621,518,810	8,513	514,415,095	7,547,273,129
2068	7,547,273,129	116,473	608,004,476	5,566	507,392,691	7,446,772,251
2069	7,446,772,251	75,650	592,968,445	3,615	500,873,652	7,354,749,493
2070	7,354,749,493	48,789	576,450,923	2,331	494,999,514	7,273,344,541
2071	7,273,344,541	31,139	558,491,968	1,488	489,918,522	7,204,800,746
2072	7,204,800,746	19,461	539,139,539	930	485,785,953	7,151,465,691
2073	7,151,465,691	11,824	518,459,046	565	482,763,824	7,115,781,728
2074	7,115,781,728	6,913	496,538,129	330	481,020,042	7,100,270,224
2075	7,100,270,224	3,798	473,490,114	182	480,727,172	7,107,510,898

¹ The projections in this report are strictly for the purposes of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Table 19: Projection of Plan Fiduciary Net Position Ending June 30, 2025¹ (continued)

Fiscal Year	Beginning Plan Net Position	Total Contributions	Benefit Payments	Administrative Expenses	Investment Return 7.00%	Ending Plan Net Position
2076	\$ 7,107,510,898	\$ 1,922	\$ 449,457,297	\$ 92	\$ 482,060,880	\$ 7,140,116,311
2077	7,140,116,311	851	424,608,030	41	485,198,238	7,200,707,329
2078	7,200,707,329	285	399,133,276	14	490,316,127	7,291,890,452
2079	7,291,890,452	74	373,242,253	4	497,589,799	7,416,238,069
2080	7,416,238,069	27	347,154,335	1	507,191,765	7,576,275,524
2081	7,576,275,524	10	321,092,268	0	519,291,130	7,774,474,396
2082	7,774,474,396	3	295,276,079	0	534,053,336	8,013,251,655
2083	8,013,251,655	0	269,917,776	0	551,640,273	8,294,974,152
2084	8,294,974,152	0	245,217,843	0	572,210,725	8,621,967,034
2085	8,621,967,034	0	221,360,715	0	595,921,103	8,996,527,422
2086	8,996,527,422	0	198,510,744	0	622,926,554	9,420,943,232
2087	9,420,943,232	0	176,808,721	0	653,382,385	9,897,516,896
2088	9,897,516,896	0	156,368,225	0	687,445,858	10,428,594,529
2089	10,428,594,529	0	137,273,971	0	725,278,289	11,016,598,847
2090	11,016,598,847	0	119,582,499	0	767,047,320	11,664,063,668
2091	11,664,063,668	0	103,323,510	0	812,929,297	12,373,669,455
2092	12,373,669,455	0	88,503,084	0	863,111,644	13,148,278,015
2093	13,148,278,015	0	75,108,241	0	917,795,134	13,990,964,908
2094	13,990,964,908	0	63,109,719	0	977,196,062	14,905,051,251
2095	14,905,051,251	0	52,464,658	0	1,041,548,381	15,894,134,974
2096	15,894,134,974	0	43,118,552	0	1,111,105,823	16,962,122,245
2097	16,962,122,245	0	35,005,587	0	1,186,144,083	18,113,260,741
2098	18,113,260,741	0	28,049,652	0	1,266,963,119	19,352,174,208
2099	19,352,174,208	0	22,165,112	0	1,353,889,536	20,683,898,632
2100	20,683,898,632	0	17,257,766	0	1,447,279,098	22,113,919,964
2101	22,113,919,964	0	13,227,723	0	1,547,519,258	23,648,211,499
2102	23,648,211,499	0	9,972,524	0	1,655,031,670	25,293,270,645
2103	25,293,270,645	0	7,389,688	0	1,770,274,680	27,056,155,637
2104	27,056,155,637	0	5,379,171	0	1,893,745,808	28,944,522,274
2105	28,944,522,274	0	3,845,800	0	2,025,984,233	30,966,660,707
2106	30,966,660,707	0	2,701,479	0	2,167,573,296	33,131,532,524
2107	33,131,532,524	0	1,866,899	0	2,319,143,041	35,448,808,666
2108	35,448,808,666	0	1,272,697	0	2,481,372,815	37,928,908,784
2109	37,928,908,784	0	860,040	0	2,654,994,022	40,583,042,766
2110	40,583,042,766	0	580,583	0	2,840,793,017	43,423,255,200
2111	43,423,255,200	0	395,928	0	3,039,614,241	46,462,473,513
2112	46,462,473,513	0	276,600	0	3,252,363,628	49,714,560,541
2113	49,714,560,541	0	200,730	0	3,480,012,331	53,194,372,142
2114	53,194,372,142	0	152,705	0	3,723,600,795	56,917,820,232
2115	56,917,820,232	0	121,810	0	3,984,243,225	60,901,941,647
2116	60,901,941,647	0	100,952	0	4,263,132,442	65,164,973,137
2117	65,164,973,137	0	85,698	0	4,561,545,170	69,726,432,609
2118	69,726,432,609	0	73,475	0	4,880,847,755	74,607,206,889
2119	74,607,206,889	0	62,903	0	5,222,502,318	79,829,646,304
2120	79,829,646,304	0	53,390	0	5,588,073,405	85,417,666,319
2121	85,417,666,319	0	44,716	0	5,979,235,104	91,396,856,707
2122	91,396,856,707	0	36,808	0	6,397,778,703	97,794,598,602
2123	97,794,598,602	0	29,696	0	6,845,620,880	104,640,189,786
2124	104,640,189,786	0	23,433	0	7,324,812,479	111,964,978,832
2125	111,964,978,832	0	18,045	0	7,837,547,897	119,802,508,684

¹ The projections in this report are strictly for the purposes of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Table 20: Present Value of Projected Benefits Ending June 30, 2025¹

Fiscal Year	Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of		
					Funded Benefits Using EROA 7.00%	Unfunded Benefits Using Municipal Rate 5.20%	Benefits Using Single Rate at 7.00%
2026	\$ 3,439,140,398	\$ 244,334,749	\$ 244,334,749	\$ 0	\$ 236,207,317	\$ 0	\$ 236,207,317
2027	3,657,600,936	243,337,131	243,337,131	0	219,853,163	0	219,853,163
2028	3,893,478,847	247,969,775	247,969,775	0	209,381,981	0	209,381,981
2029	4,142,387,125	263,712,025	263,712,025	0	208,107,011	0	208,107,011
2030	4,393,906,116	315,256,164	315,256,164	0	232,507,297	0	232,507,297
2031	4,612,788,768	345,990,642	345,990,642	0	238,480,885	0	238,480,885
2032	4,815,508,179	339,729,172	339,729,172	0	218,845,835	0	218,845,835
2033	5,039,723,738	338,504,742	338,504,742	0	203,791,668	0	203,791,668
2034	5,282,198,014	340,274,528	340,274,528	0	191,455,272	0	191,455,272
2035	5,541,421,012	347,466,573	347,466,573	0	182,712,030	0	182,712,030
2036	5,813,414,327	356,568,420	356,568,420	0	175,231,917	0	175,231,917
2037	6,097,248,790	363,868,936	363,868,936	0	167,121,197	0	167,121,197
2038	6,395,802,363	368,122,329	368,122,329	0	158,013,772	0	158,013,772
2039	6,601,679,429	372,280,299	372,280,299	0	149,344,439	0	149,344,439
2040	6,817,376,976	376,084,280	376,084,280	0	141,000,419	0	141,000,419
2041	7,039,482,404	383,195,698	383,195,698	0	134,267,861	0	134,267,861
2042	7,261,193,680	394,166,931	394,166,931	0	129,076,700	0	129,076,700
2043	7,472,715,515	407,131,104	407,131,104	0	124,600,038	0	124,600,038
2044	7,687,233,143	422,229,683	422,229,683	0	120,767,166	0	120,767,166
2045	7,884,265,229	439,481,850	439,481,850	0	117,478,199	0	117,478,199
2046	8,061,647,148	458,070,258	458,070,258	0	114,436,522	0	114,436,522
2047	8,206,568,212	478,330,320	478,330,320	0	111,680,330	0	111,680,330
2048	8,334,551,732	499,370,436	499,370,436	0	108,965,202	0	108,965,202
2049	8,443,165,363	519,516,572	519,516,572	0	105,945,040	0	105,945,040
2050	8,530,867,538	538,331,369	538,331,369	0	102,599,946	0	102,599,946
2051	8,601,803,122	556,562,404	556,562,404	0	99,135,120	0	99,135,120
2052	8,655,630,629	575,045,649	575,045,649	0	95,726,507	0	95,726,507
2053	8,690,903,943	593,190,851	593,190,851	0	92,287,006	0	92,287,006
2054	8,706,587,174	609,961,574	609,961,574	0	88,687,990	0	88,687,990
2055	8,702,768,444	624,931,104	624,931,104	0	84,920,140	0	84,920,140
2056	8,680,127,907	638,333,644	638,333,644	0	81,066,704	0	81,066,704
2057	8,639,158,901	649,989,434	649,989,434	0	77,146,690	0	77,146,690
2058	8,580,568,907	658,602,522	658,602,522	0	73,055,113	0	73,055,113
2059	8,506,558,583	664,047,744	664,047,744	0	68,840,300	0	68,840,300
2060	8,419,771,885	666,774,970	666,774,970	0	64,600,958	0	64,600,958
2061	8,322,604,436	666,648,944	666,648,944	0	60,363,316	0	60,363,316
2062	8,217,706,253	663,979,709	663,979,709	0	56,188,433	0	56,188,433
2063	8,107,518,490	659,146,740	659,146,740	0	52,130,327	0	52,130,327
2064	7,994,144,854	652,360,108	652,360,108	0	48,218,307	0	48,218,307
2065	7,879,541,153	643,762,092	643,762,092	0	44,469,903	0	44,469,903
2066	7,765,601,138	633,456,992	633,456,992	0	40,895,370	0	40,895,370
2067	7,654,207,212	621,518,810	621,518,810	0	37,499,675	0	37,499,675
2068	7,547,273,129	608,004,476	608,004,476	0	34,284,374	0	34,284,374
2069	7,446,772,251	592,968,445	592,968,445	0	31,249,081	0	31,249,081
2070	7,354,749,493	576,450,923	576,450,923	0	28,391,232	0	28,391,232
2071	7,273,344,541	558,491,968	558,491,968	0	25,707,216	0	25,707,216
2072	7,204,800,746	539,139,539	539,139,539	0	23,192,925	0	23,192,925
2073	7,151,465,691	518,459,046	518,459,046	0	20,844,190	0	20,844,190
2074	7,115,781,728	496,538,129	496,538,129	0	18,656,896	0	18,656,896
2075	7,100,270,224	473,490,114	473,490,114	0	16,627,001	0	16,627,001

¹ The projections in this report are strictly for the purposes of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Table 20: Present Value of Projected Benefits Ending June 30, 2025¹ (continued)

Calendar Year	Beginning Fiduciary Position	Benefit Payments	Funded Benefit Payments	Unfunded Benefit Payments	Present Value of Benefit Payments		
					Funded Payments at 7.00%	Unfunded Payments at 5.20%	Using Single Discount Rate of 7.00%
2076	\$ 7,107,510,898	\$ 449,457,297	\$ 449,457,297	\$ 0	\$ 14,750,531	\$ 0	\$ 14,750,531
2077	7,140,116,311	424,608,030	424,608,030	0	13,023,378	0	13,023,378
2078	7,200,707,329	399,133,276	399,133,276	0	11,441,148	0	11,441,148
2079	7,291,890,452	373,242,253	373,242,253	0	9,999,049	0	9,999,049
2080	7,416,238,069	347,154,335	347,154,335	0	8,691,740	0	8,691,740
2081	7,576,275,524	321,092,268	321,092,268	0	7,513,291	0	7,513,291
2082	7,774,474,396	295,276,079	295,276,079	0	6,457,209	0	6,457,209
2083	8,013,251,655	269,917,776	269,917,776	0	5,516,508	0	5,516,508
2084	8,294,974,152	245,217,843	245,217,843	0	4,683,829	0	4,683,829
2085	8,621,967,034	221,360,715	221,360,715	0	3,951,534	0	3,951,534
2086	8,996,527,422	198,510,744	198,510,744	0	3,311,810	0	3,311,810
2087	9,420,943,232	176,808,721	176,808,721	0	2,756,775	0	2,756,775
2088	9,897,516,896	156,368,225	156,368,225	0	2,278,570	0	2,278,570
2089	10,428,594,529	137,273,971	137,273,971	0	1,869,469	0	1,869,469
2090	11,016,598,847	119,582,499	119,582,499	0	1,521,998	0	1,521,998
2091	11,664,063,668	103,323,510	103,323,510	0	1,229,028	0	1,229,028
2092	12,373,669,455	88,503,084	88,503,084	0	983,869	0	983,869
2093	13,148,278,015	75,108,241	75,108,241	0	780,338	0	780,338
2094	13,990,964,908	63,109,719	63,109,719	0	612,784	0	612,784
2095	14,905,051,251	52,464,658	52,464,658	0	476,096	0	476,096
2096	15,894,134,974	43,118,552	43,118,552	0	365,686	0	365,686
2097	16,962,122,245	35,005,587	35,005,587	0	277,458	0	277,458
2098	18,113,260,741	28,049,652	28,049,652	0	207,780	0	207,780
2099	19,352,174,208	22,165,112	22,165,112	0	153,448	0	153,448
2100	20,683,898,632	17,257,766	17,257,766	0	111,659	0	111,659
2101	22,113,919,964	13,227,723	13,227,723	0	79,985	0	79,985
2102	23,648,211,499	9,972,524	9,972,524	0	56,357	0	56,357
2103	25,293,270,645	7,389,688	7,389,688	0	39,029	0	39,029
2104	27,056,155,637	5,379,171	5,379,171	0	26,551	0	26,551
2105	28,944,522,274	3,845,800	3,845,800	0	17,741	0	17,741
2106	30,966,660,707	2,701,479	2,701,479	0	11,647	0	11,647
2107	33,131,532,524	1,866,899	1,866,899	0	7,522	0	7,522
2108	35,448,808,666	1,272,697	1,272,697	0	4,793	0	4,793
2109	37,928,908,784	860,040	860,040	0	3,027	0	3,027
2110	40,583,042,766	580,583	580,583	0	1,910	0	1,910
2111	43,423,255,200	395,928	395,928	0	1,217	0	1,217
2112	46,462,473,513	276,600	276,600	0	795	0	795
2113	49,714,560,541	200,730	200,730	0	539	0	539
2114	53,194,372,142	152,705	152,705	0	383	0	383
2115	56,917,820,232	121,810	121,810	0	286	0	286
2116	60,901,941,647	100,952	100,952	0	221	0	221
2117	65,164,973,137	85,698	85,698	0	176	0	176
2118	69,726,432,609	73,475	73,475	0	141	0	141
2119	74,607,206,889	62,903	62,903	0	113	0	113
2120	79,829,646,304	53,390	53,390	0	89	0	89
2121	85,417,666,319	44,716	44,716	0	70	0	70
2122	91,396,856,707	36,808	36,808	0	54	0	54
2123	97,794,598,602	29,696	29,696	0	41	0	41
2124	104,640,189,786	23,433	23,433	0	30	0	30
2125	111,964,978,832	18,045	18,045	0	22	0	22

¹ The projections in this report are strictly for the purposes of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Table 21: Disclosure – Changes in the Net Pension Liability and Related Ratios¹

Fiscal Year Ending	2023	2024	2025
Total Pension Liability			
Service Cost	\$ 97,264,457	\$ 102,289,996	\$ 107,817,361
Interest Cost	279,596,095	293,865,503	306,314,247
Changes of Benefit Terms	0	161,937,951	0
Differences Between Expected and Actual Experiences	33,027,559	(165,399,993)	67,913,491
Changes of Assumptions	0	0	0
Benefit Payments	(206,044,965)	(216,084,948)	(224,678,293)
Net Change in Total Pension Liability	\$ 203,843,146	\$ 176,608,509	\$ 257,366,806
Total Pension Liability (Beginning)	3,999,987,949	4,203,831,095	4,380,439,604
Total Pension Liability (Ending)	\$ 4,203,831,095	\$ 4,380,439,604	\$ 4,637,806,410
Plan Fiduciary Net Position			
Contributions - Employer	\$ 117,155,967	\$ 121,645,811	\$ 129,278,658
Contributions - Member	52,542,598	56,450,447	59,011,733
Net Investment Income	120,795,408	180,365,641	268,646,641
Benefit Payments	(206,044,965)	(216,084,948)	(224,678,293)
Administrative Expense	(5,625,786)	(5,685,425)	(6,542,969)
Other	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 78,823,222	\$ 136,691,526	\$ 225,715,770
Plan Fiduciary Net Position (Beginning)	2,997,909,880	3,076,733,102	3,213,424,628
Prior Period Adjustment	0	0	0
Plan Fiduciary Net Position (Ending)	\$ 3,076,733,102	\$ 3,213,424,628	\$ 3,439,140,398
Net Pension Liability (Ending)	\$ 1,127,097,993	\$ 1,167,014,976	\$ 1,198,666,012
Net Position as a Percentage of Total Pension Liability	73.19%	73.36%	74.15%
Covered Payroll	\$ 1,748,596,522	\$ 1,877,250,170	\$ 1,995,041,019
Net Pension Liability as a Percentage of Payroll	64.46%	62.17%	60.08%

¹ GASB 68 was effective the year beginning in 2014 and requires plan sponsors to report changes in Net Pension Liability for a rolling 10-year period.

² Covered payroll for FYE June 30, 2025 has been set equal to the amount implied by the employer contributions. According to GASB Statement Nos. 67 and 68, as amended by GASB Statement No. 82, this should be payroll on which contributions are based for the measurement period. Therefore, this number may need to be updated for inclusion in financial statements.

Table 22: Disclosure – Contribution Schedule

Fiscal Year Ending	2023	2024	2025
Actuarially Determined Contribution (ADC)	\$ 117,155,967	\$ 121,645,811	\$ 129,278,658
Contributions Made in Relation to the ADC	117,155,967	121,645,811	129,278,658
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,748,596,522	\$ 1,877,250,170	\$ 1,995,041,019
Contributions as a Percentage of Payroll	6.70%	6.48%	6.48%

Notes to Schedule

Valuation Date: Actuarial valuations performed as of odd numbered years typically determine the contribution rate for the two-year period beginning 18 months after the valuation date. The December 31, 2023 valuation was used to determine the funding policy contribution rates for fiscal year ending 2025. Each actuarial valuation determines an ADEC for the period beginning 18 months after the valuation date.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Contribution Method	Layered 20-year amortization method
Asset Valuation Method	5-Year smoother market; 25% corridor
IRS Limit Increases	2.50%
Salary Increases	2.75% to 7.25% including inflation
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	<p>Non-disabled (Healthy)</p> <p>The mortality table used to measure retired life mortality was 102% of the male rates and 99% of the female rates of the PUB-2010 Teachers mortality table projected generationally using Scale MP-2020.</p> <p>Disabled</p> <p>The corresponding Disabled and Employee tables were used for disability and pre-retirement mortality, respectively.</p>

Asset Allocation

The long-term expected rate of return on pension plan investments was determined using the GEMS Economic Scenario Generator. This is a multifactor model that is based on historic returns, but forecasts *future* asset class returns based on multiple factors such as simulated GDP growth, employment levels, interest rates, etc. Gallagher generates projected asset returns based on scenarios created with GEMS. The model simulates approximately 1,000 paths and results, which are collected and percentiles computed. Returns on various asset classes are computed in a manner consistent with forecast economic environments. By weighing the expected future nominal rates of return by the target asset allocation percentage, the long-term expected rate of return on pension plan investments can be determined.

Expected nominal arithmetic rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table.

Table 23: Asset Allocation

Asset Class	Gallagher 20-Year Expected Nominal Arithmetic Rate of Return	Allocation
US Large Cap Equity	8.25%	13.00%
US Small Cap Equity	9.37%	6.00%
MSCI EAFE Equity	8.87%	10.00%
MSCI Emerging Markets Equity	11.33%	3.00%
Global Equity	8.39%	3.00%
Aggregate Bonds	4.81%	37.00%
Hedge Funds	5.68%	2.00%
Commodities	6.33%	5.00%
Infrastructure	8.53%	3.00%
Private Debt	8.38%	4.00%
Private Equity	11.79%	7.00%
REITs	7.56%	<u>7.00%</u>
Total		100.00%

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