



Municipal Market Disclosure Information Cover Sheet

This Filing Applies to:

1. Sacramento City Financing Authority, Refunding Revenue Bonds (Master Lease Program Facilities), 2015, \$183,380,000, Dated: October 14, 2015
785849WF3, 785849WG1, 785849WH9, 785849WJ5, 785849WZ9, 785849WK2, 785849WL0,
785849WM8, 785849WN6, 785849WP1, 785849WQ9, 785849WR7, 785849WS5, 785849WT3

TYPE OF FILING:

If information is also available on the Internet, give URL: www.dacbond.com

WHAT TYPE OF INFORMATION ARE YOU PROVIDING? (Check all that apply)**Financial / Operating Data Disclosures****Rule 15c2-12 Disclosure**

- Annual Financial Information & Operating Data (Rule 15c2-12)
2023 Annual Continuing Disclosure Report - 2015 Refunding Revenue Bonds
- Audited Financial Statements or ACFR (Rule 15c2-12)
- Failure to provide as required

Additional / Voluntary Disclosure

- Quarterly / Monthly Financial Information
- Change in Fiscal Year / Timing of Annual Disclosure
- Change in Accounting Standard
- Interim / Additional Financial Information / Operating Data
- Budget
- Investment / Debt / Financial Policy
- Information Provided to Rating Agency, Credit / Liquidity Provider or Other Third Party

- Consultant Reports
- Other Financial / Operating Data

Event Filing

Rule 15c2-12 Disclosure

- Principal / Interest Payment Delinquency
- Non-payment Related Default
- Unscheduled Draw on Debt Service Reserve Reflecting Financial Difficulties
- Unscheduled Draw on Credit Enhancement Reflecting Financial Difficulties
- Substitution of Credit or Liquidity Provider, or Its Failure to Perform
- Adverse Tax Opinion or Event Affecting the Tax-exempt Status of the Security
- Modification to the Rights of Security Holders
- Bond Call
- Defeasance
- Release, Substitution or Sale of Property Securing Repayment of the Security
- Rating Change
- Tender Offer / Secondary Market Purchases
- Merger / Consolidation / Acquisition and Sale of All or Substantially All Assets
- Bankruptcy, insolvency, receivership or similar event
- Successor, Additional or Change in Trustee
- Failure to Provide Event Filing Information as Required
- Financial Obligation - Incurrence and Agreement
- Financial Obligation - Event Reflecting Financial Difficulties

Additional / Voluntary Disclosure

- Amendment to Continuing Disclosure Undertaking
- Change in Obligated Person
- Notice to Investor Pursuant to Bond Documents
- Communication From the Internal Revenue Service
- Bid For Auction Rate or Other Securities
- Capital or Other Financing Plan
- Litigation / Enforcement Action
- Change of Tender Agent, Remarketing Agent or Other On-going Party
- Derivative or Other Similar Transaction
- Other Event-based Disclosures

Asset-Backed Securities Filing

Additional / Voluntary Disclosure

- Initial Asset-Backed Securities Disclosure (SEC Rule 15Ga-1(c)(1))
- Quarterly Asset-Backed Securities Disclosure (SEC Rule 15Ga-1(c)(2)(i))
- Annual Asset-Backed Securities Disclosure (SEC Rule 15Ga-1(c)(2)(ii))
- Other Asset-Backed Securities Disclosure (e.g. notice of termination of duty to file reports pursuant to SEC Rule 15Ga-1(c)(3))

Disclosure Dissemination Agent Contact:

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Certification Authorized By:

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Name: Claudia Lara

Title: Debt Analyst

Entity: Sacramento, CA, City of Sacramento

Digital Assurance Certification

Filing Certificate

DAC transmitted the Annual Financial Information & Operating Data (Rule 15c2-12) to EMMA/SID (if applicable) on behalf of Sacramento, CA, City of Sacramento under their SEC Rule 15c2-12 Continuing Disclosure Agreement.

Transmission Details: P21354584

Date & Time Stamp:	03/08/2024
Document Name or Event Type:	Annual Financial Information & Operating Data (Rule 15c2-12)
Document Description:	2023 Annual Continuing Disclosure Report - 2015 Refunding Revenue Bonds
DAC Bond Coversheet:	Yes
Transmitted to:	MSRB-EMMA
Total CUSIPs associated with this Filing:	14
Filing made on Series:	2015

Codes: **P** (Prerefunded), **R** (Refunded), **U** (Unrefunded), **E** (Escrowed), **A** (Advance Refunding), **D** (Defeased), **T** (Tendered), **V** (Derivatives), **UD** (Undetermined), **NLO** (No Longer Outstanding)

Red: Original CUSIPs - filing missed · **Blue:** Non-Original CUSIPs - filing missed · **Green:** Outstanding CUSIPs - filing made
 · **Black:** Inactive CUSIPs

1. Issue: Sacramento City Financing Authority, Refunding Revenue Bonds (Master Lease Program Facilities), 2015, \$183,380,000, Dated: October 14, 2015

CUSIP: 785849WF3, 785849WG1, 785849WH9, 785849WJ5, 785849WZ9, 785849WK2, 785849WL0, 785849WM8, 785849WN6, 785849WP1, 785849WQ9, 785849WR7, 785849WS5, 785849WT3

No missing CUSIPs for this bond issue

City of Sacramento
Annual Continuing Disclosure Report
Fiscal Year 2022-23

Issue	Sacramento City Financing Authority 2015 Refunding Revenue Bonds (Master Lease Program Facilities)
Series	Not applicable
Par	\$ 183,380,000
Issued	October 14, 2015
CUSIP Numbers	785849WF3 785849WG1 785849WH9 785849WJ5 785849WZ9 785849WK2 785849WL0 785849WM8 785849WN6 785849WP1 785849WQ9 785849WR7 785849WS5 785849WT3

Content of Annual Report

The City's Annual Report shall contain or incorporate by reference the following:

- (a) The City's audited Annual Comprehensive Financial Report (ACFR) for the prior fiscal year.**

The City's ACFR for the prior fiscal year was uploaded as a separate document to EMMA. The ACFR will be available on the City's website in the first quarter of calendar year 2024 at:

www.cityofsacramento.org/Finance/Accounting/Reporting

(b) The Annual Budget of the City for the current fiscal year.

The City's Approved Budget for the current fiscal year was uploaded as a separate document to EMMA and is also available on-line at:

www.cityofsacramento.org/Finance/Budget

(c) An update of the information contained in Tables entitled "STATEMENT OF GENERAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE," "GROSS ASSESSED VALUES FOR ALL TAXABLE PROPERTY," "CITY OF SACRAMENTO LARGEST LOCAL SECURED TAXPAYERS", "GENERAL FUND OBLIGATION DEBT SERVICE", and "NOTICES OF DEFAULT AND FORECLOSURES OF PROPERTY WITHIN THE CITY" in the Official Statement substantially in the form of the table by that name included in Appendix A to the Official Statement, for the most recently completed fiscal year.

See Exhibit A – Statement of General Fund Revenues, Expenditures and Changes in Fund Balance

See Exhibit B – Gross Assessed Values for all Taxable Property

See Exhibit C – Largest Local Secured Taxpayers

See Exhibit D – General Fund Obligation Debt Service as of June 30, 2023

The information required by the Continuing Disclosure Certificate – "Notices of Default and Foreclosures of Property within the City of Sacramento" is no longer prepared by the County of Sacramento, Office of the Assessor. At this time, the City of Sacramento is not aware of another reliable source to obtain notice of default and foreclosure information within the City of Sacramento in the same format as is presented on page 8 in Appendix A.

(d) The actuarial valuation reports for Miscellaneous Employees Plan and Safety Employees Plan most recently provided to the City by CalPERS to the City as of the date the City files the Annual Report and the actuarial valuation report for SCERS most recently provided to the City as of the date the City files the Annual Report.

See Exhibit E – GASB 68 Accounting Valuation Report – Miscellaneous Plan as of June 30, 2022

See Exhibit F – GASB 68 Accounting Valuation Report – Safety Plan as of June 30, 2022

See Exhibit G – SCERS Actuarial Valuation as of June 30, 2023

(e) Any or all of the items listed in Section 4(a) or 4(b) above may be included by specific reference to other documents (including official statements of debt issues of the City or related public entities) that have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available through EMMA.

Voluntary Disclosures

See Exhibit H – 2015 Refunding Lease Revenue Bonds Debt Service Schedule

See Exhibit I – GASB 45 Actuarial Valuation Report - Retiree Healthcare Plan as of June 30, 2021*

See Exhibit J – GASB 75 Actuarial Valuation Report - Retiree Healthcare Plan as of June 30, 2023

*The most recent GASB 45 valuation report was prepared by the City’s actuarial consultant in June 2022. The next GASB 45 valuation report is anticipated to be prepared in mid-calendar year 2024 based on the valuation as of June 30, 2023.

Exhibit A

Exhibit A
STATEMENT OF GENERAL FUND REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
(in thousands)

	Actual 2015-16	Actual 2016-17	Actual 2017-18	Actual 2018-19	Actual 2019-20	Actual 2020-21	Actual 2021-22	Actual 2022-23
Revenues:								
Property taxes	\$ 150,424	\$ 143,656	\$ 153,346	\$ 164,412	\$ 177,193	\$ 189,315	\$ 200,758	\$ 216,220
Sales and use taxes	67,983	80,395	84,887	93,769	90,969	99,325	115,260	115,343
Utilities use tax	61,404	62,997	62,989	60,128	60,039	62,164	65,461	69,529
Other taxes	26,732	29,961	36,184	39,820	42,506	52,586	58,079	49,558
Intergovernmental	16,253	14,009	22,380	16,350	15,919	20,193	24,335	23,623
Charges for services	73,632	85,780	100,205	108,972	105,446	99,212	113,565	117,069
Fines, forfeitures and penalties	12,110	10,906	12,069	15,964	12,898	7,284	10,057	9,112
Interest, rents and concessions	3,002	2,679	1,195	7,810	6,423	887	(14,530)	5,785
Assessment levies	172	266	291	356	341	588	483	498
Contributions and donations	13	14	85	68	20	30	37	1
Other revenues	245	259	301	536	974	1,250	653	449
Total revenues	411,970	430,922	473,932	508,185	512,728	532,834	574,158	607,187
Expenditures:								
General government	28,909	36,584	48,694	56,498	54,949	60,257	65,855	69,337
Police	128,891	132,108	138,473	152,637	158,887	162,136	147,890	220,744
Fire	106,399	112,868	119,437	124,324	139,421	143,358	122,548	180,249
Public works	11,308	13,233	13,607	15,101	13,393	13,249	14,615	19,766
Convention and cultural services	4,637	4,972	5,620	5,723	6,485	5,462	1,485	5,538
Economic development	2,114	2,337	-	-	-	-	-	-
Youth, parks, and community enrichment	15,144	19,979	21,428	22,286	21,670	21,538	1,653	3,218
Community development	25,960	28,554	33,340	36,039	38,629	34,623	30,471	32,077
Community response	-	-	-	-	-	-	6,141	8,897
Library	7,130	7,130	8,380	9,380	10,130	12,266	-	-
Utilities	393	1,205	1,816	2,285	3,268	3,670	3,859	67
Citywide and community support	47,961	48,435	46,576	42,827	50,691	51,632	57,700	53,564
Capital outlay	12,577	19,276	21,513	19,392	17,589	22,592	45,776	25,810
Debt service	3,219	2,837	2,102	1,189	568	-	322	3,989
Total Expenditures	394,642	429,518	460,986	487,681	515,680	530,783	498,315	623,256
Excess (deficiency) of revenues over (under) expenditures	17,328	1,404	12,946	20,504	(2,952)	2,051	75,843	(16,069)
Other Financing Sources (uses):								
Transfers in	34,256	33,113	35,414	38,652	44,465	55,636	48,184	46,167
Transfers out	(25,032)	(28,959)	(31,545)	(27,919)	(26,680)	(43,133)	(36,010)	(39,178)
Issuance of long-term debt	-	-	-	-	-	-	-	5,549
Total other financing sources (uses)	9,224	4,154	3,869	10,733	17,785	12,503	12,174	12,538
Special items	-	-	-	7,000	-	-	-	-
Changes in fund balances	\$ 26,552	\$ 5,558	\$ 16,815	\$ 38,237	\$ 14,833	\$ 14,554	\$ 88,017	\$ (3,531)
Fund Balance, beginning of year	123,444	149,996	155,554	172,369	210,606	225,439	239,993	328,010
Fund Balance, end of year	<u>\$ 149,996</u>	<u>\$ 155,554</u>	<u>\$ 172,369</u>	<u>\$ 210,606</u>	<u>\$ 225,439</u>	<u>\$ 239,993</u>	<u>\$ 328,010</u>	<u>\$ 324,479</u>
Less reserves and commitments								
Nonspendable	\$ 2	\$ 3,812	\$ 3,845	\$ -	\$ 1,279	\$ 1,084	\$ 2,799	\$ 2,499
Restricted	2,962	17	-	-	-	-	-	-
Committed:								
Economic uncertainty	46,950	49,644	52,700	55,200	55,200	58,499	61,310	72,534
Capital projects	37,526	49,265	37,583	39,995	57,689	57,417	50,410	58,540
Community center theater renovation	8,500	-	-	-	-	-	-	-
Fire programs	5,720	1,386	6,189	9,568	5,635	7,438	8,426	14,999
Housing trust fund	-	-	-	-	-	-	1,000	1,000
Pension	-	-	5,000	13,500	-	-	-	-
OPEB	6,752	5,324	2,619	6,644	4,264	6,828	5,727	6,072
SCXEA labor for FY2020	-	-	-	4,256	-	-	-	-
Set-aside for FY24 Budget	-	-	-	-	-	5,500	20,891	26,500
Homeless programs	250	-	-	-	-	-	-	-
Gas tax	-	2,087	2,087	2,087	-	-	-	-
Other programs	13,953	19,280	37,325	46,052	49,405	72,809	133,367	131,163
Assigned:								
Unrealized investment gains	732	-	-	381	1,960	103	-	-
Unassigned	<u>\$ 26,649</u>	<u>\$ 24,739</u>	<u>\$ 25,021</u>	<u>\$ 32,923</u>	<u>\$ 50,007</u>	<u>\$ 30,315</u>	<u>\$ 44,080</u>	<u>\$ 11,172</u>

City of Sacramento
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

(in thousands)

Fiscal Year End June 30	Gross Assessed Value ⁽¹⁾				Exemptions	Net Assessed Taxable Value	Total Direct Tax Rate ⁽³⁾
	Real Property	Personal Property	Public Utility ⁽²⁾	Total			
2014	\$ 35,829,529	\$ 1,546,891	\$ 12,381	\$ 37,388,801	\$ 464,546	\$ 36,924,255	1.00
2015	37,918,666	1,585,876	18,173	39,522,715	455,212	39,067,503	1.00
2016	39,823,777	1,513,519	9,267	41,346,563	448,778	40,897,785	1.00
2017	42,300,010	1,623,203	9,193	43,932,406	446,690	43,485,716	1.00
2018	45,389,674	1,692,375	8,974	47,091,023	445,647	46,645,376	1.00
2019	48,919,753	1,868,599	8,701	50,797,053	444,652	50,352,401	1.00
2020	53,124,698	1,869,844	9,185	55,003,727	444,470	54,559,257	1.00
2021	56,812,389	1,993,337	9,069	58,814,795	444,432	58,370,363	1.00
2022	60,043,995	1,951,987	9,069	62,005,051	444,556	61,560,495	1.00
2023	64,677,204	2,136,640	8,950	66,822,794	439,794	66,383,000	1.00

Notes: (1) Article XIII A, added to California Constitution by Proposition 13 in 1978, fixed the base for valuation of property subject to taxes at the full cash value appeared on the Assessor's 1975-76 assessment roll. Therefore, full cash value can be increased to reflect:

- a) annual inflation up to 2%;
- b) current market value at time of ownership change;
- c) market value for new construction.

Estimated actual value of taxable property cannot be easily determined as the property in the City is not reassessed annually. Reassessment normally occurs when ownership changes.

(2) The decrease in public utility assessed value is primarily due to the transfer of the downtown railyards from a railroad company to a private developer and the City.

(3) This 1% is shared by all taxing agencies for which the subject property resides within.

Exhibit C

**City of Sacramento
Principal Property Taxpayers
Current Fiscal Year and Nine Years Ago**

(in thousands)

Taxpayer	2023			2014		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Sacramento Kings	\$ 326,921	1	0.49 %	-	-	-
SRI Eleven 621 Capitol Mall LLC	257,026	2	0.39	-	-	-
Oakmont Properties LLC	213,975	3	0.32	-	-	-
Hancock SREIT Sacramento LLC	204,825	4	0.31	-	-	-
M/H Realty Partners VI LP	199,168	5	0.30	-	-	-
Natomas Development Partners LLC	176,526	6	0.27	-	-	-
Kaiser Foundation Health Plan INC.	170,787	7	0.26	-	-	-
Prime US-Park Tower LLC	170,596	8	0.26	-	-	-
HP Hood LLC	167,643	9	0.25	\$ 84,287	7	0.23 %
BRE Depot Park LLC	163,880	10	0.25	-	-	-
Hines VAF II Sacramento	-	-	-	442,978	1	1.20
CIM Sacramento LLC	-	-	-	230,772	2	0.62
Arden Fair Associates	-	-	-	137,159	3	0.37
Verizon Wireless	-	-	-	132,738	4	0.36
621 Capitol Mall LLC	-	-	-	124,810	5	0.34
300 Capitol Association NF LP	-	-	-	109,000	6	0.30
Target Corp	-	-	-	81,423	8	0.22
500 Capitol Mall LLC	-	-	-	79,119	9	0.21
Capitol Regency LLC	-	-	-	74,784	10	0.20
	<u>2,051,347</u>		<u>3.10</u>	<u>1,497,070</u>		<u>4.05</u>
All other taxpayers	<u>64,331,653</u>		<u>96.90</u>	<u>35,427,185</u>		<u>95.95</u>
Total	<u>\$ 66,383,000</u>		<u>100.00 %</u>	<u>\$ 36,924,255</u>		<u>100.00 %</u>

Source: County of Sacramento, Office of Auditor/Controller

Exhibit D

GENERAL FUND OBLIGATION DEBT SERVICE, AS OF JUNE 30, 2023

Forecasted Fiscal Year Net General Fund Revenues (FY2023-24) 770,820,000										
Fiscal Year	2016 Refunding H Street Complex	2006 Capital Improvement Revenue Bonds, Series B ¹	2006 Capital Improvement Revenue Bonds, Series E ²	2015 Lease Revenue Bonds (Golden 1 Center) ³	2015 Revenue Refunding Bonds ⁴	Total Debt Service Obligations Amount	Gross Percentage of Budgeted Fiscal Year General Fund Revenues ⁵	Total Offset Debt Service Amount	Total General Fund Debt Service Amount	Net Percentage of Budgeted Fiscal Year General Fund Revenues
FY24	669,283	3,937,750	20,121,668.75	18,289,067	9,922,438	52,940,206	6.9%	36,050,050	16,890,157	2.2%
FY25	674,515	3,933,765	20,020,668.75	18,289,286	9,925,688	52,843,922	6.9%	36,014,190	16,829,732	2.2%
FY26	669,250	3,928,351	20,036,856.25	18,286,258	9,898,313	52,819,027	6.9%	35,992,339	16,826,688	2.2%
FY27	673,630	3,926,060	20,030,900.00	18,289,420	9,904,438	52,824,447	6.9%	35,992,936	16,831,511	2.2%
FY28	672,442	3,926,294	20,031,225.00	18,287,643	9,909,388	52,826,991	6.9%	35,998,479	16,828,512	2.2%
FY29	670,899	3,923,604	20,127,975.00	18,285,364	9,896,838	52,904,680	6.9%	36,010,744	16,893,936	2.2%
FY30	673,859	3,917,692	20,128,787.50	18,286,739	9,897,256	52,904,333	6.9%	36,000,349	16,903,984	2.2%
FY31	676,251	3,908,259	20,128,793.75	18,285,638	5,854,175	48,853,116	6.3%	32,972,981	15,880,136	2.1%
FY32	668,146	3,909,556	20,130,500.00	18,286,217	5,844,050	48,838,469	6.3%	32,962,011	15,876,459	2.1%
FY33	334,686	3,900,987	20,136,150.00	18,282,349	5,394,175	48,048,347	6.2%	32,614,224	15,434,123	2.0%
FY34	-	3,892,251	3,632,925.00	18,283,188	5,384,550	31,192,914	4.0%	20,901,927	10,290,987	1.3%
FY35	-	3,892,453	-	18,282,324	5,130,175	27,304,951	3.5%	19,384,515	7,920,437	1.0%
FY36	-	3,880,993	-	18,283,630	5,120,800	27,285,423	3.5%	19,382,366	7,903,057	1.0%
FY37	-	3,872,424	-	18,280,697	5,120,400	27,273,521	3.5%	19,377,540	7,895,981	1.0%
FY38	-	-	-	18,282,397	-	18,282,397	2.4%	18,282,397	-	0.0%
FY39	-	-	-	18,282,040	-	18,282,040	2.4%	18,282,040	-	0.0%
FY40	-	-	-	18,278,216	-	18,278,216	2.4%	18,278,216	-	0.0%
FY41	-	-	-	18,279,516	-	18,279,516	2.4%	18,279,516	-	0.0%
FY42	-	-	-	18,278,967	-	18,278,967	2.4%	18,278,967	-	0.0%
FY43	-	-	-	18,279,878	-	18,279,878	2.4%	18,279,878	-	0.0%
FY44	-	-	-	18,275,276	-	18,275,276	2.4%	18,275,276	-	0.0%
FY45	-	-	-	18,273,469	-	18,273,469	2.4%	18,273,469	-	0.0%
FY46	-	-	-	18,277,204	-	18,277,204	2.4%	18,277,204	-	0.0%
FY47	-	-	-	18,273,943	-	18,273,943	2.4%	18,273,943	-	0.0%
FY48	-	-	-	18,271,713	-	18,271,713	2.4%	18,271,713	-	0.0%
FY49	-	-	-	18,272,978	-	18,272,978	2.4%	18,272,978	-	0.0%
FY50	-	-	-	18,269,919	-	18,269,919	2.4%	18,269,919	-	0.0%
Total	6,382,961	54,750,436	204,526,450	493,593,336	107,202,681	866,455,864		667,250,166	199,205,698	
Offset	100.0%	28.32%	63.81%	100.0%	19.8%					

The figures above do not reflect the release of respective reserves for final debt service payment if cash reserves are held.

(1) 2006 Capital Improvement Revenue Bonds, Series B: 71.7% General Fund and 28.3% RASA Master Lease (65th Street, Army Depot, North Sacramento, River District)

(2) 2006 Capital Improvement Revenue Bonds, Series E: 53.9% Water Fund, 36.2% General Fund, 7.9% North Natomas Fund, 1.1% RASA Master Lease (Stockton Boulevard), and 0.9% Culture and Leisure Fund.

(3) 2015 Lease Revenue Bonds (Golden 1 Center): 65.9% Lease Rental Payments from the Sacramento Kings or its affiliates and the reasonable expectation of 34.1% Parking Fund. Given this debt issue is a general fund lease obligation, in the event there are insufficient funds from anticipated sources to meet the debt service payments, the General Fund may be required to cover the shortfall in meeting debt service in any year these bonds are outstanding.

(4) 2015 Refunding Revenue Bonds: 80.2% General Fund, 10.2% Solid Waste Fund, and 9.7% Parking Fund.

(5) Data based on forecasted Fiscal Year 2023-24 Net General Fund Revenue of \$770,820,000.

Source: City of Sacramento



GASB 68 Accounting Report

CalPERS ID: 7903930500
Valuation Rate Plan Identifier: 1209

Prepared for
City of Sacramento
Miscellaneous Plan,
an Agent Multiple-Employer Defined
Benefit Pension Plan

Measurement Date of June 30, 2022

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Appendix A – Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Schedule of Changes of Assumptions	A-1
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Appendix B – Interest and Total Projected Earnings

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Actuarial Certification

This report provides disclosure and reporting information as required under Governmental Accounting Standards Board Statement 68 (GASB 68) for the Miscellaneous Plan of the City of Sacramento (the "Plan"), an Agent Multiple-Employer Defined Benefit Pension Plan participating in the California Public Employees' Retirement System (CalPERS), for the measurement period ended June 30, 2022.

This report is to be viewed solely for the purpose of financial accounting requirements. Any usage of the contents provided in this report for purposes other than financial accounting requirements would be inappropriate.

This accounting report relies on liabilities and related validation work performed by the CalPERS Actuarial Office as part of the June 30, 2021 annual funding valuation for the Plan. The census data and benefit provisions underlying the liabilities were prepared as of June 30, 2021 and certified as part of the annual funding valuation by the CalPERS Actuarial Office. The June 30, 2021 liabilities, which were rolled forward to June 30, 2022 and used for this accounting report, are based on actuarial assumptions adopted by the CalPERS Board of Administration and consistent with the requirements of GASB 68. The assumptions and methods are internally consistent and reasonable for this Plan. The asset information used in this accounting report is provided by the CalPERS Financial Office.

With the provided liability and asset information, the total pension liability, net pension liability, deferred inflows and outflows and pension expense were developed for the measurement period using standard actuarial techniques.

The undersigned is an actuary who satisfies the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States with regard to pensions.



MAY SHUANG YU, ASA, MAAA
Senior Actuary, CalPERS

Introduction

This is the GASB 68 accounting report for the measurement date June 30, 2022. Notes to the Agent Multiple-Employer Defined Benefit Pension Plan GASB 68 accounting reports are in a separate document, which may be accessed on the CalPERS website at www.calpers.ca.gov.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

Pension Plan Fiduciary Net Position

The plan fiduciary net position disclosed in your GASB 68 accounting report may differ from the plan assets reported in your funding actuarial valuation report due to several reasons. For example, for the accounting reports, CalPERS must keep items such as deficiency reserves and fiduciary self-insurance included as assets. These amounts are excluded for rate setting purposes in your funding actuarial valuation.

Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) – (b)
Balance at: 06/30/2021	\$1,558,069,416	\$1,316,345,336	\$241,724,080
Beginning of Year Adjustment	\$0	\$0	\$0
Adjusted Balance at: 06/30/2021	\$1,558,069,416	\$1,316,345,336	\$241,724,080
Changes Recognized for the Measurement Period:			
Service Cost	34,966,707		34,966,707
Interest on Total Pension Liability	110,100,729		110,100,729
Changes of Benefit Terms	0		0
Changes of Assumptions	58,231,787		58,231,787
Differences Between Expected and Actual Experience	(3,289,475)		(3,289,475)
Net Plan to Plan Resource Movement		(2,299)	2,299
Contributions – Employer		47,273,126	(47,273,126)
Contributions – Employees		16,051,723	(16,051,723)
Net Investment Income		(99,651,774)	99,651,774
Benefit Payments, Including Refunds of Employee Contributions	(69,664,675)	(69,664,675)	0
Administrative Expense		(820,005)	820,005
Other Miscellaneous (Income)/Expense		0	0
Net Changes During 2021-22	\$130,345,073	(\$106,813,904)	\$237,158,977
Balance at: 06/30/2022	\$1,688,414,489	\$1,209,531,432	\$478,883,057

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

	Discount Rate -1% 5.90%	Current Discount Rate 6.90%	Discount Rate + 1% 7.90%
Plan's Net Pension Liability/(Asset)	\$719,153,690	\$478,883,057	\$281,831,066

Pension Expense/(Income) for Measurement Period Ended June 30, 2022

Description	Amount
Service Cost	\$34,966,707
Interest on Total Pension Liability	110,100,729
Changes of Benefit Terms	0
Recognized Changes of Assumptions	20,797,067
Recognized Differences Between Expected and Actual Experience	968,949
Net Plan to Plan Resource Movement	2,299
Employee Contributions	(16,051,723)
Projected Earnings on Pension Plan Investments	(90,502,089)
Recognized Differences Between Projected and Actual Earnings on Plan Investments	7,364,792
Administrative Expense	820,005
Other Miscellaneous (Income)/Expense	0
Total Pension Expense/(Income)	\$68,466,736

Deferred Outflows and Deferred Inflows of Resources Related to Pensions

The following table presents deferred outflows and deferred inflows of resources related to pensions as of June 30, 2022. Note that no adjustments have been made for contributions subsequent to the measurement date. Appropriate treatment of any contributions made after the measurement date is the responsibility of the employer.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$37,434,720	\$0
Differences Between Expected and Actual Experience	1,069,373	(2,114,662)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	61,169,050	0
Total	\$99,673,143	(\$2,114,662)

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

Measurement Periods Ended June 30:	Deferred Outflows/(Inflows) of Resources
2023	\$30,542,278
2024	24,517,742
2025	4,467,690
2026	38,030,771
2027	0
Thereafter	0

Expected Average Remaining Service Lifetime (EARSL)

The EARSL for the Plan for the measurement period ending June 30, 2022 is 2.8 years, which was obtained by dividing the total service years of 29,173 (the sum of remaining service lifetimes of the active employees) by 10,362 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

Schedules of Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios for the Measurement Periods Ended June 30

Measurement Period	2022	2021	2020	2019	2018
TOTAL PENSION LIABILITY:					
Service Cost	\$34,966,707	\$31,307,149	\$30,235,662	\$29,053,385	\$28,403,688
Interest on Total Pension Liability	110,100,729	105,037,410	99,809,812	94,760,263	89,060,339
Changes of Benefit Terms	0	0	0	0	0
Changes of Assumptions	58,231,787	0	0	0	(7,898,485)
Difference Between Expected and Actual Experience	(3,289,475)	3,742,809	2,600,474	12,969,987	6,909,054
Benefit Payments, Including Refunds of Employee Contributions	(69,664,675)	(63,352,488)	(59,069,059)	(53,695,328)	(48,383,999)
Net Change in Total Pension Liability	\$130,345,073	\$76,734,880	\$73,576,889	\$83,088,307	\$68,090,597
Total Pension Liability – Beginning	1,558,069,416	1,481,334,536	1,407,757,647	1,324,669,340	1,256,578,743
Total Pension Liability – Ending (a)	\$1,688,414,489	\$1,558,069,416	\$1,481,334,536	\$1,407,757,647	\$1,324,669,340
PLAN FIDUCIARY NET POSITION					
Contributions – Employer	\$47,273,126	\$43,929,699	\$39,117,681	\$34,101,948	\$29,514,351
Contributions – Employee	16,051,723	15,898,937	15,017,980	14,288,578	12,633,667
Net Investment Income	(99,651,774)	244,522,362	51,631,631	64,092,297	76,765,652
Benefit Payments, Including Refunds of Employee Contributions	(69,664,675)	(63,352,488)	(59,069,059)	(53,695,328)	(48,383,999)
Net Plan to Plan Resource Movement	(2,299)	0	0	494	(1,746)
Administrative Expense	(820,005)	(1,075,280)	(1,453,707)	(694,412)	(1,412,810)
Other Miscellaneous Income/(Expense) ¹	0	0	0	2,256	(2,682,950)
Net Change in Fiduciary Net Position	\$(106,813,904)	\$239,923,230	\$45,244,526	\$58,095,833	\$66,432,165
Plan Fiduciary Net Position – Beginning ²	\$1,316,345,336	\$1,076,422,106	\$1,031,177,580	\$973,081,747	\$906,649,582
Plan Fiduciary Net Position – Ending (b)	1,209,531,432	1,316,345,336	1,076,422,106	1,031,177,580	973,081,747
Plan Net Pension Liability/(Asset) – (a)-(b)	\$478,883,057	\$241,724,080	\$404,912,430	\$376,580,067	\$351,587,593
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.64%	84.49%	72.67%	73.25%	73.46%
Covered Payroll ³	\$206,536,958	\$203,029,503	\$195,700,077	\$185,822,739	\$181,331,004
Plan Net Pension Liability/(Asset) as a Percentage of Covered-Employee Payroll	231.86%	119.06%	206.90%	202.66%	193.89%

¹ During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

² Includes any beginning of year adjustment.

³ Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal year ended June 30, 2022; 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal years ended June 30, 2014-17.

Schedules of Required Supplementary Information (continued)

Measurement Period	2017	2016	2015	2014
TOTAL PENSION LIABILITY:				
Service Cost	\$27,795,727	\$23,374,624	\$22,342,045	\$23,109,946
Interest on Total Pension Liability	84,334,185	79,514,856	74,834,991	70,942,490
Changes of Benefit Terms	0	0	0	0
Changes of Assumptions	75,969,675	0	(20,152,867)	0
Difference Between Expected and Actual Experience	(837,981)	(333,340)	(8,865,289)	0
Benefit Payments, Including Refunds of Employee Contributions	(42,304,813)	(37,980,223)	(34,390,309)	(30,239,753)
Net Change in Total Pension Liability	\$144,956,793	\$64,575,917	\$33,768,571	\$63,812,683
Total Pension Liability – Beginning	1,111,621,950	1,047,046,033	1,013,277,462	949,464,779
Total Pension Liability – Ending (a)	\$1,256,578,743	\$1,111,621,950	\$1,047,046,033	\$1,013,277,462
PLAN FIDUCIARY NET POSITION				
Contributions – Employer	\$28,719,315	\$25,962,718	\$22,826,829	\$21,613,131
Contributions – Employee	12,190,145	11,991,032	11,302,316	11,670,231
Net Investment Income	91,481,199	4,260,663	18,046,623	118,325,674
Benefit Payments, Including Refunds of Employee Contributions	(42,304,813)	(37,980,223)	(34,390,309)	(30,239,753)
Net Plan to Plan Resource Movement	73,647	530,976	(3,066,289)	0
Administrative Expense	(1,207,275)	(495,742)	(921,940)	0
Other Miscellaneous Income/(Expense) ¹	0	0	0	0
Net Change in Fiduciary Net Position	\$88,952,218	\$4,269,424	\$13,797,230	\$121,369,283
Plan Fiduciary Net Position – Beginning ²	\$817,697,364	\$813,427,940	\$799,630,710	\$678,261,427
Plan Fiduciary Net Position – Ending (b)	906,649,582	817,697,364	813,427,940	799,630,710
Plan Net Pension Liability/(Asset) – (a)-(b)	\$349,929,161	\$293,924,586	\$233,618,093	\$213,646,752
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.15%	73.56%	77.69%	78.92%
Covered Payroll ³	\$176,795,109	\$166,402,958	\$157,449,221	\$156,032,311
Plan Net Pension Liability/(Asset) as a Percentage of Covered-Employee Payroll	197.93%	176.63%	148.38%	136.92%

¹ During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

² Includes any beginning of year adjustment.

³ Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal year ended June 30, 2022; 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal years ended June 30, 2014-17.

Schedules of Required Supplementary Information (continued)

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Changes of Benefit Terms: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

Schedule of Plan Contributions for the Fiscal Years Ended June 30¹

Employer Fiscal Year End	2022	2021	2020	2019	2018
Actuarially Determined Contribution ²	\$47,273,126	\$43,929,699	\$39,117,681	\$34,101,948	\$29,514,351
Contributions in Relation to the Actuarially Determined Contribution ²	(47,273,126)	(43,929,699)	(39,117,681)	(34,101,948)	(29,514,351)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0
Covered Payroll ³	\$206,536,958	\$203,029,503	\$195,700,077	\$185,822,739	\$181,331,004
Contributions as a Percentage of Covered Payroll ³	22.89%	21.64%	19.99%	18.35%	16.28%

Employer Fiscal Year End	2017	2016	2015	2014	
Actuarially Determined Contribution ²	\$28,719,315	\$25,962,718	\$22,826,829	\$21,613,131	
Contributions in Relation to the Actuarially Determined Contribution ²	(28,719,315)	(25,962,718)	(22,826,829)	(21,613,131)	
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	
Covered Payroll ³	\$176,795,109	\$166,402,958	\$157,449,221	\$156,032,311	
Contributions as a Percentage of Covered Payroll ³	16.24%	15.60%	14.50%	13.85%	

¹ As prescribed in GASB 68, paragraph 46, the information presented in the Schedule of Plan Contributions should also be presented as of the employer's most recent fiscal year-end. The employer is responsible for determining this information as prescribed by the standard as this data is not available to CalPERS.

² Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

³ Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal year ended June 30, 2022; 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal years ended June 30, 2014-17.

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2021-22 were derived from the June 30, 2019 funding valuation report.

Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method/Period	For details, see June 30, 2019 Funding Valuation Report.
Asset Valuation Method	Fair Value of Assets. For details, see June 30, 2019 Funding Valuation Report.
Inflation	2.5%
Salary Increases	Varies by entry age and service
Payroll Growth	2.75%
Investment Rate of Return	7.00% net of pension plan investment and administrative expenses; includes inflation.
Retirement Age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

Other Information:

For changes to previous years' information, refer to past GASB 68 reports.

Appendices

- **Appendix A – Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**
- **Appendix B – Interest and Total Projected Earnings**

Appendix A

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

- Schedule of Changes of Assumptions
- Deferred Outflows of Resources and Deferred Inflows of Resources Arising From Changes of Assumptions
- Schedule of Differences Between Expected and Actual Experience
- Deferred Outflows of Resources and Deferred Inflows of Resources Arising From Differences Between Expected and Actual Experience
- Schedule of Differences Between Projected and Actual Earnings on Pension Plan Investments
- Deferred Outflows of Resources and Deferred Inflows of Resources Arising From Differences Between Projected and Actual Earnings on Pension Plan Investments
- Summary of Recognized Deferred Outflows of Resources and Deferred Inflows of Resources

Schedule of Changes of Assumptions

Increase (Decrease) in Pension Expense Arising From the Recognition of the Effects of Changes of Assumptions

Measurement Date	Changes of Assumptions	Recognition Period (Years)	Increase (Decrease) in Pension Expense Arising From the Recognition of the Effects of Changes of Assumptions							
			2022	2023	2024	2025	2026	2027	Thereafter	
2014	\$0	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2015	(20,152,867)	2.9	0	0	0	0	0	0	0	0
2016	0	0.0	0	0	0	0	0	0	0	0
2017	75,969,675	2.8	0	0	0	0	0	0	0	0
2018	(7,898,485)	2.9	0	0	0	0	0	0	0	0
2019	0	0.0	0	0	0	0	0	0	0	0
2020	0	0.0	0	0	0	0	0	0	0	0
2021	0	0.0	0	0	0	0	0	0	0	0
2022	58,231,787	2.8	20,797,067	20,797,067	16,637,653	0	0	0	0	0
Net Increase (Decrease) in Pension Expense			\$20,797,067	\$20,797,067	\$16,637,653	\$0	\$0	\$0	\$0	\$0

Deferred Outflows of Resources and Deferred Inflows of Resources Arising From Changes of Assumptions

Measurement Date	Increase in Total Pension Liability (a)	Decrease in Total Pension Liability (b)	Amounts Recognized in Pension Expense Through June 30, 2022 (c)	Balances at June 30, 2022	
				Deferred Outflows of Resources (a) – (c)	Deferred Inflows of Resources (b) – (c)
2014	\$0	\$0	\$0	\$0	\$0
2015	0	(20,152,867)	(20,152,867)	0	0
2016	0	0	0	0	0
2017	75,969,675	0	75,969,675	0	0
2018	0	(7,898,485)	(7,898,485)	0	0
2019	0	0	0	0	0
2020	0	0	0	0	0
2021	0	0	0	0	0
2022	58,231,787	0	20,797,067	37,434,720	0
				\$37,434,720	\$0

Schedule of Differences Between Expected and Actual Experience

Increase (Decrease) in Pension Expense Arising From the Recognition of the Effects of Differences Between Expected and Actual Experience

Measurement Date	Differences Between Expected and Actual Experience	Recognition Period (Years)	Increase (Decrease) in Pension Expense Arising From the Recognition of the Effects of Differences Between Expected and Actual Experience							
			2022	2023	2024	2025	2026	2027	Thereafter	
2014	\$0	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2015	(8,865,289)	2.9	0	0	0	0	0	0	0	0
2016	(333,340)	3.0	0	0	0	0	0	0	0	0
2017	(837,981)	2.8	0	0	0	0	0	0	0	0
2018	6,909,054	2.9	0	0	0	0	0	0	0	0
2019	12,969,987	2.9	0	0	0	0	0	0	0	0
2020	2,600,474	2.9	807,044	0	0	0	0	0	0	0
2021	3,742,809	2.8	1,336,718	1,069,373	0	0	0	0	0	0
2022	(3,289,475)	2.8	(1,174,813)	(1,174,813)	(939,849)	0	0	0	0	0
Net Increase (Decrease) in Pension Expense			\$968,949	(\$105,440)	(\$939,849)	\$0	\$0	\$0	\$0	\$0

Deferred Outflows of Resources and Deferred Inflows of Resources Arising From Differences Between Expected and Actual Experience

Measurement Date	Experience Losses (a)	Experience Gains (b)	Amounts Recognized in Pension Expense Through June 30, 2022 (c)	Balances at June 30, 2022	
				Deferred Outflows of Resources (a) – (c)	Deferred Inflows of Resources (b) – (c)
2014	\$0	\$0	\$0	\$0	\$0
2015	0	(8,865,289)	(8,865,289)	0	0
2016	0	(333,340)	(333,340)	0	0
2017	0	(837,981)	(837,981)	0	0
2018	6,909,054	0	6,909,054	0	0
2019	12,969,987	0	12,969,987	0	0
2020	2,600,474	0	2,600,474	0	0
2021	3,742,809	0	2,673,436	1,069,373	0
2022	0	(3,289,475)	(1,174,813)	0	(2,114,662)
				\$1,069,373	(\$2,114,662)

Schedule of Differences Between Projected and Actual Earnings on Pension Plan Investments

**Increase (Decrease) in Pension Expense Arising From the Recognition of the Differences
 Between Projected and Actual Earnings on Pension Plan Investments**

Measurement Date	Differences Between Projected and Actual Earnings on Pension Plan Investments	Recognition Period (Years)	Increase (Decrease) in Pension Expense Arising From the Recognition of the Differences Between Projected and Actual Earnings on Pension Plan Investments						
			2022	2023	2024	2025	2026	2027	Thereafter
2014	(\$67,539,546)	5.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2015	42,768,440	5.0	0	0	0	0	0	0	0
2016	57,793,697	5.0	0	0	0	0	0	0	0
2017	(33,246,191)	5.0	0	0	0	0	0	0	0
2018	(12,429,291)	5.0	(2,485,859)	0	0	0	0	0	0
2019	5,153,560	5.0	1,030,712	1,030,712	0	0	0	0	0
2020	21,761,244	5.0	4,352,249	4,352,249	4,352,248	0	0	0	0
2021	(167,815,415)	5.0	(33,563,083)	(33,563,083)	(33,563,083)	(33,563,083)	0	0	0
2022	190,153,863	5.0	38,030,773	38,030,773	38,030,773	38,030,773	38,030,771	0	0
Net Increase (Decrease) in Pension Expense			\$7,364,792	\$9,850,651	\$8,819,938	\$4,467,690	\$38,030,771	\$0	\$0

Deferred Outflows of Resources and Deferred Inflows of Resources Arising From Differences Between Projected and Actual Earnings on Pension Plan Investments

Measurement Date	Investment Earnings Less Than Projected (a)	Investment Earnings Greater Than Projected (b)	Amounts Recognized in Pension Expense Through June 30, 2022 (c)	Balances at June 30, 2022	
				Deferred Outflows of Resources (d) = (a) – (c)	Deferred Inflows of Resources (e) = (b) – (c)
2014	\$0	(\$67,539,546)	(\$67,539,546)	\$0	\$0
2015	42,768,440	0	42,768,440	0	0
2016	57,793,697	0	57,793,697	0	0
2017	0	(33,246,191)	(33,246,191)	0	0
2018	0	(12,429,291)	(12,429,291)	0	0
2019	5,153,560	0	4,122,848	1,030,712	0
2020	21,761,244	0	13,056,747	8,704,497	0
2021	0	(167,815,415)	(67,126,166)	0	(100,689,249)
2022	190,153,863	0	38,030,773	152,123,090	0
				\$161,858,299	(\$100,689,249)
				Net Deferred Outflows/(Inflows) of Resources	
				(d) + (e)	
				\$61,169,050	

Note: GASB 68 paragraph 33 requires that deferred outflows of resources and deferred inflows of resources arising from differences between projected and actual pension plan investment earnings in different measurement periods should be aggregated and reported as a net deferred outflow or inflow.

Summary of Recognized Deferred Outflows of Resources and Deferred Inflows of Resources

	Net Increase (Decrease) in Pension Expense						
	2022	2023	2024	2025	2026	2027	Thereafter
Changes of Assumptions	\$20,797,067	\$20,797,067	\$16,637,653	\$0	\$0	\$0	\$0
Differences Between Expected and Actual Experience	968,949	(105,440)	(939,849)	0	0	0	0
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	7,364,792	9,850,651	8,819,938	4,467,690	38,030,771	0	0
Grand Total	\$29,130,808	\$30,542,278	\$24,517,742	\$4,467,690	\$38,030,771	\$0	\$0

Appendix B

Interest and Total Projected Earnings

- Interest on Total Pension Liability and Total Projected Earnings

Interest on Total Pension Liability and Total Projected Earnings

Interest on Total Pension Liability	Amount for Period (a)	Portion of Period (b)	Interest Rate (c)	Interest on the Total Pension Liability (a) X (b) X (c)
Beginning Total Pension Liability	\$1,558,069,416	100%	6.90%	\$107,506,790
Changes of Benefit Terms	0	100%	6.90%	0
Changes of Assumptions	58,231,787	100%	6.90%	4,017,993
Difference Between Expected and Actual Experience	(3,289,475)	100%	6.90%	(226,974)
Service Cost	34,966,707	50%	6.90%	1,206,351
Benefit Payments, Including Refunds of Employee Contributions	(69,664,675)	50%	6.90%	(2,403,431)
Total Interest on Total Pension Liability				\$110,100,729

Projected Earnings on Pension Plan Investments	Amount for Period (a)	Portion of Period (b)	Projected Rate of Return (c)	Projected Earnings (a) X (b) X (c)
Beginning Plan Fiduciary Net Position Excluding Receivables ¹	\$1,315,137,555	100%	6.90%	\$90,744,491
Net Plan to Plan Resource Movement	(2,299)	50%	6.90%	(79)
Employer Contributions	47,273,126	50%	6.90%	1,630,923
Employee Contributions ²	16,187,685	50%	6.90%	558,475
Benefit Payments, Including Refunds of Employee Contributions	(69,664,675)	50%	6.90%	(2,403,431)
Administrative Expense	(820,005)	50%	6.90%	(28,290)
Other Miscellaneous Income/(Expense)	0	50%	6.90%	0
Total Projected Earnings				\$90,502,089

¹ Includes any beginning of year adjustment. Contribution receivables for employee service buybacks, totaling \$1,207,781 as of June 30, 2021, were excluded for purposes of calculating projected earnings on pension plan investments.

² The increase/(decrease) in contribution receivables for employee service buybacks, totaling (\$135,962) during fiscal year 2021-22, were excluded for purposes of calculating projected earnings on pension plan investments.



GASB 68 Accounting Report

CalPERS ID: 7903930500
Valuation Rate Plan Identifier: 1210

Prepared for
City of Sacramento
Safety Plan,
an Agent Multiple-Employer Defined
Benefit Pension Plan

Measurement Date of June 30, 2022

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Appendix A – Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

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Appendix B – Interest and Total Projected Earnings

Interest on Total Pension Liability and Total Projected Earnings	B-1
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Actuarial Certification

This report provides disclosure and reporting information as required under Governmental Accounting Standards Board Statement 68 (GASB 68) for the Safety Plan of the City of Sacramento (the "Plan"), an Agent Multiple-Employer Defined Benefit Pension Plan participating in the California Public Employees' Retirement System (CalPERS), for the measurement period ended June 30, 2022.

This report is to be viewed solely for the purpose of financial accounting requirements. Any usage of the contents provided in this report for purposes other than financial accounting requirements would be inappropriate.

This accounting report relies on liabilities and related validation work performed by the CalPERS Actuarial Office as part of the June 30, 2021 annual funding valuation for the Plan. The census data and benefit provisions underlying the liabilities were prepared as of June 30, 2021 and certified as part of the annual funding valuation by the CalPERS Actuarial Office. The June 30, 2021 liabilities, which were rolled forward to June 30, 2022 and used for this accounting report, are based on actuarial assumptions adopted by the CalPERS Board of Administration and consistent with the requirements of GASB 68. The assumptions and methods are internally consistent and reasonable for this Plan. The asset information used in this accounting report is provided by the CalPERS Financial Office.

With the provided liability and asset information, the total pension liability, net pension liability, deferred inflows and outflows and pension expense were developed for the measurement period using standard actuarial techniques.

The undersigned is an actuary who satisfies the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States with regard to pensions.



MAY SHUANG YU, ASA, MAAA
Senior Actuary, CalPERS

Introduction

This is the GASB 68 accounting report for the measurement date June 30, 2022. Notes to the Agent Multiple-Employer Defined Benefit Pension Plan GASB 68 accounting reports are in a separate document, which may be accessed on the CalPERS website at www.calpers.ca.gov.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

Pension Plan Fiduciary Net Position

The plan fiduciary net position disclosed in your GASB 68 accounting report may differ from the plan assets reported in your funding actuarial valuation report due to several reasons. For example, for the accounting reports, CalPERS must keep items such as deficiency reserves and fiduciary self-insurance included as assets. These amounts are excluded for rate setting purposes in your funding actuarial valuation.

Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) – (b)
Balance at: 06/30/2021	\$2,236,651,105	\$1,754,153,968	\$482,497,137
Beginning of Year Adjustment	\$0	\$0	\$0
Adjusted Balance at: 06/30/2021	\$2,236,651,105	\$1,754,153,968	\$482,497,137
Changes Recognized for the Measurement Period:			
Service Cost	51,607,745		51,607,745
Interest on Total Pension Liability	158,263,230		158,263,230
Changes of Benefit Terms	0		0
Changes of Assumptions	80,583,276		80,583,276
Differences Between Expected and Actual Experience	4,868,446		4,868,446
Net Plan to Plan Resource Movement		2,299	(2,299)
Contributions – Employer		74,644,892	(74,644,892)
Contributions – Employees		25,718,073	(25,718,073)
Net Investment Income		(133,569,900)	133,569,900
Benefit Payments, Including Refunds of Employee Contributions	(108,473,377)	(108,473,377)	0
Administrative Expense		(1,092,733)	1,092,733
Other Miscellaneous (Income)/Expense		0	0
Net Changes During 2021-22	\$186,849,320	(\$142,770,746)	\$329,620,066
Balance at: 06/30/2022	\$2,423,500,425	\$1,611,383,222	\$812,117,203

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

	Discount Rate -1% 5.90%	Current Discount Rate 6.90%	Discount Rate + 1% 7.90%
Plan's Net Pension Liability/(Asset)	\$1,158,762,759	\$812,117,203	\$529,630,862

Pension Expense/(Income) for Measurement Period Ended June 30, 2022

Description	Amount
Service Cost	\$51,607,745
Interest on Total Pension Liability	158,263,230
Changes of Benefit Terms	0
Recognized Changes of Assumptions	18,010,454
Recognized Differences Between Expected and Actual Experience	14,048,964
Net Plan to Plan Resource Movement	(2,299)
Employee Contributions	(25,718,073)
Projected Earnings on Pension Plan Investments	(120,654,609)
Recognized Differences Between Projected and Actual Earnings on Plan Investments	9,501,248
Administrative Expense	1,092,733
Other Miscellaneous (Income)/Expense	0
Total Pension Expense/(Income)	\$106,149,393

Deferred Outflows and Deferred Inflows of Resources Related to Pensions

The following table presents deferred outflows and deferred inflows of resources related to pensions as of June 30, 2022. Note that no adjustments have been made for contributions subsequent to the measurement date. Appropriate treatment of any contributions made after the measurement date is the responsibility of the employer.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$65,378,884	(\$975,943)
Differences Between Expected and Actual Experience	28,561,734	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	81,288,472	0
Total	\$175,229,090	(\$975,943)

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

Measurement Periods Ended June 30:	Deferred Outflows/(Inflows) of Resources
2023	\$41,603,779
2024	35,444,087
2025	24,696,331
2026	67,672,063
2027	4,836,887
Thereafter	0

Expected Average Remaining Service Lifetime (EARSL)

The EARSL for the Plan for the measurement period ending June 30, 2022 is 5.3 years, which was obtained by dividing the total service years of 17,160 (the sum of remaining service lifetimes of the active employees) by 3,222 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

Schedules of Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios for the Measurement Periods Ended June 30

Measurement Period	2022	2021	2020	2019	2018
TOTAL PENSION LIABILITY:					
Service Cost	\$51,607,745	\$44,415,037	\$42,306,347	\$40,221,149	\$38,385,859
Interest on Total Pension Liability	158,263,230	151,131,373	143,878,049	136,322,857	127,930,127
Changes of Benefit Terms	0	0	0	0	0
Changes of Assumptions	80,583,276	0	0	0	(17,241,688)
Difference Between Expected and Actual Experience	4,868,446	12,440,770	20,245,556	35,990,497	3,954,107
Benefit Payments, Including Refunds of Employee Contributions	(108,473,377)	(100,826,561)	(95,642,311)	(88,687,941)	(82,998,648)
Net Change in Total Pension Liability	\$186,849,320	\$107,160,619	\$110,787,641	\$123,846,562	\$70,029,757
Total Pension Liability – Beginning	2,236,651,105	2,129,490,486	2,018,702,845	1,894,856,283	1,824,826,526
Total Pension Liability – Ending (a)	\$2,423,500,425	\$2,236,651,105	\$2,129,490,486	\$2,018,702,845	\$1,894,856,283
PLAN FIDUCIARY NET POSITION					
Contributions – Employer	\$74,644,892	\$67,242,162	\$58,583,694	\$49,875,203	\$41,588,489
Contributions – Employee	25,718,073	25,903,510	23,832,448	22,751,971	21,563,568
Net Investment Income	(133,569,900)	327,345,196	69,226,226	86,281,951	104,660,890
Benefit Payments, Including Refunds of Employee Contributions	(108,473,377)	(100,826,561)	(95,642,311)	(88,687,941)	(82,998,648)
Net Plan to Plan Resource Movement	2,299	0	0	(494)	(3,555)
Administrative Expense	(1,092,733)	(1,434,401)	(1,948,101)	(936,689)	(1,921,893)
Other Miscellaneous Income/(Expense) ¹	0	0	0	3,046	(3,649,707)
Net Change in Fiduciary Net Position	\$(142,770,746)	\$318,229,906	\$54,051,956	\$69,287,047	\$79,239,144
Plan Fiduciary Net Position – Beginning ²	\$1,754,153,968	\$1,435,924,062	\$1,381,872,106	\$1,312,585,059	\$1,233,345,915
Plan Fiduciary Net Position – Ending (b)	1,611,383,222	1,754,153,968	1,435,924,062	1,381,872,106	1,312,585,059
Plan Net Pension Liability/(Asset) – (a)-(b)	\$812,117,203	\$482,497,137	\$693,566,424	\$636,830,739	\$582,271,224
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.49%	78.43%	67.43%	68.45%	69.27%
Covered Payroll ³	\$168,487,578	\$157,332,756	\$147,408,874	\$138,717,533	\$132,205,472
Plan Net Pension Liability/(Asset) as a Percentage of Covered-Employee Payroll	482.00%	306.67%	470.51%	459.08%	440.43%

¹ During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

² Includes any beginning of year adjustment.

³ Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal year ended June 30, 2022; 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal years ended June 30, 2014-17.

Schedules of Required Supplementary Information (continued)

Measurement Period	2017	2016	2015	2014
TOTAL PENSION LIABILITY:				
Service Cost	\$37,372,520	\$31,672,063	\$29,653,042	\$29,538,887
Interest on Total Pension Liability	123,131,887	118,821,553	112,331,793	107,188,618
Changes of Benefit Terms	0	0	0	0
Changes of Assumptions	107,046,066	0	(28,604,249)	0
Difference Between Expected and Actual Experience	(15,086,475)	14,397,639	(592,555)	0
Benefit Payments, Including Refunds of Employee Contributions	(78,231,814)	(74,572,323)	(70,544,699)	(66,215,114)
Net Change in Total Pension Liability	\$174,232,184	\$90,318,932	\$42,243,332	\$70,512,391
Total Pension Liability – Beginning	1,650,594,342	1,560,275,410	1,518,032,078	1,447,519,687
Total Pension Liability – Ending (a)	\$1,824,826,526	\$1,650,594,342	\$1,560,275,410	\$1,518,032,078
PLAN FIDUCIARY NET POSITION				
Contributions – Employer	\$40,608,891	\$36,000,897	\$30,798,271	\$27,934,662
Contributions – Employee	18,980,493	18,465,310	15,564,873	16,094,362
Net Investment Income	125,585,855	4,971,102	25,341,704	171,794,710
Benefit Payments, Including Refunds of Employee Contributions	(78,231,814)	(74,572,323)	(70,544,699)	(66,215,114)
Net Plan to Plan Resource Movement	(73,647)	(340)	533	0
Administrative Expense	(1,665,625)	(697,193)	(1,287,544)	0
Other Miscellaneous Income/(Expense) ¹	0	0	0	0
Net Change in Fiduciary Net Position	\$105,204,153	(\$15,832,547)	(\$126,862)	\$149,608,620
Plan Fiduciary Net Position – Beginning ²	\$1,128,141,762	\$1,143,974,309	\$1,144,101,171	\$994,492,551
Plan Fiduciary Net Position – Ending (b)	1,233,345,915	1,128,141,762	1,143,974,309	1,144,101,171
Plan Net Pension Liability/(Asset) – (a)-(b)	\$591,480,611	\$522,452,580	\$416,301,101	\$373,930,907
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.59%	68.35%	73.32%	75.37%
Covered Payroll ³	\$126,437,920	\$120,120,082	\$112,067,431	\$107,176,397
Plan Net Pension Liability/(Asset) as a Percentage of Covered-Employee Payroll	467.80%	434.94%	371.47%	348.89%

¹ During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

² Includes any beginning of year adjustment.

³ Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal year ended June 30, 2022; 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal years ended June 30, 2014-17.

Schedules of Required Supplementary Information (continued)

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Changes of Benefit Terms: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

Schedule of Plan Contributions for the Fiscal Years Ended June 30¹

Employer Fiscal Year End	2022	2021	2020	2019	2018
Actuarially Determined Contribution ²	\$74,644,892	\$67,242,162	\$58,583,694	\$49,875,203	\$41,588,489
Contributions in Relation to the Actuarially Determined Contribution ²	(74,644,892)	(67,242,162)	(58,583,694)	(49,875,203)	(41,588,489)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0
Covered Payroll ³	\$168,487,578	\$157,332,756	\$147,408,874	\$138,717,533	\$132,205,472
Contributions as a Percentage of Covered Payroll ³	44.30%	42.74%	39.74%	35.95%	31.46%

Employer Fiscal Year End	2017	2016	2015	2014	
Actuarially Determined Contribution ²	\$40,608,891	\$36,000,897	\$30,798,271	\$27,934,662	
Contributions in Relation to the Actuarially Determined Contribution ²	(40,608,891)	(36,000,897)	(30,798,271)	(27,934,662)	
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	
Covered Payroll ³	\$126,437,920	\$120,120,082	\$112,067,431	\$107,176,397	
Contributions as a Percentage of Covered Payroll ³	32.12%	29.97%	27.48%	26.06%	

¹ As prescribed in GASB 68, paragraph 46, the information presented in the Schedule of Plan Contributions should also be presented as of the employer's most recent fiscal year-end. The employer is responsible for determining this information as prescribed by the standard as this data is not available to CalPERS.

² Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

³ Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal year ended June 30, 2022; 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal years ended June 30, 2014-17.

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2021-22 were derived from the June 30, 2019 funding valuation report.

Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method/Period	For details, see June 30, 2019 Funding Valuation Report.
Asset Valuation Method	Fair Value of Assets. For details, see June 30, 2019 Funding Valuation Report.
Inflation	2.5%
Salary Increases	Varies by entry age and service
Payroll Growth	2.75%
Investment Rate of Return	7.00% net of pension plan investment and administrative expenses; includes inflation.
Retirement Age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

Other Information:

For changes to previous years' information, refer to past GASB 68 reports.

Appendices

- **Appendix A – Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**
- **Appendix B – Interest and Total Projected Earnings**

Appendix A

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

- Schedule of Changes of Assumptions
- Deferred Outflows of Resources and Deferred Inflows of Resources Arising From Changes of Assumptions
- Schedule of Differences Between Expected and Actual Experience
- Deferred Outflows of Resources and Deferred Inflows of Resources Arising From Differences Between Expected and Actual Experience
- Schedule of Differences Between Projected and Actual Earnings on Pension Plan Investments
- Deferred Outflows of Resources and Deferred Inflows of Resources Arising From Differences Between Projected and Actual Earnings on Pension Plan Investments
- Summary of Recognized Deferred Outflows of Resources and Deferred Inflows of Resources

Schedule of Changes of Assumptions

Increase (Decrease) in Pension Expense Arising From the Recognition of the Effects of Changes of Assumptions

Measurement Date	Changes of Assumptions	Recognition Period (Years)	Increase (Decrease) in Pension Expense Arising From the Recognition of the Effects of Changes of Assumptions							
			2022	2023	2024	2025	2026	2027	Thereafter	
2014	\$0	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2015	(28,604,249)	5.3	0	0	0	0	0	0	0	0
2016	0	0.0	0	0	0	0	0	0	0	0
2017	107,046,066	5.3	6,059,211	0	0	0	0	0	0	0
2018	(17,241,688)	5.3	(3,253,149)	(975,943)	0	0	0	0	0	0
2019	0	0.0	0	0	0	0	0	0	0	0
2020	0	0.0	0	0	0	0	0	0	0	0
2021	0	0.0	0	0	0	0	0	0	0	0
2022	80,583,276	5.3	15,204,392	15,204,392	15,204,392	15,204,392	15,204,392	15,204,392	4,561,316	0
Net Increase (Decrease) in Pension Expense			\$18,010,454	\$14,228,449	\$15,204,392	\$15,204,392	\$15,204,392	\$15,204,392	\$4,561,316	\$0

Deferred Outflows of Resources and Deferred Inflows of Resources Arising From Changes of Assumptions

Measurement Date	Increase in Total Pension Liability (a)	Decrease in Total Pension Liability (b)	Amounts Recognized in Pension Expense Through June 30, 2022 (c)	Balances at June 30, 2022	
				Deferred Outflows of Resources (a) – (c)	Deferred Inflows of Resources (b) – (c)
2014	\$0	\$0	\$0	\$0	\$0
2015	0	(28,604,249)	(28,604,249)	0	0
2016	0	0	0	0	0
2017	107,046,066	0	107,046,066	0	0
2018	0	(17,241,688)	(16,265,745)	0	(975,943)
2019	0	0	0	0	0
2020	0	0	0	0	0
2021	0	0	0	0	0
2022	80,583,276	0	15,204,392	65,378,884	0
				\$65,378,884	(\$975,943)

Schedule of Differences Between Expected and Actual Experience

Increase (Decrease) in Pension Expense Arising From the Recognition of the Effects of Differences Between Expected and Actual Experience

Measurement Date	Differences Between Expected and Actual Experience	Recognition Period (Years)	Increase (Decrease) in Pension Expense Arising From the Recognition of the Effects of Differences Between Expected and Actual Experience							
			2022	2023	2024	2025	2026	2027	Thereafter	
2014	\$0	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2015	(592,555)	5.3	0	0	0	0	0	0	0	0
2016	14,397,639	5.2	0	0	0	0	0	0	0	0
2017	(15,086,475)	5.3	(853,950)	0	0	0	0	0	0	0
2018	3,954,107	5.3	746,058	223,817	0	0	0	0	0	0
2019	35,990,497	5.2	6,921,249	6,921,249	1,384,252	0	0	0	0	0
2020	20,245,556	5.1	3,969,717	3,969,717	3,969,717	396,971	0	0	0	0
2021	12,440,770	5.3	2,347,315	2,347,315	2,347,315	2,347,315	704,195	0	0	0
2022	4,868,446	5.3	918,575	918,575	918,575	918,575	918,575	275,571	0	0
Net Increase (Decrease) in Pension Expense			\$14,048,964	\$14,380,673	\$8,619,859	\$3,662,861	\$1,622,770	\$275,571	\$0	\$0

Deferred Outflows of Resources and Deferred Inflows of Resources Arising From Differences Between Expected and Actual Experience

Measurement Date	Experience Losses (a)	Experience Gains (b)	Amounts Recognized in Pension Expense Through June 30, 2022 (c)	Balances at June 30, 2022	
				Deferred Outflows of Resources (a) – (c)	Deferred Inflows of Resources (b) – (c)
2014	\$0	\$0	\$0	\$0	\$0
2015	0	(592,555)	(592,555)	0	0
2016	14,397,639	0	14,397,639	0	0
2017	0	(15,086,475)	(15,086,475)	0	0
2018	3,954,107	0	3,730,290	223,817	0
2019	35,990,497	0	27,684,996	8,305,501	0
2020	20,245,556	0	11,909,151	8,336,405	0
2021	12,440,770	0	4,694,630	7,746,140	0
2022	4,868,446	0	918,575	3,949,871	0
				\$28,561,734	\$0

Schedule of Differences Between Projected and Actual Earnings on Pension Plan Investments

**Increase (Decrease) in Pension Expense Arising From the Recognition of the Differences
 Between Projected and Actual Earnings on Pension Plan Investments**

Measurement Date	Differences Between Projected and Actual Earnings on Pension Plan Investments	Recognition Period (Years)	Increase (Decrease) in Pension Expense Arising From the Recognition of the Differences Between Projected and Actual Earnings on Pension Plan Investments						
			2022	2023	2024	2025	2026	2027	Thereafter
2014	(\$98,188,251)	5.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2015	61,061,962	5.0	0	0	0	0	0	0	0
2016	81,619,456	5.0	0	0	0	0	0	0	0
2017	(45,755,815)	5.0	0	0	0	0	0	0	0
2018	(17,467,045)	5.0	(3,493,409)	0	0	0	0	0	0
2019	6,874,115	5.0	1,374,823	1,374,823	0	0	0	0	0
2020	28,953,792	5.0	5,790,758	5,790,758	5,790,760	0	0	0	0
2021	(225,079,128)	5.0	(45,015,826)	(45,015,826)	(45,015,826)	(45,015,824)	0	0	0
2022	254,224,509	5.0	50,844,902	50,844,902	50,844,902	50,844,902	50,844,901	0	0
Net Increase (Decrease) in Pension Expense			\$9,501,248	\$12,994,657	\$11,619,836	\$5,829,078	\$50,844,901	\$0	\$0

Deferred Outflows of Resources and Deferred Inflows of Resources Arising From Differences Between Projected and Actual Earnings on Pension Plan Investments

Measurement Date	Investment Earnings Less Than Projected (a)	Investment Earnings Greater Than Projected (b)	Amounts Recognized in Pension Expense Through June 30, 2022 (c)	Balances at June 30, 2022	
				Deferred Outflows of Resources (d) = (a) – (c)	Deferred Inflows of Resources (e) = (b) – (c)
2014	\$0	(\$98,188,251)	(\$98,188,251)	\$0	\$0
2015	61,061,962	0	61,061,962	0	0
2016	81,619,456	0	81,619,456	0	0
2017	0	(45,755,815)	(45,755,815)	0	0
2018	0	(17,467,045)	(17,467,045)	0	0
2019	6,874,115	0	5,499,292	1,374,823	0
2020	28,953,792	0	17,372,274	11,581,518	0
2021	0	(225,079,128)	(90,031,652)	0	(135,047,476)
2022	254,224,509	0	50,844,902	203,379,607	0
				\$216,335,948	(\$135,047,476)
				Net Deferred Outflows/(Inflows) of Resources	
				(d) + (e)	
				\$81,288,472	

Note: GASB 68 paragraph 33 requires that deferred outflows of resources and deferred inflows of resources arising from differences between projected and actual pension plan investment earnings in different measurement periods should be aggregated and reported as a net deferred outflow or inflow.

Summary of Recognized Deferred Outflows of Resources and Deferred Inflows of Resources

	Net Increase (Decrease) in Pension Expense						
	2022	2023	2024	2025	2026	2027	Thereafter
Changes of Assumptions	\$18,010,454	\$14,228,449	\$15,204,392	\$15,204,392	\$15,204,392	\$4,561,316	\$0
Differences Between Expected and Actual Experience	14,048,964	14,380,673	8,619,859	3,662,861	1,622,770	275,571	0
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	9,501,248	12,994,657	11,619,836	5,829,078	50,844,901	0	0
Grand Total	\$41,560,666	\$41,603,779	\$35,444,087	\$24,696,331	\$67,672,063	\$4,836,887	\$0

Appendix B

Interest and Total Projected Earnings

- Interest on Total Pension Liability and Total Projected Earnings

Interest on Total Pension Liability and Total Projected Earnings

Interest on Total Pension Liability	Amount for Period (a)	Portion of Period (b)	Interest Rate (c)	Interest on the Total Pension Liability (a) X (b) X (c)
Beginning Total Pension Liability	\$2,236,651,105	100%	6.90%	\$154,328,926
Changes of Benefit Terms	0	100%	6.90%	0
Changes of Assumptions	80,583,276	100%	6.90%	5,560,246
Difference Between Expected and Actual Experience	4,868,446	100%	6.90%	335,923
Service Cost	51,607,745	50%	6.90%	1,780,467
Benefit Payments, Including Refunds of Employee Contributions	(108,473,377)	50%	6.90%	(3,742,332)
Total Interest on Total Pension Liability				\$158,263,230

Projected Earnings on Pension Plan Investments	Amount for Period (a)	Portion of Period (b)	Projected Rate of Return (c)	Projected Earnings (a) X (b) X (c)
Beginning Plan Fiduciary Net Position Excluding Receivables ¹	\$1,753,161,340	100%	6.90%	\$120,968,132
Net Plan to Plan Resource Movement	2,299	50%	6.90%	79
Employer Contributions	74,644,892	50%	6.90%	2,575,249
Employee Contributions ²	25,831,307	50%	6.90%	891,180
Benefit Payments, Including Refunds of Employee Contributions	(108,473,377)	50%	6.90%	(3,742,332)
Administrative Expense	(1,092,733)	50%	6.90%	(37,699)
Other Miscellaneous Income/(Expense)	0	50%	6.90%	0
Total Projected Earnings				\$120,654,609

¹ Includes any beginning of year adjustment. Contribution receivables for employee service buybacks, totaling \$992,628 as of June 30, 2021, were excluded for purposes of calculating projected earnings on pension plan investments.

² The increase/(decrease) in contribution receivables for employee service buybacks, totaling (\$113,234) during fiscal year 2021-22, were excluded for purposes of calculating projected earnings on pension plan investments.



City of Sacramento



**Sacramento City Employees'
Retirement System**

**June 30, 2023
Actuarial Valuation**

November 20, 2023

ACTUARIAL VALUATION
CITY OF SACRAMENTO
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM (SCERS)
DEFINED BENEFIT PLAN

We are pleased to present the results of our June 30, 2023 actuarial valuation of the Sacramento City Employees' Retirement System (SCERS).

The purpose of this valuation is to:

- Determine the System's June 30, 2023 Funded Status, and
- Calculate the fiscal year 2024/25 Actuarially Determined Contribution (ADC).

The information in this report may not be appropriate for purposes other than System funding but may be useful to the City for the System's financial management. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as: plan experience differing from that anticipated by the assumptions; changes in assumptions; changes expected as part of the natural progression of the plan; and changes in plan provisions or applicable law. Actuarial models necessarily rely on the use of estimates and are sensitive to changes. Small variations in estimates may lead to significant changes in actuarial measurements. Due to the limited scope of this assignment, we did not perform an analysis of the potential range of such measurements.

The valuation is based on the System's benefit provisions summarized in Section 9, employee data, and on the System's financial information, all furnished by the City. We reviewed the financial and employee data for reasonableness, including comparing to prior year data, but did not perform an audit.

To the best of our knowledge, this report is complete and accurate and has been conducted using generally accepted actuarial principles and practices. As members of the American Academy of Actuaries, meeting Academy Qualification Standards, we certify the actuarial results and opinions herein.

Respectfully submitted,



Drew Ballard, FSA, MAAA, EA
Senior Consulting Actuary



Katherine Moore, ASA, MAAA
Consulting Actuary



Braeleen Ballard, ASA, MAAA, EA
Consulting Actuary

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SECTION 1

EXECUTIVE SUMMARY

Following are the valuation results. See notes following the table for a description of terms. Results from the June 30, 2022 valuation are provided for comparative purposes.

	<i>-----amounts in \$000's-----</i>		
	June 30, 2022	June 30, 2023	% change
■ Participant Counts			
• Actives	2	1	-50.0%
• Terminated Vesteds & Reciprocals	5	5	0.0%
• Service Retirees	447	429	-4.0%
• Disableds	82	80	-2.4%
• Beneficiaries	292	265	-9.2%
• Total	828	780	-5.8%
■ Actuarial Liabilities			
• Present Value of Projected Benefits	\$ 270,548	\$ 261,810	-3.2%
• Actuarial Accrued Liability	270,541	261,807	-3.2%
■ Assets			
• Market Value of Assets	254,171	249,966	-1.7%
• Approximate Annual Rate of Return	-10.8%	9.7%	
• Actuarial Value of Assets	262,645	250,051	-4.8%
• Approximate Annual Rate of Return	4.4%	6.0%	
■ Plan Funded Status			
• Actuarial Accrued Liability	270,541	261,807	-3.2%
• Actuarial Value of Plan Assets	262,645	250,051	-4.8%
• Unfunded Actuarial Accrued Liability	7,896	11,756	48.9%
• Funded Ratio	97.1%	95.5%	-1.6%
• Funded Ratio, Market Value Basis	93.9%	95.5%	1.7%
	2023/24	2024/25	% change
■ Annual Cost¹	\$1,399	\$1,362	-2.6%
■ Annual Cost (% Proj. Plan Payroll)¹	933.2%	1,640.0%	
■ Annual Cost (% Proj. City Payroll)	0.3%	0.3%	

¹ See page 11 for details.



SECTION 1

EXECUTIVE SUMMARY

Purpose of Actuarial Valuation

The actual costs of a defined benefit plan are determined entirely by the amount of the benefit promise, the actual salaries and service of the plan participants, and how long they and their beneficiaries live to receive payments. An actuarial valuation is a mathematical model which attempts to quantify this actual cost by setting assumptions that, it is hoped, duplicate reality as closely as possible. In addition, the actuarial methodology provides a reasonable plan, or method, towards funding the expected plan costs. This information assists the plan trustees so they can make informed decisions regarding plan investments and how much in contributions will be required from the employer to eventually fully pay the plan's costs.

Summary Information & Results

The Sacramento City Employees' Retirement System (SCERS) is a closed defined benefit pension plan. It has not accepted new members since January 28, 1977, and only 1 active member (out of a total plan membership of 780) remain.

Since the last valuation, the plan experienced overall losses on liabilities. Plan liabilities increased more than expected, by \$3.6 million. This was mostly due to a larger COLA than expected² (\$5.3 million), but was offset by a gain due to retirees and beneficiaries not living as long as expected (\$1.7 million). Market value return on assets was greater than expected, about 9.7% for the year. On the smoothed actuarial basis, the return on assets was 6.0% which was the expected rate of return on plan assets. Lower benefit payments than expected resulted in a \$0.3 million gain to the assets.

Since the last valuation, the plan's asset allocation was changed to be slightly more conservative. Based on discussions, the discount rate used in the valuation has not changed. We believe 6.0% is a reasonable discount rate for this plan.

No assumptions were changed since the prior valuation.

The July 1, 2023 total plan unfunded actuarial accrued liability (UAAL) is \$11.8 million, as compared to an expected UAAL of \$8.4 million.

The plan's funded ratio on an actuarial value of assets basis is 95.5%, a decrease from 97.1% in the prior valuation. The plan's funded ratio using market value of assets basis is 95.5%, an increase from 93.9% in the prior valuation.

The City's contribution has decreased from \$1.399 million for fiscal year 2023/24 to \$1.362 million for fiscal year 2024/25.

The average life expectancy of the plan's retirees is now 10.5 years, down from 10.9 years as of June 30, 2022. We recommend keeping the amortization at a rolling 11-year period for the 2024/25 recommended contribution.

² The CPI used for COLA increases was 5.6%. 3% COLA was paid and COLA banks were increased. (Index used is CPI-U for San Francisco/Oakland/Hayward area.)



SECTION 1

EXECUTIVE SUMMARY

Discussion of Plan Risks

Actuarial Standard of Practice No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, requires the actuary to assess and disclose the risk that actual future measurements may differ significantly from expected future measurements.

This plan is considered a very mature pension plan since almost all of its liabilities are for retirees, and there is one remaining active employee with very little associated payroll. The following table presents various measures illustrating the plan's maturity:

	June 30, 2022	June 30, 2023
■ Maturity Ratios		
• Inactive AAL/total AAL	99.8%	99.9%
• Inactive participant count/total count	99.8%	99.9%
• Benefit payments/market value of assets	11.1%	11.0%
• Benefit payments/employer contributions	809.0%	N/A

A very mature pension plan presents unique risks. The plan has negative cash flow (benefit payments exceed contributions), and benefit payments are relatively large compared to the asset value. The plan's investment manager must carefully manage the plan's liquidity needs as the plan "winds down" over the next 50 or more years. In addition to investment risk (investment returns being different than expected), asset/liability mismatch risk (changes in asset values not matched by changes in liabilities) could be significant for this plan. The plan is also subject to longevity risk (the potential that participants will live longer than projected) but we believe this risk is less significant than investment and asset/liability mismatch risk.

The scope of this valuation did not include a risk assessment - an evaluation of the potential impacts of these factors on the plan's funded status or projected employer contributions. However, we have included the following to assist in the plan's management:

- Table of expected benefit payments for the next 50 years
- Sensitivity analysis: Contributions calculated under different discount rates

Low Default-Risk Obligation Measure

Actuarial Standards of Practice ("ASOP") No. 4, Measuring Pension Obligations and Determining Pension Plan Costs or Contributions, was revised as of December 2021 to include communication of a "low-default-risk obligation measure" (LDROM). This liability measure is consistent with the determination of the actuarial accrued liability shown on page 5 in terms of member data, plan provisions, and assumptions/methods, including the use of the Entry Age Normal Cost Method, except that the discount rate is tied to low-default-risk fixed income securities. The S&P Municipal Bond 20 Year High Grade Rate Index (daily rate closest to, but not later than, the measurement date of June 30, 2023) was selected to represent a current market rate of low risk but longer-term investments that could be included in a low-risk asset portfolio. The discount rate used in this LDROM valuation was 4.13%, resulting in an LDROM of \$301 million. The LDROM should not be considered the "correct" liability measurement; it simply shows a possible outcome if the Board elected to hold a very low risk asset portfolio. Given that plan benefits are paid over time through the combination of contributions and investment returns, prudent investments selected by the Board help to balance asset accumulation through these two sources.

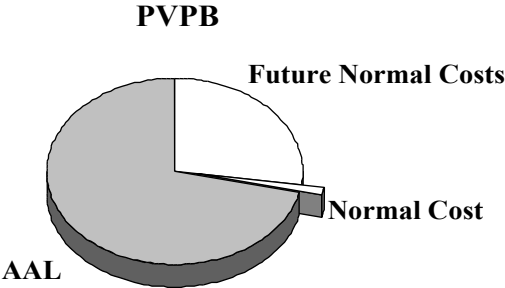


SECTION 1

EXECUTIVE SUMMARY

Definitions

The Present Value of Projected Benefits (PVPB) is the present value of all future benefits for current plan participants. The Actuarial Accrued Liability (AAL) represents the portion of the PVPB attributable to past service. The AAL is recognized over service through the date a participant is expected to commence benefits. Therefore, the AAL is equal to the PVPB for current retirees. The Normal Cost is the portion of the PVPB allocated or earned during the year following the valuation date.



SECTION 2

LIABILITY INFORMATION & FUNDED STATUS

A comparison of the Present Value of Benefits, Actuarial Accrued Liability, Employer Normal Cost, and the Funded Ratio for the current and prior valuations follows. (Note that numbers throughout the report may not add due to rounding.)

(amounts in \$000's)

	June 30, 2022	June 30, 2023
Present Value of Projected Benefits		
■ Active Employees	\$ 481	\$ 236
■ Vested Terminated & Reciprocals	403	382
■ Service Retirees	193,774	188,363
■ Disabled Participants	24,697	24,605
■ Beneficiaries	51,193	48,224
■ Total	270,548	261,810

Actuarial Accrued Liability

■ Active Employees	\$ 474	\$ 233
■ Vested Terminated & Reciprocals	403	382
■ Service Retirees	193,774	188,363
■ Disabled Participants	24,697	24,605
■ Beneficiaries	51,193	48,224
■ Total	270,541	261,807

2022/23

2023/24

Normal Cost

■ Employer Normal Cost (beginning of year)	\$ 0	\$ 1
--	------	------

June 30, 2022

June 30, 2022

Plan Funded Status

■ Total Actuarial Accrued Liability	\$ 270,541	\$ 261,807
■ Actuarial Value of Plan Assets	262,645	250,051
■ Unfunded Actuarial Accrued Liability	7,896	11,756
■ Funded Ratio	97.1%	95.5%
■ Market Value of Assets	254,171	249,966
■ Funded Ratio – Market Value Basis	93.9%	95.5%



SECTION 2

LIABILITY INFORMATION & FUNDED STATUS

Details of the June 30, 2023 Present Value of Benefits, Actuarial Accrued Liability and Employer Normal Cost by employee category:

(amounts in \$000's)

	Safety	Miscellaneous	Total
Present Value of Projected Benefits			
■ Active Employees	\$ -	\$ 236	\$ 236
■ Vested Terminated & Reciprocals	-	382	382
■ Service Retirees	7,510	180,853	188,363
■ Disabled Participants	9,806	14,799	24,605
■ Beneficiaries	12,817	35,407	48,224
■ Total	30,133	231,677	261,810

Actuarial Accrued Liability

■ Active Employees	-	233	233
■ Vested Terminated & Reciprocals	-	382	382
■ Service Retirees	7,510	180,853	188,363
■ Disabled Participants	9,806	14,799	24,605
■ Beneficiaries	12,817	35,407	48,224
■ Total	30,133	231,674	261,807

	Safety	Miscellaneous	Total
Normal Cost			
■ Employer Normal Cost (on June 30, 2023)	\$ 0	\$ 1	\$ 1



SECTION 2

LIABILITY INFORMATION & FUNDED STATUS

Details of the June 30, 2023 Present Value of Benefits, Actuarial Accrued Liability and Employer Normal Cost by benefit section:

(amounts in \$000's)

	Section 175	Sections 302 & 399	Total
Present Value of Projected Benefits			
■ Active Employees	\$ -	\$ 236	\$ 236
■ Vested Terminated & Reciprocal	50	332	382
■ Service Retirees	4,211	184,152	188,363
■ Disabled Participants	349	24,256	24,605
■ Beneficiaries	3,681	44,543	48,224
■ Total	<u>8,291</u>	<u>253,519</u>	<u>261,810</u>

Actuarial Accrued Liability

■ Active Employees	-	233	233
■ Vested Terminated & Reciprocal	50	332	382
■ Service Retirees	4,211	184,152	188,363
■ Disabled Participants	349	24,256	24,605
■ Beneficiaries	3,681	44,543	48,224
■ Total	<u>8,291</u>	<u>253,516</u>	<u>261,807</u>

	Section 175	Sections 302 & 399	Total
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Normal Cost

■ Employer Normal Cost (on 6/30/23)	\$ 0	\$ 1	\$ 1
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SECTION 3

ASSET INFORMATION

Assets for SCERS are held in trust. Trust monies may be used to pay benefits to plan participants and their beneficiaries. The trust is managed under the direction of the Administration, Investment, and Fiscal Management Board. Asset information is provided by the City of Sacramento, and has not yet been audited.

Asset Reconciliation – Market Value of Assets

Following reconciles the June 30, 2021 through June 30, 2022 and the June 30, 2022 through June 30, 2023 market value of assets. Numbers may not add due to rounding.

	(amounts in \$000's)	
	2021/22	2022/23
■ Beginning of Year Balance:	\$ 311,133	\$ 254,171
• Member Contributions	\$ 9	\$ 3
• City Contributions	3,479	-
• Investment Income	(31,084)	24,292
■ Total Additions	(27,596)	24,295
• Benefit Payments	28,145	27,501
• Member Refunds	-	-
• Investment Expenses	1,221	999
■ Total Deductions	29,366	28,500
■ Net Assets at End of Year	254,171	249,966
■ Approximate Return on Assets	-10.8%	9.7%



SECTION 3

ASSET INFORMATION

Asset Allocation – Market Value of Assets

The July 1, 2023 trust asset allocation is provided by the City of Sacramento and based on an allocation strategy of 35.0% fixed income and 65.0% equity. Details are shown below.

(amounts in \$000's)

	Market Value	Percentage
■ Cash & Short Term Investments	\$ 4,414	1.8%
■ Receivables	926	0.4%
■ Investments		
• US Agencies	\$ 1,129	0.5%
• US Treasury Bonds	2,971	1.2%
• Corporate Bonds	50,763	20.3%
• Equities	19,163	7.7%
• Exchange Traded Funds	147,933	59.2%
• Mortgage Loans	274	0.1%
• Municipal Bonds	<u>22,449</u>	9.0%
■ Total Investments	<u>244,682</u>	
■ Total Assets	250,022	
■ Other Liabilities Payable	<u>(56)</u>	<u>0.0%</u>
■ Net Pension Benefit Trust Assets	249,966	100.0%

Target Allocation by Asset Class

The Administration, Investment and Fiscal Management Board of the Sacramento City Employees' Retirement System changed the asset allocation May 18, 2023. The fund is rebalanced each year.

	Current Allocation	Prior Allocation
■ Fixed Bonds/Real Estate	<u>35.0%</u>	<u>32.5%</u>
Total Fixed	35.0%	32.5%
■ Large Cap Growth	30.0%	32.5%
■ Equity Income	30.0%	30.0%
■ International Equities	<u>5.0%</u>	<u>5.0%</u>
Total Equity	<u>65.0%</u>	<u>67.5%</u>
Total Fixed & Equity	100.0%	100.0%



SECTION 3

ASSET INFORMATION

Development of Actuarial Value of Assets

The Actuarial Value of Assets is based upon a three year smoothing of market assets. This method reduces volatility in contribution rates, and also reduces volatility in the size of the actuarial gains and losses due to asset returns. Because the plan is frozen to new membership and the membership is primarily composed of retirees and beneficiaries, it is important from a cash flow perspective that asset values used in calculating contribution rates not stray too far from market value. For this reason, a corridor of 15% around the market value is imposed upon the actuarial value.

	(amounts in \$000's)
	2022/23
■ Actuarial Value of Assets, Beginning of Year	\$ 262,645
• Contributions	3
• Expected Earnings	14,946
• Benefit Payments	(27,501)
■ Expected Actuarial Value of Assets, End of Year	250,093
■ Market Value of Assets, End of Year	249,966
■ Difference between MVA & Expected AVA	(127)
■ Preliminary Actuarial Value of Assets, End of Year <i>(Expected AVA+ 1/3 Difference)</i>	250,051
■ Actuarial Value of Assets Corridor	
• Cap: 115% of Market Value	287,461
• Min: 85% of Market Value	212,471
■ Actuarial Value of Assets, End of Year <i>(No greater than Cap, not less than Min)</i>	250,051
■ Approximate Annual Rate of Return	6.0%



SECTION 4

CONTRIBUTION DEVELOPMENT

Actuarially Determined Contribution

Following is the development of the 2024/25 Actuarially Determined Contribution. The 2023/24 Actuarially Determined Contribution was calculated in the June 30, 2022 actuarial valuation and is shown for comparison.

Contribution Year	(amounts in \$000's)	
	2023/24	2024/25
■ Actuarially Determined Contribution		
• Employer Normal Cost	\$ 0	\$ 1
• UAAL Amortization ³	1,399	1,361
• Total Cost	1,399	1,362
■ Projected Plan Payroll	150	83
■ Actuarially Determined Contribution (as a percent of plan payroll)		
• Employer Normal Cost	0.0%	1.1%
• UAAL Amortization	933.2%	1,638.9%
• Total Contribution	933.2%	1,640.0%
■ Projected Total City Payroll	419,060	437,440
■ Actuarially Determined Contribution (as a percent of total City payroll)		
• Employer Normal Cost	0.0%	0.0%
• UAAL Amortization	0.3%	0.3%
• Total Contribution	0.3%	0.3%

³ The Unfunded Actuarial Accrued Liability (UAAL) as of the beginning of the contribution year is being amortized as a level dollar amount over a rolling 11-year period for 2023/24 and 2024/25. As the plan continues to mature, this amortization period will be monitored.



SECTION 5

SCHEDULE OF FUTURE CONTRIBUTIONS

Below are the historic and projected contributions and benefit payments. City contributions for years ending 6/30/2026 and later are estimated assuming 6/30/24 and subsequent market value of assets earn 6.00% and assuming the Actuarially Determined Contribution is contributed each year. These contributions are designed to achieve 100% funding of the system.

Year Ending ⁴	Member Contributions	City Contributions	Benefit Payments
6/30/1997	\$1,080,000	\$0	\$23,274,000
6/30/1998	1,090,000	0	23,825,000
6/30/1999	1,136,000	0	24,249,000
6/30/2000	1,079,000	0 ⁵	24,901,000
6/30/2001	989,000	0	25,087,000
6/30/2002	1,011,000	0	25,588,000
6/30/2003	978,000	0	26,619,000
6/30/2004	1,056,000	0	26,772,000
6/30/2005	809,000	0	27,524,000
6/30/2006	789,000	0	28,749,000
6/30/2007	699,000	0	29,604,000
6/30/2008	596,000	3,534,000	29,896,000
6/30/2009	607,000	3,159,000	30,707,000
6/30/2010	377,000	3,431,000	31,719,000
6/30/2011	342,000	10,547,000	33,003,000
6/30/2012	332,000	10,361,000	33,057,000
6/30/2013	219,000	10,573,000	33,237,000
6/30/2014	161,000	9,649,000	33,688,000
6/30/2015	82,000	9,183,000	33,791,000
6/30/2016	69,000	8,645,000	32,683,000
6/30/2017	63,000	8,645,000	32,171,000
6/30/2018	55,000	8,645,000	31,583,000
6/30/2019	49,000	7,507,000	31,134,000
6/30/2020	25,000	4,410,000	30,457,000
6/30/2021	16,000	3,822,000	28,992,000
6/30/2022	9,000	3,479,000	28,145,000
6/30/2023	3,000	0	27,501,000
6/30/2024	2,000	1,399,000	27,094,000
6/30/2025	1,000	1,362,000	26,599,000
6/30/2026	1,000	1,274,000	26,031,000
6/30/2027	0	1,190,000	25,393,000
6/30/2028	0	1,112,000	24,703,000

⁴ Information prior to 6/30/2006 valuation is taken from prior actuary's valuation report. Member contributions and benefit payments for years ending 6/30/2024 and later are estimated.

⁵ Shown as a negative 1.367 million by prior actuary.



SECTION 6

ACTUARIAL (GAIN)/LOSS ANALYSIS

The gain/loss analysis of plan assets, actuarial liability, and unfunded actuarial liability for the one year period between valuation dates:

	(amounts in \$000's)		
	Actuarial Accrued Liability (Gain)/Loss	Actuarial Value of Assets Gain/(Loss)	Unfunded Actuarial Accrued Liability (Gain)/Loss
■ June 30, 2022 Actual Value	\$ 270,541	\$ 262,645	\$ 7,896
■ June 30, 2023 Expected Value⁶	258,179	249,810	8,369
■ COLA more than expected	5,336		
■ Demographic (Gain)/Loss ⁷	(1,708)		
■ Investment loss on Actuarial Value of Assets basis		(42)	
■ Benefit payments less than expected		286	
■ Member contributions less than expected		(3)	
■ Total (Gain)/Loss	_____	_____	3,387
■ June 30, 2023 Actual Value	261,807	250,051	11,756

⁶ Based on expected 2022/23 benefit payments and contributions.

⁷ Primarily due to more retiree and beneficiary deaths than expected.



SECTION 7

SENSITIVITY ANALYSIS

The Plan's June 30, 2023 funded status and 2024/25 fiscal year contribution are shown below at 5.00%, 6.00%, and 7.00% discount rates.

Discount Rate	(amounts in \$000's)		
	5.00%	Current 6.00%	7.00%
■ Present Value of Projected Benefits	\$ 281,613	\$ 261,810	\$ 244,417
■ Funded Status			
• Actuarial Accrued Liability	281,608	261,807	244,415
• Actuarial Value of Assets	250,051	250,051	250,051
• Unfunded Actuarial Accrued Liability	31,557	11,756	(5,636)
■ Funded Ratio	88.8%	95.5%	102.3%
■ 2024/25 Actuarially Determined Contribution			
• Employer Normal Cost	2	1	0
• UAAL Amortization (11 years)	3,728	1,361	(960)
• Total Contribution (not less than 0)	3,730	1,362	0
• Total Employer Contribution (as a percent of Plan payroll)	4,491.1%	1,640.0%	0.0%
• Total Employer Contribution (as a percent of total City payroll)	0.9%	0.3%	0.0%



SECTION 8

HEADCOUNT AND BENEFIT PAYMENT PROJECTION

Headcount and Benefit Payment Projection

Fiscal Year Ending June 30,	Active Count	Term Vested Count	Retiree Count	Annual Benefit Payments (000's)
2024	1	5	774	\$ 27,094
2025	1	5	746	26,599
2026	0	5	716	26,031
2027	0	5	684	25,393
2028	0	5	651	24,703
2029	0	5	618	23,966
2030	0	5	585	23,165
2031	0	5	552	22,243
2032	0	5	519	21,288
2033	0	4	486	20,302
2034	0	4	454	19,284
2035	0	4	422	18,234
2036	0	4	391	17,155
2037	0	4	360	16,053
2038	0	4	330	14,932
2039	0	3	301	13,797
2040	0	3	273	12,657
2041	0	3	245	11,522
2042	0	2	219	10,404
2043	0	2	194	9,315
2044	0	2	171	8,268
2045	0	2	149	7,269
2046	0	1	129	6,328
2047	0	1	111	5,452
2048	0	1	94	4,648
2049	0	1	79	3,919
2050	0	0	66	3,270
2051	0	0	55	2,701
2052	0	0	45	2,209
2053	0	0	37	1,790



SECTION 8
HEADCOUNT AND BENEFIT PAYMENT PROJECTION

Fiscal Year Ending June 30,	Active Count	Term Vested Count	Retiree Count	Annual Benefit Payments (000's)
2054	0	0	30	\$ 1,439
2055	0	0	24	1,149
2056	0	0	19	914
2057	0	0	15	727
2058	0	0	12	579
2059	0	0	10	464
2060	0	0	8	375
2061	0	0	6	307
2062	0	0	5	254
2063	0	0	4	214
2064	0	0	4	183
2065	0	0	3	159
2066	0	0	3	140
2067	0	0	2	125
2068	0	0	2	112
2069	0	0	2	101
2070	0	0	2	93
2071	0	0	1	85
2072	0	0	1	78
2073	0	0	1	73



SECTION 9 PLAN PROVISIONS

A. Plan Effective Date

Originally established effective April 1, 1935.

B. Plan Year

July 1 to June 30.

C. Participation

The plan is closed with no new members since January 28, 1977.

D. Eligibility to Retire

Section 175: Age 70, or age 55 and 20 years of service.

Sections 302 and 399: Age 70, or age 50 and 5 years of service.

E. Vesting

100% vesting with five years of participation.

F. Average Monthly Compensation

Average monthly salary for the 36 months prior to termination.

G. Employee Contributions

Each participant contributes a certain percentage based on his or her age at entry into the plan.

H. Service Retirement Benefit

Section 175:

Average Monthly Compensation times years of service times Benefit Factor. For retirement after age 65 with 20 years of service, benefit is a minimum of \$60 per month.

Sections 302 and 399:

Average Monthly Compensation times years of service times Benefit Factor, but no larger than 75% of final average earnings.

Benefit Factors at sample ages:

<u>Retirement Age</u>	<u>Section 175</u>	<u>Sections 302 and 399</u>
50	n/a	1.10%
55	1.10%	1.75%
60	1.67%	2.40%
65	2.44%	2.40%



SECTION 9 PLAN PROVISIONS

I. Vested Termination Benefit

Return of employee contributions with interest, or if the value is greater than \$500, the member may choose to leave the contributions in the system. The member may become eligible in the future for retirement, disability or death benefits.

J. Non-Industrial (Ordinary) Disability Benefit

Eligibility is ten years of service.

Section 175:

With 16 2/3 years of service: 1½% of final average salary times years of service to disability.

Less than 16 2/3 years of service: Minimum of 1½% of final average salary times years of service would have earned to age 60, or 25% of final average earnings.

Sections 302 and 399:

Not Eligible for Retirement: Lesser of 1½% of Final Average Earnings times years of service or final average earnings times benefit factor at age 50 times years of service at age 50, minimum of 25% of final average earnings.

Eligible for Retirement: Maximum of retirement allowance or 25% of final average earnings.

K. Industrial Disability Benefit

Sections 302 and 399:

Not Eligible for Retirement: 50% of final average earnings.

Eligible for retirement: Maximum of retirement allowance or 50% of final average earnings.

L. Death Benefit – Pre Retirement Eligibility

Return of employee contributions with interest, plus 1/12 of salary in the year preceding death multiplied by the smaller of 6 or years of service.

M. Death Benefit – Post Retirement Eligibility

50% of the member's benefit as if the member retired at the time of death, paid as a lifetime benefit to the spouse.

N. Death Benefit – Post Retirement Death

\$500 paid to the member's estate upon death.



SECTION 9 PLAN PROVISIONS

O. Social Security Reduction at age 62

For members participating in Social Security, their benefit will be reduced at the later of age 62 or actual retirement age. The amount of the reduction is one half of the PIA from Social Security, multiplied by the ratio of the sum of salary earned from the City to the sum of salary from all sources used in the calculation of the Social Security amount. The member's benefit under the System plus the amount received from Social Security cannot be less than the member's benefit under the System calculated with no reductions as of his retirement age. The City applies this offset to service retirees, not to disabled retirees.

P. Reduction Account

A member can choose to reduce his normal contributions to the System by an amount equal to the taxes paid for Social Security coverage. At the time of retirement, the regular retirement benefit will be reduced by the actuarial equivalent of the accumulated value of the reduction of contributions.

Q. Cost of Living

Benefits will be increased each July 1 by the change in the CPI for the San Francisco/Oakland area for the preceding calendar year limited to 3% (with COLA bank).

R. Benefit Forms

Section 175:

Lifetime benefit to the member, which may be actuarially reduced to provide a continuance to a beneficiary.

Section 302 and 399:

Lifetime benefit to the member, with an automatic 50% continuance to the spouse.



SECTION 10

METHODS AND ASSUMPTIONS

Actuarial Methods

The actuarial cost method used for this valuation is the Entry Age Normal (EAN) method. The Present Value of Projected Benefits (PVPB) is the present value of all future benefits for current plan participants. The Actuarial Accrued Liability (AAL) represents the portion of the PVPB attributable to past service. The AAL is recognized over service through the date a participant is expected to commence benefits.

We recommend amortizing the current unfunded AAL over an 11-year rolling period as a level dollar amount. Because the plan is closed, the amortization period should be regularly reviewed. The Board has regularly reduced the amortization period in the recent past. Under current Board policy, when the average future life expectancy of the plan participants drops below 5 years, the amortization period will be reduced to no more than 5 years.

Plan funded status based on excess of

- 1) Value of Normal Retirement Benefit in excess of employee contributions over
- 2) Actuarial Value of Assets

The contribution generated by the current valuation will be payable for the City's fiscal year beginning one year later (2024/25). The June 30, 2022 valuation generated a contribution for fiscal year 2023/24.

The Actuarial Value of Assets is a 3-year smoothed market value. Gains and losses will be recognized over a three year period. For June 30, 2006, the first year of this method, the Actuarial Asset Value was set equal to the Market Value. The Actuarial Value of Assets will be limited by a 15% corridor. The Actuarial Value of Assets will be no greater than 115% of Market Value of Assets and no less than 85% of Market Value of Assets.

Data

The City provided participant data as of 7/1/2023. We reviewed the data for reasonableness and resolved any questions with the City. We believe the resulting data can be relied on for all purposes of this valuation without limitation.

Basis for Assumptions

Mortality assumptions are based on CalPERS 2000-2019 experience study, since that study is based on populations similar to this plan. Mortality improvement is the Society of Actuaries Scale MP-2021. Inflation is based on our estimate for the plan's very long-time horizon. The salary merit assumption is based on our expectation of overall payroll growth, due to the current age of the remaining employee. The 6.00% discount rate was selected by the Board. Foster & Foster estimates that a passively managed portfolio with a similar asset allocation would exceed that selected rate about 45% of the time. We believe the 6.00% discount rate is reasonable.

Retirement and disablement rates are insignificant due to the age of the remaining participants and are based on rates used historically.

The Social Security offset, marriage, retirement age for deferred vesteds, and reciprocal assumptions are based in part on plan experience. Due to the small number and age of remaining employees and deferred vested, these assumptions are not significant.



SECTION 10

METHODS AND ASSUMPTIONS

Actuarial Assumptions

Assumptions used in the valuation are as follows:

- **Discount Rate**
6.00% net of investment expenses⁸.
Selected by the Board.
- **Inflation**
2.5%
- **Salary Scale**
2.5% CPI
0.50% Merit
- **Social Security Wage Base**
2.75%
- **Termination**
None assumed. The one remaining active is retirement-eligible.
- **Retirement**
Rates vary based on age. Sample rates follow:

<u>Age</u>	<u>Non Sec 175</u>
69	33%
70	100%

- **Disability**
Rates vary based on age, gender and if the disability is job-related or not. Sample rates follow:

	<u>Job Related</u>		<u>Ordinary</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
59	.00612	.00336	.01683	.00924
60	.00639	.00351	.01761	.00969
61+	.00000	.00000	.00000	.00000

⁸ Administrative expenses are not paid from plan assets.



SECTION 10

METHODS AND ASSUMPTIONS

- **Healthy Mortality**

CalPERS 2000-2019 Pre-Retirement Mortality table for males and females and CalPERS 2000-2019 Post-Retirement Mortality table for males and females. Sample rates are as follows:

<u>Age</u>	<u>Pre-Retirement</u>		<u>Post-Retirement</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
50	0.13%	0.08%	0.27%	0.20%
60	0.29%	0.18%	0.57%	0.46%
70	0.59%	0.40%	1.34%	1.00%
80	1.03%	0.76%	4.38%	3.40%
90	n/a	n/a	14.54%	11.09%
100	n/a	n/a	36.20%	31.58%

- **Post-Retirement Disabled Mortality**

For Miscellaneous retirees, CalPERS 2000-2019 Non-Work-Related Disability table for males and females. For Safety retirees, CalPERS 2000-2019 Work-Related Disability table for males and females. Sample rates are as follows:

<u>Age</u>	<u>Non-Work-Related</u>		<u>Work-Related</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
50	1.73%	1.44%	0.44%	0.31%
60	2.68%	1.96%	0.94%	0.87%
70	4.06%	2.91%	2.19%	1.86%
80	8.04%	6.11%	5.93%	5.18%
90	16.77%	14.40%	16.74%	12.43%
100	36.20%	31.58%	36.20%	31.58%

- **Mortality Improvement Projection**

Post-retirement mortality projected fully generational with Society of Actuaries Scale MP-2021.

- **Social Security Offset**

Monthly benefits for current retirees and vested terminated assumed to decrease at the later of age 62 or actual retirement, based on the average expected offset of future retirees.

- **Marriage**

85% of male employees and 60% of female employees are assumed to be married. Wives are assumed to be four years younger than husbands.



SECTION 10

METHODS AND ASSUMPTIONS

- **Retirement Age**

Deferred vested members covered under Section 399 are assumed to retire at age 62; those covered under Section 175 are assumed to retire at age 65.

- **Reciprocal Members**

All remaining deferred vested members are assumed to have reciprocity with other retirement systems, and their pay is assumed to increase with salary scale after separation from the City.

- **COLA**

2.5% CPI

Future benefits increased with CPI up to 3.0% per year with actual COLA banks.

- **Actuarial Modeling**

Our valuation was performed using and relying on ProVal, an actuarial model leased from WinTech. Our use of ProVal is consistent with its intended purpose. We have reviewed and understand ProVal and its operation, sensitivities and dependencies.

- **COVID-19**

No adjustments to the assumptions have been made for COVID-19 since the future impacts are unknown.



SECTION 11 PARTICIPANT DATA

Data Summary

Following summarizes participant demographic information for the June 30, 2022 and June 30, 2023 actuarial valuations.

	June 30, 2022	June 30, 2023
■ Participant Counts		
• Actives	2	1
• Terminated Vesteds	4	4
• Reciprocal	1	1
• Service Retirees	447	429
• Disableds	82	80
• Beneficiaries ⁹	292	265
• Total	828	780
■ Actives		
• Average Age	68.4	68.5
• Average Service	45.2	46.3
• Salary		
> Total	\$ 149,951	\$83,054
> Average	74,976	83,054
• Overall City Payroll	395,004,000	412,329,000
■ Terminated Vesteds & Reciprocal		
• Average Age	71.7	72.7
■ Retirees, Disableds & Beneficiaries		
• Average Age	79.9	80.5
• Average Monthly Benefit	\$ 2,871	\$ 2,974
• Life expectancy	10.9	10.5

⁹ The June 30, 2022 valuation included 5 spouses of deceased retirees whom the City has not been able to contact and were not yet receiving benefits. One of these 5 spouses began collecting benefits and has since passed away. The remaining 4 have been excluded in the June 30, 2023 valuation as the City believes it is unlikely they will receive future benefits.



SECTION 11 PARTICIPANT DATA

June 30, 2023 Participant Data

Following summarizes participant demographic information for the June 30, 2023 actuarial valuation, broken out by employee category and benefit section.

	Safety		Miscellaneous		Total
	Section 175	Section 302 & 399	Section 175	Section 302 & 399	
■ Actives					
• Count	-	-	-	1	1
• Average Age	n/a	n/a	n/a	68.5	68.5
• Average Service	n/a	n/a	n/a	46.3	46.3
• Projected Salary					
➤ Average	\$ -	\$ -	\$ -	\$83,054	\$83,054
➤ Total (000's)	-	-	-	83	83
■ Vested Terms & Reciprocals					
• Count	-	-	1	4	5
• Average Age	n/a	n/a	72.6	72.7	72.7
■ All Inactives					
• Count	15	98	20	641	774
• Average Age	87.3	84.5	83.5	79.6	80.5
• Avg. Monthly Benefit	\$2,526	\$3,271	\$2,473	\$2,954	\$2,974
■ Service Retirees					
• Count	5	17	9	398	429
• Average Age	92.4	88.9	82.5	78.9	79.5
• Average Retirement Age	54.1	54.6	63.3	59.6	59.4
• Avg. Monthly Benefit	\$3,186	\$5,405	\$3,095	\$3,585	\$3,642
■ Disabled Retirees					
• Count	-	29	3	48	80
• Average Age	n/a	81.0	89.5	77.2	79.0
• Average Retirement Age	n/a	41.1	49.9	48.7	46.0
• Avg. Monthly Benefit	n/a	\$3,195	\$1,469	\$2,514	\$2,722
■ Beneficiaries					
• Count	10	52	8	195	265
• Average Age	84.8	85.0	82.3	81.7	82.5
• Avg. Monthly Benefit	\$2,197	\$2,616	\$2,151	\$1,775	\$1,967



SECTION 11 PARTICIPANT DATA

Data Reconciliation 6/30/2022 to 6/30/2023

	Actives	Terminated		Receiving Payments			Total
		Vested	Reciprocal	Disabled	Benefic.	Retirees	
■ June 30, 2022	2	4	1	82	292	447	828
• New Hires	-	-	-	-	-	-	-
• Disabled	-	-	-	-	-	-	-
• Terminated	-	-	-	-	-	-	-
• Deceased	-	-	-	(2)	(30)	(19)	(51)
• New Beneficiaries	-	-	-	-	7	-	7
• Retired	(1)	-	-	-	-	1	-
• Adjustment ¹⁰	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4)</u>	<u>-</u>	<u>(4)</u>
■ June 30, 2023	1	4	1	80	265	429	780

¹⁰ Includes 4 spouses of deceased retirees whom the City has not been able to contact but were included in the June 30, 2022 valuation. Since it is unlikely the spouses will receive benefits in the future, they were removed from the data for the June 30, 2023 valuation.



SECTION 11 PARTICIPANT DATA

Active Age/Service

Following are active counts by age and service groups:

Age	Service							Total
	0-4	5-9	10-14	15-19	20-24	25-29	30 & Over	
Under 25	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-
65 & Over	-	-	-	-	-	-	1	1
Total	-	-	-	-	-	-	1	1



SECTION 11 PARTICIPANT DATA

Inactives Age/Status/Monthly Benefit

Following are inactive counts and monthly benefit by age and status.

Safety

Age		Service Retirees	Disability Retirees	Beneficiaries	Total
Under 50	Count	-	-	-	-
	Avg. Benefit	-	-	-	-
50-54	Count	-	-	-	-
	Avg. Benefit	-	-	-	-
55-59	Count	-	-	-	-
	Avg. Benefit	-	-	-	-
60-64	Count	-	-	-	-
	Avg. Benefit	-	-	-	-
65-69	Count	-	-	1	1
	Avg. Benefit	-	-	2,040	2,040
70-74	Count	1	2	3	6
	Avg. Benefit	5,021	3,008	1,986	2,833
75-79	Count	2	13	13	28
	Avg. Benefit	4,860	3,388	2,209	2,946
80-84	Count	2	7	15	24
	Avg. Benefit	2,918	2,564	2,716	2,689
85 & Over	Count	17	7	30	54
	Avg. Benefit	5,132	3,521	2,685	3,564
Total	Count	22	29	62	113
	Avg. Benefit	4,901	3,195	2,548	3,172



SECTION 11 PARTICIPANT DATA

Miscellaneous

Age		Service Retirees	Disability Retirees	Beneficiaries	Total
Under 50	Count	-	-	-	-
	Avg. Benefit	-	-	-	-
50-54	Count	-	-	-	-
	Avg. Benefit	-	-	-	-
55-59	Count	-	-	2	2
	Avg. Benefit	-	-	1,841	1,841
60-64	Count	-	-	3	3
	Avg. Benefit	-	-	1,304	1,304
65-69	Count	39	10	14	63
	Avg. Benefit	3,433	2,597	1,269	2,819
70-74	Count	86	16	25	127
	Avg. Benefit	3,731	2,778	1,840	3,238
75-79	Count	123	6	47	176
	Avg. Benefit	3,736	2,594	1,643	3,138
80-84	Count	79	6	31	116
	Avg. Benefit	3,207	2,789	1,989	2,860
85 & Over	Count	80	13	81	174
	Avg. Benefit	3,589	1,720	1,890	2,658
Total	Count	407	51	203	661
	Avg. Benefit	3,574	2,452	1,790	2,940



Exhibit H
Current Debt Service Schedule
As of 1/2/2024

2015 Refunding Revenue Bonds

Bond Info	Par Amount	\$ 183,380,000.00
	Dated Date	10/14/2015
	Issued Date	10/14/2015
	Bond Year Beginning Date	12/1/2036

Call Information	<i>"On or after" Date</i>		<i>Call Price (% of Par)</i>	
		12/1/2025	100%	

PAYMENT DATE	INTEREST RATE	ORIGINAL PRINCIPAL DUE	CALLED PRINCIPAL	CALL PREMIUM	UNREFUNDED PRINCIPAL	INTEREST DUE	DEBT SERVICE PAYMENT	TOTAL BOND YEAR DEBT SERVICE	TOTAL FISCAL YEAR DEBT SERVICE
Jun 01, 2015	-	\$ -	\$ -	INVALID CALL	\$ -	\$ -	\$ -		\$ -
Dec 01, 2015	-	\$ -	\$ -	INVALID CALL	\$ -	\$ 1,100,088.85	\$ 1,100,088.85	\$ 1,100,088.85	
Jun 01, 2016	-	\$ -	\$ -	INVALID CALL	\$ -	\$ 4,213,106.26	\$ 4,213,106.26		\$ 5,313,195.11
Dec 01, 2016	4.00%	\$ 16,680,000.00	\$ -	INVALID CALL	\$ 16,680,000.00	\$ 4,213,106.26	\$ 20,893,106.26	\$ 25,106,212.52	
Jun 01, 2017	-	\$ -	\$ -	INVALID CALL	\$ -	\$ 3,879,506.26	\$ 3,879,506.26		\$ 24,772,612.52
Dec 01, 2017	**	\$ 16,330,000.00	\$ -	INVALID CALL	\$ 16,330,000.00	\$ 3,879,506.26	\$ 20,209,506.26	\$ 24,089,012.52	
Jun 01, 2018	-	\$ -	\$ -	INVALID CALL	\$ -	\$ 3,504,956.26	\$ 3,504,956.26		\$ 23,714,462.52
Dec 01, 2018	**	\$ 15,560,000.00	\$ -	INVALID CALL	\$ 15,560,000.00	\$ 3,504,956.26	\$ 19,064,956.26	\$ 22,569,912.52	
Jun 01, 2019	-	\$ -	\$ -	INVALID CALL	\$ -	\$ 3,153,756.26	\$ 3,153,756.26		\$ 22,218,712.52
Dec 01, 2019	5.00%	\$ 15,335,000.00	\$ -	INVALID CALL	\$ 15,335,000.00	\$ 3,153,756.26	\$ 18,488,756.26	\$ 21,642,512.52	
Jun 01, 2020	-	\$ -	\$ -	INVALID CALL	\$ -	\$ 2,770,381.26	\$ 2,770,381.26		\$ 21,259,137.52
Dec 01, 2020	**	\$ 15,900,000.00	\$ -	INVALID CALL	\$ 15,900,000.00	\$ 2,770,381.26	\$ 18,670,381.26	\$ 21,440,762.52	
Jun 01, 2021	-	\$ -	\$ -	INVALID CALL	\$ -	\$ 2,412,381.26	\$ 2,412,381.26		\$ 21,082,762.52
Dec 01, 2021	**	\$ 15,135,000.00	\$ -	INVALID CALL	\$ 15,135,000.00	\$ 2,412,381.26	\$ 17,547,381.26	\$ 19,959,762.52	
Jun 01, 2022	-	\$ -	\$ -	INVALID CALL	\$ -	\$ 2,097,906.26	\$ 2,097,906.26		\$ 19,645,287.52
Dec 01, 2022	5.00%	\$ 5,880,000.00	\$ -	INVALID CALL	\$ 5,880,000.00	\$ 2,097,906.26	\$ 7,977,906.26	\$ 10,075,812.52	
Jun 01, 2023	-	\$ -	\$ -	INVALID CALL	\$ -	\$ 1,950,906.26	\$ 1,950,906.26		\$ 9,928,812.52
Dec 01, 2023	5.00%	\$ 6,175,000.00	\$ -	INVALID CALL	\$ 6,175,000.00	\$ 1,950,906.26	\$ 8,125,906.26	\$ 10,076,812.52	
Jun 01, 2024	-	\$ -	\$ -	INVALID CALL	\$ -	\$ 1,796,531.26	\$ 1,796,531.26		\$ 9,922,437.52
Dec 01, 2024	5.00%	\$ 6,495,000.00	\$ -	INVALID CALL	\$ 6,495,000.00	\$ 1,796,531.26	\$ 8,291,531.26	\$ 10,088,062.52	
Jun 01, 2025	-	\$ -	\$ -	INVALID CALL	\$ -	\$ 1,634,156.26	\$ 1,634,156.26		\$ 9,925,687.52
Dec 01, 2025	5.00%	\$ 6,800,000.00	\$ -	-	\$ 6,800,000.00	\$ 1,634,156.26	\$ 8,434,156.26	\$ 10,068,312.52	
Jun 01, 2026	-	\$ -	\$ -	-	\$ -	\$ 1,464,156.26	\$ 1,464,156.26		\$ 9,898,312.52
Dec 01, 2026	5.00%	\$ 7,155,000.00	\$ -	-	\$ 7,155,000.00	\$ 1,464,156.26	\$ 8,619,156.26	\$ 10,083,312.52	
Jun 01, 2027	-	\$ -	\$ -	-	\$ -	\$ 1,285,281.26	\$ 1,285,281.26		\$ 9,904,437.52
Dec 01, 2027	**	\$ 7,505,000.00	\$ -	-	\$ 7,505,000.00	\$ 1,285,281.26	\$ 8,790,281.26	\$ 10,075,562.52	
Jun 01, 2028	-	\$ -	\$ -	-	\$ -	\$ 1,119,106.26	\$ 1,119,106.26		\$ 9,909,387.52
Dec 01, 2028	5.00%	\$ 7,855,000.00	\$ -	-	\$ 7,855,000.00	\$ 1,119,106.26	\$ 8,974,106.26	\$ 10,093,212.52	
Jun 01, 2029	-	\$ -	\$ -	-	\$ -	\$ 922,731.26	\$ 922,731.26		\$ 9,896,837.52
Dec 01, 2029	3.38%	\$ 8,190,000.00	\$ -	-	\$ 8,190,000.00	\$ 922,731.26	\$ 9,112,731.26	\$ 10,035,462.52	
Jun 01, 2030	-	\$ -	\$ -	-	\$ -	\$ 784,525.00	\$ 784,525.00		\$ 9,897,256.26
Dec 01, 2030	5.00%	\$ 4,395,000.00	\$ -	-	\$ 4,395,000.00	\$ 784,525.00	\$ 5,179,525.00	\$ 5,964,050.00	
Jun 01, 2031	-	\$ -	\$ -	-	\$ -	\$ 674,650.00	\$ 674,650.00		\$ 5,854,175.00
Dec 01, 2031	5.00%	\$ 4,610,000.00	\$ -	-	\$ 4,610,000.00	\$ 674,650.00	\$ 5,284,650.00	\$ 5,959,300.00	
Jun 01, 2032	-	\$ -	\$ -	-	\$ -	\$ 559,400.00	\$ 559,400.00		\$ 5,844,050.00
Dec 01, 2032	5.00%	\$ 4,385,000.00	\$ -	-	\$ 4,385,000.00	\$ 559,400.00	\$ 4,944,400.00	\$ 5,503,800.00	
Jun 01, 2033	-	\$ -	\$ -	-	\$ -	\$ 449,775.00	\$ 449,775.00		\$ 5,394,175.00
Dec 01, 2033	5.00%	\$ 4,600,000.00	\$ -	-	\$ 4,600,000.00	\$ 449,775.00	\$ 5,049,775.00	\$ 5,499,550.00	
Jun 01, 2034	-	\$ -	\$ -	-	\$ -	\$ 334,775.00	\$ 334,775.00		\$ 5,384,550.00
Dec 01, 2034	5.00%	\$ 4,575,000.00	\$ -	-	\$ 4,575,000.00	\$ 334,775.00	\$ 4,909,775.00	\$ 5,244,550.00	
Jun 01, 2035	-	\$ -	\$ -	-	\$ -	\$ 220,400.00	\$ 220,400.00		\$ 5,130,175.00
Dec 01, 2035	5.00%	\$ 4,800,000.00	\$ -	-	\$ 4,800,000.00	\$ 220,400.00	\$ 5,020,400.00	\$ 5,240,800.00	
Jun 01, 2036	-	\$ -	\$ -	-	\$ -	\$ 100,400.00	\$ 100,400.00		\$ 5,120,800.00
Dec 01, 2036	4.00%	\$ 5,020,000.00	\$ -	-	\$ 5,020,000.00	\$ 100,400.00	\$ 5,120,400.00	\$ 5,220,800.00	\$ 5,120,400.00
TOTALS		\$ 183,380,000.00	\$ -	\$ -	\$ 183,380,000.00	\$ 71,757,664.13	\$ 255,137,664.13	\$ 255,137,664.13	\$ 255,137,664.13



RETIREE HEALTHCARE PLAN

June 30, 2021 Actuarial Valuation

Final Results

Bartel Associates, LLC

Mary Beth Redding, Vice President & Actuary

Catherine Wandro, Assistant Vice President & Actuary

Daniel Park, Actuarial Analyst

June 3, 2022

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BENEFIT SUMMARY

	Fire	Police & Miscellaneous									
<ul style="list-style-type: none"> ■ Eligibility 	<ul style="list-style-type: none"> ■ Retire directly from the City: <ul style="list-style-type: none"> ● Age 50 & 10 years City service, or ● 30 years City service, or ● Industrial disability, or ● Death in line of duty 										
<ul style="list-style-type: none"> ■ Benefit for Hires before Plan Change Date <p>Medical, Dental & Vision</p>	<ul style="list-style-type: none"> ■ Retire before 1/1/20: <ul style="list-style-type: none"> ● Retiree only - lowest cost \$25 co-pay medical plan premium plus additional 5.28% of cost plus lowest cost PPO dental plan premium, plus \$25 ■ Retire on or after 1/1/20: <ul style="list-style-type: none"> ● Exclude 5.28% multiplier ■ Monthly Fire Caps: <table border="1" style="margin-left: 20px; width: 100%;"> <thead> <tr> <th style="text-align: center;">Fire Caps</th> <th style="text-align: center;">2021</th> <th style="text-align: center;">2022</th> </tr> </thead> <tbody> <tr> <td>DOR < 1/1/20</td> <td style="text-align: right;">\$856.00</td> <td style="text-align: right;">\$888.89</td> </tr> <tr> <td>DOR > 1/1/20</td> <td style="text-align: right;">\$817.44</td> <td style="text-align: right;">\$848.68</td> </tr> </tbody> </table> 	Fire Caps	2021	2022	DOR < 1/1/20	\$856.00	\$888.89	DOR > 1/1/20	\$817.44	\$848.68	<ul style="list-style-type: none"> ■ Retiree only - \$300/mo ■ Retiree + Dependents - \$365/mo
Fire Caps	2021	2022									
DOR < 1/1/20	\$856.00	\$888.89									
DOR > 1/1/20	\$817.44	\$848.68									

BENEFIT SUMMARY

	Fire	Police & Miscellaneous										
<ul style="list-style-type: none"> ■ Vesting Schedule 	<table style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Service</u></th> <th style="text-align: left;"><u>% of Cap</u></th> </tr> </thead> <tbody> <tr> <td>10</td> <td>50%</td> </tr> <tr> <td>15</td> <td>75%</td> </tr> <tr> <td>20+</td> <td>100%</td> </tr> <tr> <td>ID&D Disability</td> <td>100%</td> </tr> </tbody> </table>	<u>Service</u>	<u>% of Cap</u>	10	50%	15	75%	20+	100%	ID&D Disability	100%	<ul style="list-style-type: none"> ■ Same
<u>Service</u>	<u>% of Cap</u>											
10	50%											
15	75%											
20+	100%											
ID&D Disability	100%											
<ul style="list-style-type: none"> ■ Medical Plans 	<ul style="list-style-type: none"> ■ Retiree may participate in City medical plans or purchase outside plans and be reimbursed by the City up to the cap 											
<ul style="list-style-type: none"> ■ Benefit for Hires after Plan Change Date 	<ul style="list-style-type: none"> ■ Benefit - No City cash contribution but allowed to participate in City health plans by paying the full premium if hired after: <ul style="list-style-type: none"> ● 6/30/12 - Exempt Employees and Stationary Engineers Units ● 7/20/12 - Unrepresented Employees ● 9/3/13 - Police ● 11/15/14 - Plumbers and Pipe Fitters ● 1/1/20 - Fire ● 6/30/13 - All other bargaining units 											

BENEFIT SUMMARY

	Fire	Police & Miscellaneous
<ul style="list-style-type: none"> ■ Pre 1/1/91 Deferred Retirement 	<ul style="list-style-type: none"> ■ None 	<ul style="list-style-type: none"> ■ Eligibility: Age 50 & 10 years ■ Benefit: Pre-plan change benefit ■ <u>Service</u> <u>%</u> 10 50% 20+ 100%
<ul style="list-style-type: none"> ■ Surviving Spouse Benefit 	<ul style="list-style-type: none"> ■ Same benefit continues to surviving spouse 	
<ul style="list-style-type: none"> ■ Other OPEB 	<ul style="list-style-type: none"> ■ No City contribution for life insurance or Medicare Part B premiums 	
<ul style="list-style-type: none"> ■ Fire Department Unit Trust 	<ul style="list-style-type: none"> ■ CERBT Sub-account ■ 6/27/15 – effective date ■ 12/31/19 – Contributions discontinued ■ 4/28/21 Sub-account closed and assets combined with City’s assets 	<ul style="list-style-type: none"> ■ n/a

BENEFIT SUMMARY

	Fire		Police & Miscellaneous	
<ul style="list-style-type: none"> ■ Pay-As-You-Go Costs (\$000’s) 	<u>Fiscal Year</u>	<u>Cash</u>	<u>Implied Subsidy</u>	<u>Total</u>
	■ FY 2020/21	\$10,840	\$4,785	\$15,625
	■ FY 2019/20	\$10,832	\$4,932	\$15,764
	■ FY 2018/19	\$10,407	\$4,483	\$14,890
	■ FY 2017/18	\$10,123	\$2,780	\$12,903
	■ FY 2016/17	\$10,011	\$2,554	\$12,565
	■ FY 2015/16	\$9,847	\$2,516	\$12,363
	■ FY 2014/15	\$9,904	\$3,620	\$13,524
	■ FY 2013/14	\$9,970	\$3,503	\$13,473
	■ FY 2012/13	\$9,758	\$3,085	\$12,843
■ FY 2011/12	\$9,462	\$2,729	\$12,191	
■ FY 2010/11	\$9,230	\$2,661	\$11,891	

BENEFIT SUMMARY

	Fire	Police & Miscellaneous																					
<ul style="list-style-type: none"> ■ Implied Subsidy 	<ul style="list-style-type: none"> ■ Non-Medicare retirees pay blended rates instead of actual cost ■ Active employee premiums subsidize non-Medicare retiree cost <div style="text-align: center; margin: 10px 0;"> <p>2021 Kaiser HMO \$25 Co-Pay - Male</p> <table border="1" style="margin: 10px auto; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Age 40</th> <th>Age 45</th> <th>Age 50</th> <th>Age 55</th> <th>Age 60</th> <th>Age 65</th> </tr> </thead> <tbody> <tr> <td>▲ Active/Early Retiree Premium</td> <td>\$730</td> <td>\$730</td> <td>\$730</td> <td>\$730</td> <td>\$730</td> <td>\$730</td> </tr> <tr> <td>● Estimated Cost</td> <td>\$424</td> <td>\$541</td> <td>\$701</td> <td>\$908</td> <td>\$1,161</td> <td>\$1,440</td> </tr> </tbody> </table> </div> <ul style="list-style-type: none"> ■ GASB OPEB includes active “implied subsidy” with retiree cost ■ Medical: <ul style="list-style-type: none"> ● Value to age 65 for Medicare eligible retirees ● Value for life for non-Medicare eligible retirees ■ Dental & vision: no implied subsidy valued 			Age 40	Age 45	Age 50	Age 55	Age 60	Age 65	▲ Active/Early Retiree Premium	\$730	\$730	\$730	\$730	\$730	\$730	● Estimated Cost	\$424	\$541	\$701	\$908	\$1,161	\$1,440
	Age 40	Age 45	Age 50	Age 55	Age 60	Age 65																	
▲ Active/Early Retiree Premium	\$730	\$730	\$730	\$730	\$730	\$730																	
● Estimated Cost	\$424	\$541	\$701	\$908	\$1,161	\$1,440																	

BENEFIT SUMMARY

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PARTICIPANT STATISTICS

Participant Statistics – June 30, 2021

	Misc	Police	Fire	Total
■ Actives				
• Count	2,560	732	607	3,899
• Average Age	44.9	37.2	41.9	43.0
• Average City Service	10.4	11.2	13.2	11.0
• Average PERSable Salary	\$ 79,994	\$ 100,408	\$ 98,999	\$ 86,785
• Total Salary (\$000's)	204,784	73,499	60,092	338,375
■ Pre 1/1/91 Inactive Vested				
• Count	5	-	-	5
• Average Age	70.7	-	-	70.7
■ Retirees				
• Count - Medical	1,096	243	420	1,759
• Count - Dental	1,701	547	476	2,724
• Count - Vision	1,006	345	320	1,671
• Count - In Lieu	187	126	25	338
• Count - Total	2,202	645	522	3,369
• Average Age	72.1	68.5	71.3	71.3
• Average Retirement Age	59.0	51.4	55.1	57.0



June 3, 2022



PARTICIPANT STATISTICS

Participant Statistics – June 30, 2019

	Misc	Police	Fire	Total
■ Actives				
• Count	2,636	687	569	3,892
• Average Age	44.6	37.8	42.4	43.1
• Average City Service	10.3	11.8	13.7	11.1
• Average PERSable Salary	\$ 75,389	\$ 94,579	\$ 99,884	\$ 82,357
• Total Salary (\$000's)	198,725	64,976	56,834	320,534
■ Pre 1/1/91 Inactive Vested				
• Count	8	-	-	8
• Average Age	69.0	-	-	69.2
■ Retirees				
• Count - Medical	1,113	231	426	1,770
• Count - Dental	1,658	543	471	2,672
• Count - Vision	827	308	277	1,412
• Count - In Lieu	152	134	16	302
• Count - Total	2,023	628	510	3,161
• Average Age	71.6	67.4	71.0	70.6
• Average Retirement Age	58.6	50.8	54.2	56.4



June 3, 2022



PARTICIPANT STATISTICS

Participant Reconciliation – Actives

Actives Participants	Misc	Police	Fire	Total
■ June 30, 2019 Valuation	2,636	687	569	3,892
• New Hires	398	98	73	569
• Departures	(297)	(29)	(14)	(340)
• New Retirements	(142)	(47)	(33)	(222)
• Adjustments	(35)	23	12	-
■ June 30, 2021 Valuation	2,560	732	607	3,899

PARTICIPANT STATISTICS

Participant Reconciliation – Retirees

Retired Participants	Misc	Police	Fire	Total
■ June 30, 2019 Valuation	2,023	628	510	3,161
• Departures	(159)	(42)	(46)	(247)
• New Retirements	142	47	33	222
• Adjustments ¹	196	12	25	233
■ June 30, 2021 Valuation	2,202	645	522	3,369

¹ 187 have waived medical coverage, and 169 of those are not receiving a cash in lieu benefit.

ACTUARIAL ASSUMPTIONS HIGHLIGHTS

	June 30, 2019 Valuation	June 30, 2021 Valuation
<ul style="list-style-type: none"> ■ Valuation Date 	<ul style="list-style-type: none"> ■ June 30, 2019 ■ Fiscal Years 2020/21 & 2021/22 	<ul style="list-style-type: none"> ■ June 30, 2021 ■ Fiscal Years 2022/23 & 2023/24
<ul style="list-style-type: none"> ■ Discount Rate 	<ul style="list-style-type: none"> ■ 6.75% ■ Based on closed group crossover analysis following GASBS 75 methodology: <ul style="list-style-type: none"> ● Projected City contributions of \$1.5 million each year ● 6.75% rate for funded benefits and S&P 20-year bond index rate (2.79% as of 6/30/19) for pay-go only 	<ul style="list-style-type: none"> ■ 6.25% ■ Based on closed group crossover analysis following GASBS 75 methodology: <ul style="list-style-type: none"> ● Projected City contributions of \$1.5 million each year ● 6.25% rate for funded benefits and S&P 20-year bond index rate (2.18% as of 6/30/21) for pay-go only
<ul style="list-style-type: none"> ■ Long Term Rate of Return on Plan Assets 	<ul style="list-style-type: none"> ■ 2018 CERBT asset allocation strategy #1 (59% global equity, 25% fixed income, 5% TIPS, 8% REITs, 3% commodities) 	<ul style="list-style-type: none"> ■ 2022 CERBT asset allocation strategy #1 (49% global equity, 23% fixed income, 5% TIPS, 20% REITs, 3% commodities)

ACTUARIAL ASSUMPTIONS HIGHLIGHTS

	June 30, 2019 Valuation	June 30, 2021 Valuation
<ul style="list-style-type: none"> ■ Inflation 	<ul style="list-style-type: none"> ■ 2.75% per year ■ Used for economic assumptions 	<ul style="list-style-type: none"> ■ 2.50% per year ■ Used for economic assumptions
<ul style="list-style-type: none"> ■ Retirement, Mortality, Termination, Disability 	<ul style="list-style-type: none"> ■ CalPERS – 1997-2015 Experience Study ■ SCERS – 6/30/19 Valuation Assumptions (limited applicability) ■ Mortality projected fully generational with Scale MP-19 	<ul style="list-style-type: none"> ■ CalPERS – 2000-2019 Experience Study ■ SCERS – 6/30/21 Valuation Assumptions (limited applicability) ■ Mortality projected fully generational with Scale MP-21

ACTUARIAL ASSUMPTIONS HIGHLIGHTS

	June 30, 2019 Valuation	June 30, 2021 Valuation																																												
<p>■ Participation at Retirement</p>	<p>■ Based on retirements during fiscal years 2015 to 2017, varies by % of cash benefit earned at retirement:</p> <table border="1"> <thead> <tr> <th rowspan="2">Plan</th> <th colspan="4">% of Benefit Earned</th> </tr> <tr> <th>0%</th> <th>50%</th> <th>75%</th> <th>100%</th> </tr> </thead> <tbody> <tr> <td>M&D&V</td> <td>10%</td> <td>23%</td> <td>30%</td> <td>35%</td> </tr> <tr> <td>D & V</td> <td>10%</td> <td>40%</td> <td>35%</td> <td>30%</td> </tr> <tr> <td>M & D</td> <td>0%</td> <td>10%</td> <td>14%</td> <td>20%</td> </tr> <tr> <td>M & V</td> <td>0%</td> <td>3%</td> <td>0%</td> <td>4%</td> </tr> <tr> <td>M Only</td> <td>10%</td> <td>12%</td> <td>9.5%</td> <td>7%</td> </tr> <tr> <td>D Only</td> <td>10%</td> <td>3%</td> <td>1.5%</td> <td>0.5%</td> </tr> <tr> <td>V Only</td> <td>0%</td> <td>0%</td> <td>1%</td> <td>0.5%</td> </tr> </tbody> </table> <p>M = Medical, D = Dental, V = Vision</p>	Plan	% of Benefit Earned				0%	50%	75%	100%	M&D&V	10%	23%	30%	35%	D & V	10%	40%	35%	30%	M & D	0%	10%	14%	20%	M & V	0%	3%	0%	4%	M Only	10%	12%	9.5%	7%	D Only	10%	3%	1.5%	0.5%	V Only	0%	0%	1%	0.5%	<p>■ Same</p>
Plan	% of Benefit Earned																																													
	0%	50%	75%	100%																																										
M&D&V	10%	23%	30%	35%																																										
D & V	10%	40%	35%	30%																																										
M & D	0%	10%	14%	20%																																										
M & V	0%	3%	0%	4%																																										
M Only	10%	12%	9.5%	7%																																										
D Only	10%	3%	1.5%	0.5%																																										
V Only	0%	0%	1%	0.5%																																										

ACTUARIAL ASSUMPTIONS HIGHLIGHTS

	June 30, 2019 Valuation			June 30, 2021 Valuation			
<p>■ Medical Trend (Increase in health care costs for all reasons except aging)</p>		<u>Increase from Prior Year</u>			<u>Increase from Prior Year</u>		
	<u>Year</u>	<u>Non-Medicare</u>	<u>Medicare</u>		<u>Non-Medicare</u>	<u>Medicare</u>	
		<u>All Plans</u>	<u>All Plans</u>	<u>Year</u>	<u>All Plans</u>	Non-Kaiser Kaiser	
	2019	Actual 2019 Premiums	Actual 2019 Premiums	2019	N/A	N/A	
	2020	Actual 2020 Premiums	Actual 2020 Premiums	2020	N/A	N/A	
	2021	7.25%	6.30%	2021	Actual Premiums/Claims		
	2022	7.00%	6.10%	2022	Actual Premiums/Claims		
	2023	6.75%	5.90%	2023	6.50%	5.65%	4.60%
	2024	6.50%	5.70%	2024	6.25%	5.45%	4.45%
	2025	6.25%	5.50%	2025	6.00%	5.25%	4.35%
	2026	6.00%	5.30%	2026	5.75%	5.05%	4.25%
	2027	5.80%	5.15%	2027	5.55%	4.90%	4.20%
	2028	5.60%	5.00%	2028	5.35%	4.75%	4.15%
	2029	5.40%	4.85%	2029	5.15%	4.60%	4.10%
	2030	5.20%	4.70%	2030	4.95%	4.45%	4.05%
	2031-35	5.05%	4.60%	2031-35	4.80%	4.35%	4.00%
	2036-45	4.90%	4.50%	2036-45	4.65%	4.25%	3.95%
	2046-55	4.75%	4.45%	2046-55	4.50%	4.20%	3.90%
	2056-65	4.60%	4.40%	2056-65	4.35%	4.15%	3.85%
	2066-75	4.30%	4.20%	2066-75	4.05%	3.95%	3.80%
	2076+	4.00%	4.00%	2076+	3.75%	3.75%	3.75%

ACTUARIAL ASSUMPTIONS HIGHLIGHTS

	June 30, 2019 Valuation	June 30, 2021 Valuation
■ Dental & Vision Trend	■ 2.75%	■ 2.50%
■ Cap Increase Rates	<ul style="list-style-type: none"> ■ Fire hired before 1/14/15: <ul style="list-style-type: none"> • Lowest cost \$25 co-pay medical premium – medical trend • Lowest cost PPO dental premium – dental trend ■ Misc and Police: 0% 	■ Same

ACTUARIAL ASSUMPTIONS HIGHLIGHTS

	June 30, 2019 Valuation	June 30, 2021 Valuation
■ Basis for Assumptions	<ul style="list-style-type: none"> ■ No experience study performed for this Plan with the exception of the participation at retirement assumption, which is based on retirements during fiscal years 2015 to 2017. ■ CalPERS 2000-2019 experience study was used for participants in the CalPERS plan, SCERS 6/30/21 Valuation assumptions for participants in the SCERS plan (limited applicability) ■ Mortality improvement is based on Society of Actuaries tables ■ Inflation is based on our estimate for the Plan’s long-term time horizon ■ Age-based claims for the June 30, 2021 valuation are based on factors published by the Society of Actuaries. ■ Short-term trend was developed in consultation with Axene Healthcare Partners’ healthcare actuaries. Long-term trend was developed using Society of Actuaries Getzen Model of Long-Run Medical Cost Trends. ■ Spouse participation based in part on Plan experience 	

ACTUARIAL METHODS

Method	June 30, 2019 Valuation	June 30, 2021 Valuation
■ Cost Method	■ Entry Age Normal Cost method	
■ Funding Policy	■ Premiums paid from City resources. ■ Pre-funding: Continue budget appropriations as well as contribute one time resources into CERBT asset allocation strategy #1	
■ Actuarial Value of Assets	■ Investment gains/losses spread over 5-year rolling period ■ Not less than 80% nor more than 120% of market value	
■ Amortization Method	■ Level percent of payroll (payments escalate 3% per year)	■ Level percent of payroll (payments escalate 2.75% per year)
■ Amortization Period	■ 18 year closed amortization of 6/30/20 UAAL	■ 16 year closed amortization of 6/30/22 UAAL

ACTUARIAL METHODS

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ASSETS

Market Value of Plan Assets

(Amounts in 000's)

	2019/20			2020/21		
	City	Fire Unit Trust	Total	City	Fire Unit Trust	Total
■ Market Value (MVA) (Beginning of Year)	\$40,548	\$2,747	\$43,294	\$50,324	\$3,158	\$53,482
• Contributions	8,834	310	9,144	6,062	-	6,062
• Transfers	-	-	-	3,930	(3,930)	-
• Benefit Payment	-	-	-	-	-	-
• Admin. Expenses	(22)	(1)	(23)	(30)	(2)	(32)
• Investment Expenses	(16)	(1)	(17)	(22)	(1)	(23)
• Investment Return	<u>980</u>	<u>103</u>	<u>1,084</u>	<u>14,561</u>	<u>775</u>	<u>15,336</u>
■ Market Value (End of Year)	50,324	3,158	53,482	74,825	-	74,825
■ Approximate Return			2.3%			27.0%

ASSETS

Market Value of Plan Assets

(Amounts in 000's)

	Projected 21/22 ²
■ Market Value (Beginning of Year)	\$74,825
• Contributions ³	19,492
• Benefit Payments	(11,607)
• Admin. Expenses	(47)
• Investment Expenses	(35)
• Investment Return	<u>975</u>
■ Market Value (End of Year)	83,603
■ Projected Annual Return	1.0%

² Actual assets as of the 12/31/21 quarterly CERBT statement, projected to 6/30/22 based the actual 3/31/22 CERBT #1 quarterly return (-4.3%), the expected 6.25% annual investment return for the quarter ending 6/30/22, and the expected reimbursement for benefit payments.

³ Based on actual assets as of 12/31/21, with no additional contributions projected through 6/30/22.

ASSETS

Actuarial (Smoothed) Value of Plan Assets

(Amounts in 000's)

	2019/20			2020/21		
	City	Fire	Total	City	Fire	Total
■ AVA (Beginning of Year)	\$40,208	\$2,724	\$42,932	\$51,648	\$3,214	\$54,862
• Contributions	8,834	310	9,144	6,062	-	6,062
• Transfers				3,930	(3,930)	-
• Benefit Payments	-	-	-	-	-	-
• Expected Investment Return ⁴	<u>2,937</u>	<u>194</u>	<u>3,131</u>	<u>3,719</u>	<u>716</u>	<u>4,435</u>
■ Expected AVA (End of Year)	51,979	3,228	55,207	65,359	-	65,359
■ MVA (End of Year)	50,324	3,158	53,482	74,825	-	74,825
■ 1/5 of (MVA – Expected AVA)	(331)	(14)	(345)	1,893	-	1,893
■ Preliminary AVA ⁵	51,648	3,214	54,862	67,252	-	67,252
• Minimum AVA (80% of MVA)	40,259	2,526	42,785	59,860	-	59,860
• Maximum AVA (120% of MVA)	60,389	3,789	64,178	89,790	-	89,790
■ AVA (End of Year)	51,648	3,214	54,862	67,252	-	67,252
■ Approximate Annual Return			6.0%			10.9%

⁴ Expected investment return of 6.75%. Balancing item for Fire 2020/21.

⁵ Expected AVA plus 20% of the difference between the MVA and expected AVA.

ASSETS

Actuarial (Smoothed) Value of Plan Assets

(Amounts in 000's)

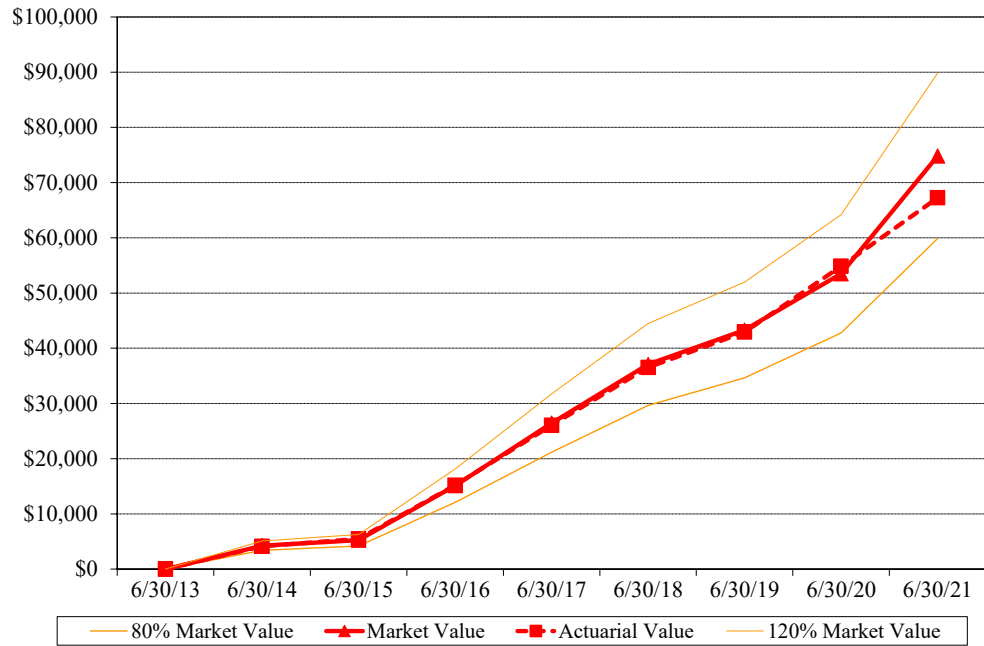
	Projected 2021/22
■ AVA (Beginning of Year)	\$67,252
• Employer/Employee Contribution	19,492
• Benefit Payments	(11,607)
• Expected Investment Return ⁶	<u>5,226</u>
■ Expected AVA (End of Year)	80,363
■ MVA (End of Year)	83,603
■ 1/5 of (MVA – Expected AVA)	648
■ Preliminary AVA ⁷	81,011
• Minimum AVA (80% of MVA)	66,882
• Maximum AVA (120% of MVA)	100,324
■ AVA (End of Year)	81,011
■ Approximate Annual Return	7.1%

⁶ Expected investment return of 6.25%.

⁷ Expected AVA plus 20% of the difference between the MVA and expected AVA.

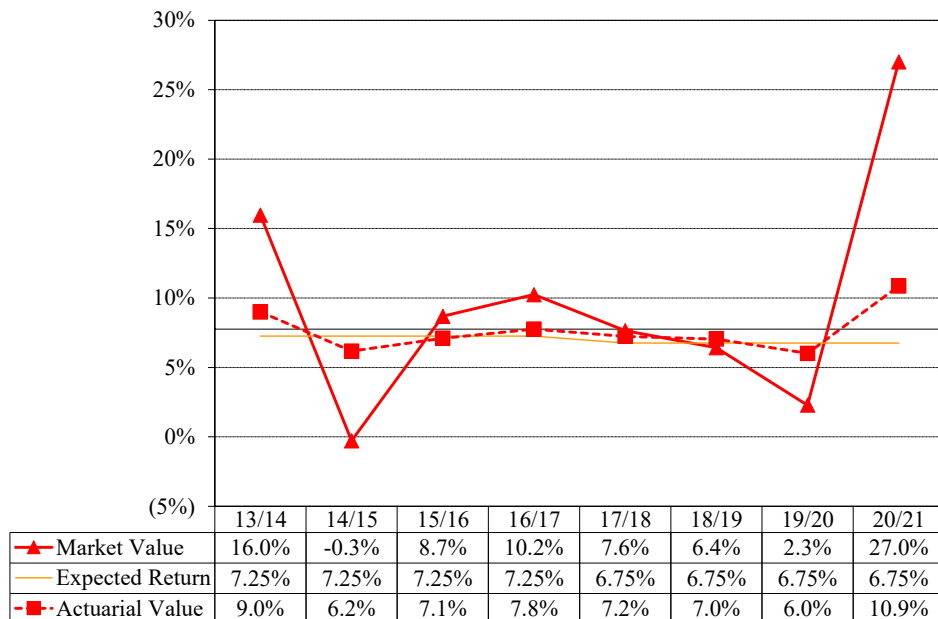
ASSETS

Historical Plan Assets (Amounts in \$000's)



ASSETS

Historical Asset Returns



RESULTS

Actuarial Obligations

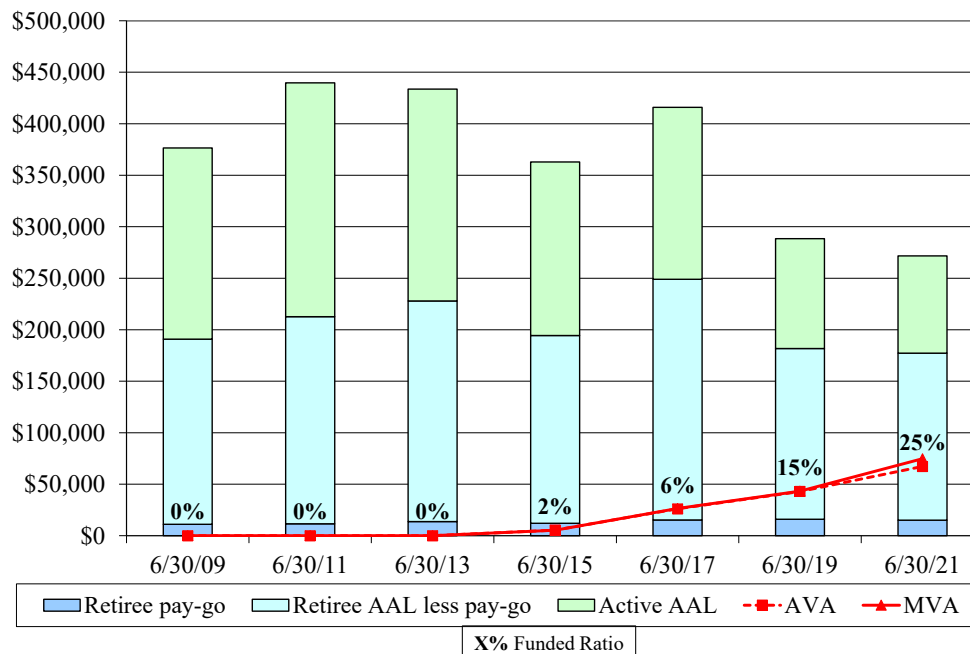
(Amounts in 000's)

Discount Rate	6/30/19 Valuation		6/30/21 Valuation	
	6.75%		6.25%	
	6/30/19	Projected to 6/30/20	6/30/21	Projected to 6/30/22
■ Present Value of Benefits <ul style="list-style-type: none"> • Actives (future retirees) • Retirees • Total 	\$ 161,856		\$ 149,206	
	<u>181,853</u>		<u>177,208</u>	
	343,709		326,414	
■ Actuarial Accrued Liability <ul style="list-style-type: none"> • Actives (future retirees) • Retirees • Total 	106,546		94,404	
	<u>181,853</u>		<u>177,208</u>	
	288,399	\$ 298,341	271,612	\$278,638
■ Actuarial Value of Assets	<u>(42,932)</u>	<u>(55,281)</u>	<u>(67,252)</u>	<u>(81,011)</u>
■ Unfunded AAL	245,467	243,060	204,360	197,627
■ AVA Funded Ratio	14.9%		24.8%	
■ Normal Cost		6,345		5,734
■ Pay-As-You-Go Cost		16,001		15,433

RESULTS

Historical Actuarial Accrued Liability

(Amounts in 000's)



RESULTS

Estimated Actuarial Gain/Loss Analysis

(Amounts in 000's)

	Actuarial Accrued Liability
■ Actual on 6/30/19	\$ 288,399
■ Expected on 6/30/21	305,258
■ Experience (Gains)/Losses:	
• Premiums/Claims different than expected	(29,538)
• Demographic differences	(8,086) ⁸
■ Assumption Changes:	
• Kaiser Medicare Trend lowered	(1,892)
• CalPERS 2000-2019 Experience Study – new rates	(2,873)
• Update to Mortality Improvement Scale MP-2021	(1,094)
• 25 basis point reduction in inflation, trend, and discount rate (expected return on assets)	2,643
• Discount Rate – additional 25 basis point reduction	7,194
■ Total (Gains)/Losses	(33,646)
■ Actual on 6/30/21	271,612

⁸ Mainly due to changes in medical plan and/or coverage, and post-65 retirees moving to Medicare-eligible plans.



June 3, 2022

RESULTS

Schedule of Funding Progress

(Amounts in 000's)

Actuarial Valuation Date⁹	Actuarial Value of Assets (a)	Entry Age Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as Percentage of Covered Payroll ((b-a)/c)
6/30/07	\$ -	\$ 380,373	\$ 380,373	0.0%	\$ 266,317	142.8%
6/30/09	-	376,417	376,417	0.0%	275,252	136.8%
6/30/11	-	439,592	439,592	0.0%	253,528	173.4%
6/30/12	-	447,406	447,406	0.0%	261,768	170.9%
6/30/13	-	433,695	433,695	0.0%	257,498	168.4%
6/30/15	5,461	362,824	357,363	1.5%	270,677	132.0%
6/30/17	26,041	415,957	389,916	6.3%	285,932	136.4%
6/30/19	42,932	288,399	245,467	14.9%	320,534	76.6%
6/30/21	67,252	271,612	204,360	24.8%	347,681	58.8%

⁹ The valuations for 6/30/07 through the 6/30/11 are based on a 4.25% discount rate. The 6/30/13 & 6/30/15 valuations are based on a 4.50% discount rate. The 6/30/17 valuation is based on a 3.95% discount rate, the 6/30/19 valuation is based on a 6.75% discount rate, and the 6/30/21 valuation is based on a 6.25% discount rate.



June 3, 2022

RESULTS

Actuarially Determined Contribution (ADC)

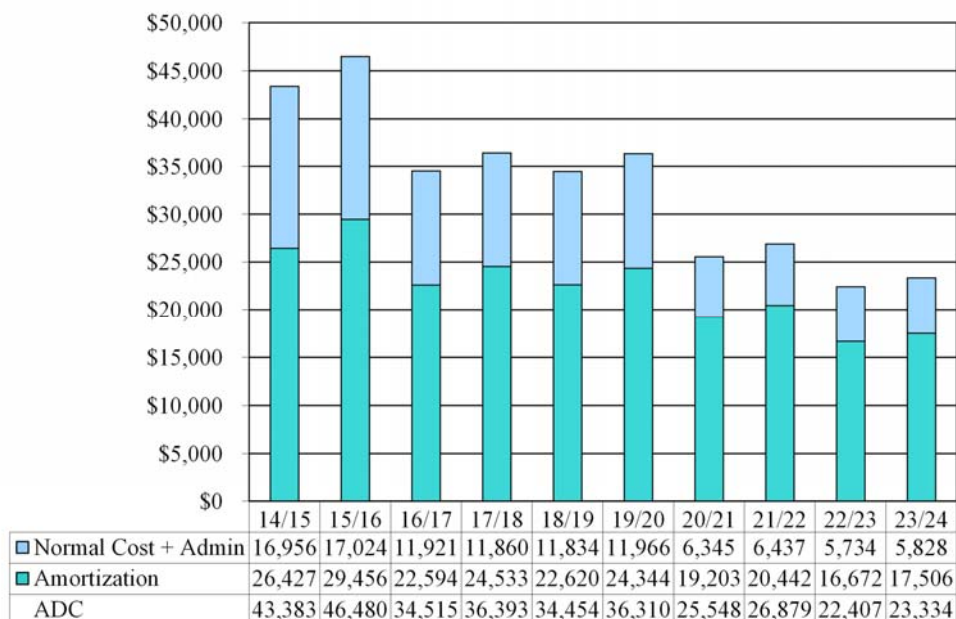
(Amounts in 000's)

	6/30/19 Valuation		6/30/21 Valuation	
	2020/21	2021/22	2022/23	2023/24
■ ADC - \$				
• Normal Cost	\$ 6,345	\$ 6,437	\$ 5,734	\$ 5,828
• UAAL Amortization	<u>19,203</u>	<u>20,442</u>	<u>16,672</u>	<u>17,506</u>
• ADC (End of Year)	25,548	26,879	22,407	23,334
■ Projected Payroll	330,150	340,055	357,242	367,066
■ ADC - % Total Payroll				
• Normal Cost	1.9%	1.9%	1.6%	1.6%
• UAAL Amortization	<u>5.8%</u>	<u>6.0%</u>	<u>4.7%</u>	<u>4.8%</u>
• ADC	7.7%	7.9%	6.3%	6.4%

RESULTS

Historical Actuarially Determined Contributions

(Amounts in 000's)



RESULTS

Actuarial Obligations by Cash/Implied Subsidy

June 30, 2021

(Amounts in 000's)

	Cash Subsidy	Implied Subsidy	Total
■ Present Value of Benefits			
• Actives (future retirees)	\$ 83,569	\$ 65,637	\$ 149,206
• Retirees	<u>126,935</u>	<u>50,273</u>	<u>177,208</u>
• Total	210,504	115,910	326,414
■ Actuarial Accrued Liability			
• Actives (future retirees)	53,288	41,116	94,404
• Retirees	<u>126,935</u>	<u>50,273</u>	<u>177,208</u>
• Total	180,223	91,389	271,612
■ Actuarial Value of Assets¹⁰	<u>(67,252)</u>	-	<u>(67,252)</u>
■ Unfunded AAL	112,971	91,389	204,360
■ AVA Funded Ratio	37.3%	n/a	24.8%
■ Normal Cost 2022/23	3,266	2,468	5,734
■ Pay-As-You-Go 2022/23	11,115	4,318	15,433

¹⁰ All assets allocated to cash subsidy.

RESULTS

Actuarially Determined Contribution (ADC) by Cash/Implied Subsidy

2022/23 Fiscal Year

(Amounts in 000's)

	Cash Subsidy	Implied Subsidy	Total
■ ADC - \$			
• Normal Cost	\$ 3,266	\$ 2,468	\$ 5,734
• UAAL Amortization	<u>8,637</u>	<u>8,035</u>	<u>16,672</u>
• Total	11,903	10,503	22,407
■ Projected Payroll	357,242	357,242	357,242
■ ADC - %			
• Normal Cost	0.9%	0.7%	1.6%
• UAAL Amortization	<u>2.4%</u>	<u>2.2%</u>	<u>4.7%</u>
• Total	3.3%	2.9%	6.3%

RESULTS

Actuarial Obligations by Group

(Amounts in 000's)

	Misc	Police	Fire	Total
■ Present Value of Benefits				
• Actives (future retirees)	\$ 49,325	\$ 27,805	\$ 72,075	\$ 149,206
• Retirees	<u>73,144</u>	<u>35,474</u>	<u>68,590</u>	<u>177,208</u>
• Total	122,469	63,279	140,665	326,414
■ Actuarial Accrued Liability				
• Actives (future retirees)	36,281	17,582	40,541	94,404
• Retirees	<u>73,144</u>	<u>35,474</u>	<u>68,590</u>	<u>177,208</u>
• Total	109,425	53,056	109,131	271,612
■ Actuarial Value of Assets	<u>(27,094)</u>	<u>(13,137)</u>	<u>(27,021)</u>	<u>(67,252)</u>
■ Unfunded AAL	82,331	39,919	82,110	204,360
■ Funded Ratio	24.8%	24.8%	24.8%	24.8%
■ Normal Cost 2022/23	1,654	1,131	2,949	5,734
■ Pay-As-You-Go 2022/23	7,422	2,876	5,136	15,433

RESULTS

Actuarially Determined Contribution (ADC) by Group

2022/23 Fiscal Year

(Amounts in 000's)

	Misc	Police	Fire	Total
■ ADC - \$				
• Normal Cost	\$ 1,654	\$ 1,131	\$ 2,949	\$ 5,734
• UAAL Amortization	<u>6,603</u>	<u>3,267</u>	<u>6,802</u>	<u>16,672</u>
• Total	8,257	4,398	9,752	22,407
■ Projected Payroll	216,202	77,597	63,443	357,242
■ ADC - % of Payroll				
• Normal Cost	0.8%	1.5%	4.6%	1.6%
• UAAL Amortization	<u>3.1%</u>	<u>4.2%</u>	<u>10.7%</u>	<u>4.7%</u>
• Total	3.8%	5.7%	15.4%	6.3%

RESULTS

Actuarially Determined Contribution (ADC) by Group

2023/24 Fiscal Year

(Amounts in 000's)

	Misc	Police	Fire	Total
■ ADC - \$				
• Normal Cost	\$ 1,682	\$ 1,149	\$ 2,997	\$ 5,828
• UAAL Amortization	<u>6,934</u>	<u>3,430</u>	<u>7,142</u>	<u>17,506</u>
• Total	8,615	4,579	10,139	23,334
■ Projected Payroll	222,148	79,731	65,187	367,066
■ ADC - %				
• Normal Cost	0.8%	1.4%	4.6%	1.6%
• UAAL Amortization	<u>3.1%</u>	<u>4.3%</u>	<u>11.0%</u>	<u>4.8%</u>
• Total	3.9%	5.7%	15.6%	6.4%

RESULTS

10-Year Projection Illustration

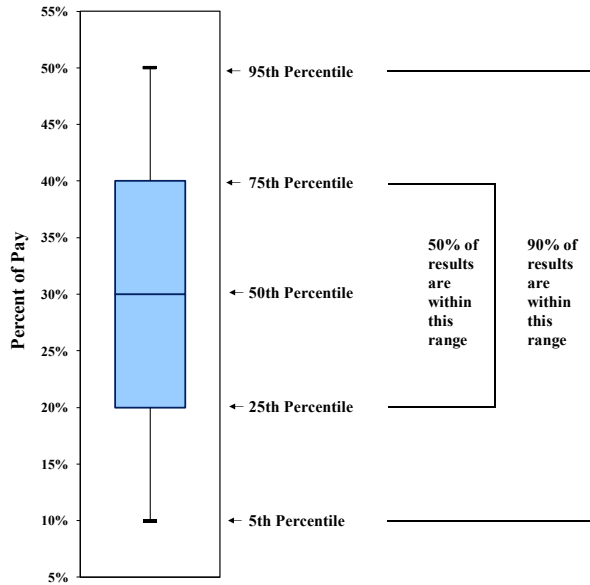
(Amounts in 000's)

FYE June 30,	ADC	Benefit Payments			Pre- Fund ¹¹	Total Contrib	Payroll	ADC as % of Payroll	Contrib as % of Payroll
		Cash Subsidy	Implied Subsidy	Total					
2023	\$22,407	\$11,115	\$4,318	\$15,433	\$ 1,500	\$16,933	\$357,242	6.3%	4.7%
2024	23,334	11,403	4,746	16,149	1,500	17,649	367,066	6.4%	4.8%
2025	24,271	11,679	5,099	16,778	1,500	18,278	377,160	6.4%	4.8%
2026	25,230	11,972	5,517	17,489	1,500	18,989	387,532	6.5%	4.9%
2027	26,206	12,279	5,954	18,233	1,500	19,733	398,189	6.6%	5.0%
2028	27,197	12,571	6,393	18,964	1,500	20,464	409,139	6.6%	5.0%
2029	28,198	12,829	6,878	19,709	1,500	21,209	420,391	6.7%	5.0%
2030	29,226	13,109	7,367	20,477	1,500	21,977	431,951	6.8%	5.1%
2031	30,273	13,417	8,027	21,446	1,500	22,946	443,830	6.8%	5.2%
2032	31,325	13,687	8,585	22,273	1,500	23,773	456,035	6.9%	5.2%

¹¹ Assumes the City contributes \$1.5 million per year into trust.

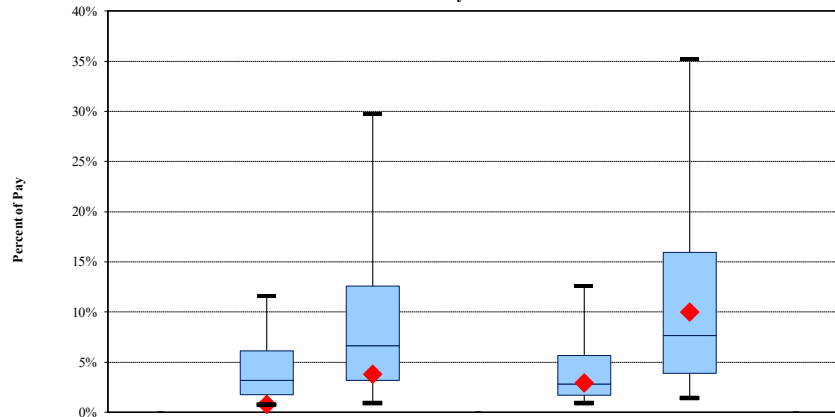
BARTEL ASSOCIATES OPEB DATABASE

**Bartel Associates OPEB Database
Sample Percentile Graph**



BARTEL ASSOCIATES OPEB DATABASE

**Bartel Associates OPEB Database
Normal Cost & Actuarially Determined Contribution**

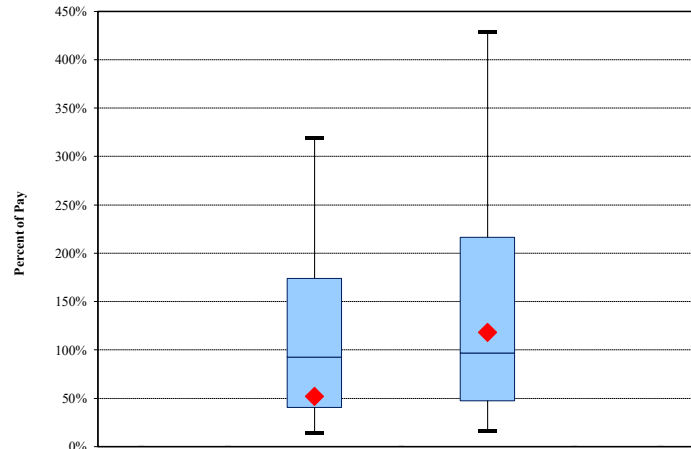


	<u>Miscellaneous</u>		<u>Safety</u>	
	<u>NC</u>	<u>ADC</u>	<u>NC</u>	<u>ADC</u>
95th Percentile	11.6%	29.7%	12.6%	35.2%
75th Percentile	6.1%	12.6%	5.7%	15.9%
50th Percentile	3.2%	6.6%	2.8%	7.6%
25th Percentile	1.8%	3.1%	1.7%	3.9%
5th Percentile	0.8%	0.9%	0.9%	1.4%
Percent of Pay (♦)	0.8%	3.8%	2.9%	10.0%
Percentile	5%	33%	51%	63%

Discount Rate = 6.25%, Average Amortization Period = 16.0 Years

BARTEL ASSOCIATES OPEB DATABASE

**Bartel Associates OPEB Database
Actuarial Accrued Liability**



	<u>Miscellaneous</u>	<u>Safety</u>
95th Percentile	319%	428%
75th Percentile	174%	217%
50th Percentile	92%	97%
25th Percentile	40%	47%
5th Percentile	14%	16%
Percent of Pay (♦)	52%	118%
Percentile	31%	55%

Discount Rate = 6.25%

ACTUARIAL CERTIFICATION

This report presents the City of Sacramento Retiree Healthcare Plan (“Plan”) June 30, 2021 actuarial valuation. The purpose of this valuation is to:

- Determine the Plan’s June 30, 2021 Funded Status and
- Calculate the 2022/23 and 2023/24 Actuarially Determined Contributions.

The report provides information intended for funding the Plan, but may not be appropriate for other purposes. Information provided in this report may be useful for the Plan’s financial management. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as: plan experience differing from that anticipated by the assumptions; changes in assumptions; changes expected as part of the natural progression of the plan; and changes in plan provisions or applicable law. Actuarial models necessarily rely on the use of estimates and are sensitive to changes. Small variations in estimates may lead to significant changes in actuarial measurements. Due to the limited scope of this assignment, we did not perform an analysis of the potential range of such measurements.

The valuation is based on Plan provisions, participant data, and asset information provided by the City as summarized in this report, which we relied on and did not audit. We reviewed the participant data for reasonableness.

To the best of our knowledge, this report is complete and accurate and has been conducted using generally accepted actuarial principles and practices. As members of the American Academy of Actuaries meeting the Academy Qualification Standards, we certify the actuarial results and opinions herein.

Respectfully submitted,

Mary Elizabeth Redding, FSA, EA, MAAA, FCA
Vice President
Bartel Associates, LLC
June 3, 2022

Catherine A. Wandro, ASA, MAAA, FCA
Assistant Vice President
Bartel Associates, LLC
June 3, 2022

EXHIBITS

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Definitions	E-32

EXHIBITS

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PREMIUMS

2021 Monthly Medical Premiums
Actives and Non Medicare Retirees

Medical Plan	Single	2-Party	Family
Kaiser HMO - \$25 Co-Pay	\$ 730.38	\$ 1,460.76	\$ 1,942.80
Kaiser HMO - \$40 Co-Pay	720.14	1,440.28	1,915.58
Kaiser HMO – ABHP (actives only)	594.26	1,188.52	1,580.74
Western Health Advantage - \$25 Co-Pay	746.10	1,492.16	1,984.60
Western Health Advantage - \$40 Co-Pay	733.36	1,466.78	1,950.82
Western Health Advantage – ABHP (actives only)	572.58	1,145.18	1,523.08
Sutter Health Plus - \$25 Co-Pay	742.70	1,485.60	1,977.10
Sutter Health Plus - \$40 Co-Pay	715.50	1,431.20	1,904.70
Sutter Health Plus – ABHP (actives only)	607.30	1,214.60	1,615.40

PREMIUMS

2021 Monthly Medical Premiums
Medicare Retirees

Medical Plan	Single	2-Party	Family
Kaiser Senior Advantage – \$20 Co-Pay	\$ 310.88	\$ 590.86	\$ 932.04
UHC Group Medicare Advantage PPO - \$15 Co-Pay	329.00	658.00	n/a

PREMIUMS

2021 Monthly Dental & Vision Premiums
Actives and Retirees

Dental Plan	Single	2-Party	Family
Delta Dental PPO	\$ 62.06	\$ 117.86	\$ 156.92
DeltaCare USA (DMO)	27.86	52.92	70.44

Vision Plan	Single	2-Party	Family
VSP - Basic	\$ 8.44	\$ 12.14	\$ 21.72
VSP - Enhanced	13.02	18.68	33.44

PREMIUMS

2022 Monthly Medical Premiums
Actives and Non Medicare Retirees

Medical Plan	Single	2-Party	Family
Kaiser HMO - \$25 Co-Pay	\$ 778.82	\$1,557.64	\$2,071.66
Kaiser HMO - \$40 Co-Pay	767.90	1,535.80	2,042.62
Kaiser HMO - ABHP (actives only)	633.78	1,267.54	1,685.84
Western Health Advantage - \$25 Co-Pay	761.62	1,523.20	2,025.88
Western Health Advantage - \$40 Co-Pay	746.00	1,491.96	1,984.34
Western Health Advantage - ABHP (actives only)	552.22	1,104.40	1,468.88
Sutter Health Plus - \$25 Co-Pay	771.70	1,543.60	2,054.20
Sutter Health Plus - \$40 Co-Pay	743.40	1,487.00	1,979.00
Sutter Health Plus - ABHP (actives only)	631.30	1,262.60	1,679.30

PREMIUMS

2022 Monthly Medical Premiums
Medicare Retirees

Medical Plan	Single	2-Party	Family
Kaiser Senior Advantage – \$20 Co-Pay	\$ 289.94	\$ 551.06	\$ 869.22
UHC Group Medicare Advantage PPO - \$15 Co-Pay	322.42	644.84	n/a

PREMIUMS

2022 Monthly Dental & Vision Premiums
Actives and Retirees

Dental Plan	Single	2-Party	Family
Delta Dental PPO	\$ 62.06	\$ 117.86	\$ 156.92
DeltaCare USA (DMO)	27.86	52.92	70.44

Vision Plan	Single	2-Party	Family
VSP - Basic	\$ 8.44	\$ 12.14	\$ 21.72
VSP - Enhanced	13.02	18.68	33.44

DATA SUMMARY

Medical Plan Participation
Non-Waived Participants
June 30, 2021

Plan	Actives	Retirees	
		< 65	≥ 65
Kaiser HMO - \$25 Co-Pay (\$20 Co-Pay Post 65)	42%	46%	64%
Kaiser HMO - \$40 Co-Pay (\$20 Co-Pay Post 65)	12%	2%	3%
Kaiser HMO - ABHP	8%	0%	0%
Western Health Advantage - \$25 Co-Pay	7%	11%	1%
Western Health Advantage - \$40 Co-Pay	1%	3%	0%
Western Health Advantage - ABHP	3%	0%	0%
Sutter Health Plus - \$25 Co-Pay	14%	24%	2%
Sutter Health Plus - \$40 Co-Pay	11%	11%	0%
Sutter Health Plus - ABHP	2%	0%	0%
UHC Group Medicare Advantage PPO	0%	3%	30%
Total	100%	100%	100%

DATA SUMMARY

Current Active Medical Coverage
June 30, 2021

Medical Plan	Single	2-Party	Family	Waived	Total
Kaiser HMO - \$25 Co-Pay	780	210	430	-	1,420
Kaiser HMO - \$40 Co-Pay	191	65	142	-	398
Kaiser HMO - ABHP	129	26	119	-	274
Western Health Adv. - \$25 Co-Pay	107	34	84	-	225
Western Health Adv. - \$40 Co-Pay	14	4	16	-	34
Western Health Adv. - ABHP	48	10	41	-	99
Sutter Health Plus - \$25 Co-Pay	221	68	161	-	450
Sutter Health Plus - \$40 Co-Pay	121	61	174	-	356
Sutter Health Plus - ABHP	42	6	29	-	77
Waived	-	-	-	566	566
Total	1,653	484	1,196	566	3,899

DATA SUMMARY

Current Retiree Medical Coverage – Pre 65

Medical Plan	Single	2-Party	Family	Waived	Total
Kaiser HMO - \$25 Co-Pay	132	32	12	-	176
Kaiser HMO - \$40 Co-Pay	1	8	-	-	9
Kaiser Senior Advantage	17	1	1	-	-
Western Health Adv. HMO- \$25 Co-Pay	33	11	2	-	46
Western Health Adv. HMO - \$40 Co-Pay	5	5	2	-	12
Sutter Health Plus HMO - \$25 Co-Pay	66	26	11	-	103
Sutter Health Plus HMO - \$40 Co-Pay	26	12	9	-	47
UHC Group Medicare Advantage PPO	10	1	-	-	11
In Lieu Reimbursement	-	-	-	81	81
Waived	-	-	-	430	430
Total	290	96	37	511	934

DATA SUMMARY

Current Retiree Medical Coverage – Post 65

Medical Plan	Single	2-Party	Family	Waived	Total
Kaiser HMO - \$25 Co-Pay	39	5	-	-	44
Kaiser HMO - \$40 Co-Pay	-	6	-	-	6
Kaiser Colorado HMO	2	1	-	-	3
Kaiser Hawaii HMO	-	-	-	-	-
Kaiser Oregon HMO	7	3	-	-	10
Kaiser Senior Advantage	556	268	6	-	830
Western Health Adv. HMO - \$25 Co-Pay	7	1	1	-	9
Western Health Adv. HMO- \$40 Co-Pay	-	-	-	-	-
Sutter Health Plus HMO - \$25 Co-Pay	18	4	-	-	22
Sutter Health Plus HMO - \$40 Co-Pay	2	-	-	-	2
UHC Group Medicare Advantage PPO	292	106	1	-	399
In Lieu Reimbursement	-	-	-	257	257
Waived	-	-	-	853	853
Total	923	394	8	1,110	2,435

DATA SUMMARY

Dental Coverage
June 30, 2021

Actives

Dental Plan	Single	2-Party	Family	Waived	Total
Delta Dental PPO	1,228	517	1,182	-	2,927
DeltaCare USA (DMO)	222	86	142	-	450
Waived	-	-	-	522	522
Total	1,450	603	1,324	522	3,899

Retirees

Dental Plan	Single	2-Party	Family	Waived	Total
Delta Dental PPO	1,217	1,175	199	-	2,591
DeltaCare USA (DMO)	83	46	4	-	133
Waived	-	-	-	645	645
Total	1,300	1,221	203	645	3,369

DATA SUMMARY

Vision Coverage
June 30, 2021

Actives

Vision Plan	Single	2-Party	Family	Waived	Total
VSP - Basic	632	302	482	-	1,416
VSP - Enhanced	494	277	399	-	1,170
Waived	-	-	-	1,313	1,313
Total	1,126	579	881	1,313	3,899

Retirees

Vision Plan	Single	2-Party	Family	Waived	Total
VSP - Basic	381	258	38	-	677
VSP - Enhanced	344	526	124	-	994
Waived	-	-	-	1,698	1,698
Total	725	784	162	1,698	3,369

DATA SUMMARY

Retiree Medical and Dental Participation

Valuation Date	Medical Only	Dental Only	Both Medical & Dental	Neither Medical nor Dental	Total
6/30/2009	188	549	1,686	350	2,773
6/30/2011	309	592	1,478	431	2,810
6/30/2013	220	785	1,645	417	3,067
6/30/2015	214	863	1,601	446	3,124
6/30/2017	196	922	1,651	467	3,236
6/30/2019	195	1,097	1,575	294	3,161
6/30/2021	181	1,146	1,577	465	3,369

DATA SUMMARY

Retiree Medical Plan Coverage by Age

**June 30, 2021
Miscellaneous**

Age	Single	2-Party	Family	Waived	Total
Under 50	2	1	-	3	6
50-54	1	1	1	33	36
55-59	38	14	8	83	143
60-64	108	27	3	183	321
65-69	206	48	3	225	482
70-74	156	71	1	244	472
75-80	120	47	-	143	310
80-85	80	39	-	92	211
85 & Over	92	28	1	100	221
Total	803	276	17	1,106	2,202
Average Age	72.9	73.6	62.2	71.2	72.1

DATA SUMMARY

Retiree Medical Plan Coverage by Age

June 30, 2021

Police

Age	Single	2-Party	Family	Waived	Total
Under 50	3	-	-	21	24
50-54	12	3	1	36	52
55-59	28	8	5	61	102
60-64	21	15	1	50	87
65-69	19	10	-	38	67
70-74	27	8	-	65	100
75-80	29	10	-	71	110
80-85	17	11	-	35	63
85 & Over	11	4	-	25	40
Total	167	69	7	402	645
Average Age	69.0	70.4	56.6	68.2	68.5



June 3, 2022

E-15



DATA SUMMARY

Retiree Medical Plan Coverage by Age

June 30, 2021

Fire

Age	Single	2-Party	Family	Waived	Total
Under 50	1	-	1	3	5
50-54	12	1	1	10	24
55-59	27	14	14	11	66
60-64	37	13	2	16	68
65-69	38	23	2	8	71
70-74	40	37	1	13	91
75-80	46	30	-	11	87
80-85	22	18	-	12	52
85 & Over	27	13	-	18	58
Total	250	149	21	102	522
Average Age	71.3	73.4	58.2	70.8	71.3



June 3, 2022

E-16



DATA SUMMARY

Actives by Age and Service
June 30, 2021
Miscellaneous

Age	City Service							Total
	< 1	1-4	5-9	10-14	15-19	20-24	≥ 25	
< 25	14	45	2	-	-	-	-	61
25-29	31	151	28	-	-	-	-	210
30-34	40	195	70	10	2	-	-	317
35-39	36	141	105	29	33	7	-	351
40-44	20	126	99	27	59	23	3	357
45-49	12	76	81	33	72	45	11	330
50-54	10	50	68	46	84	65	60	383
55-59	8	51	42	28	57	47	70	303
60-64	5	20	21	18	42	28	48	182
≥ 65	-	6	18	8	15	8	11	66
Total	176	861	534	199	364	223	203	2,560

DATA SUMMARY

Actives by Age and Service
June 30, 2021
Police

Age	City Service							Total
	< 1	1-4	5-9	10-14	15-19	20-24	≥ 25	
< 25	14	23	4	-	-	-	-	41
25-29	10	115	36	-	-	-	-	161
30-34	7	60	58	-	2	-	-	127
35-39	1	14	38	34	23	2	-	112
40-44	1	6	8	17	65	25	2	124
45-49	-	1	2	2	41	50	14	110
50-54	-	1	-	3	10	18	21	53
55-59	-	-	-	-	-	1	3	4
60-64	-	-	-	-	-	-	-	-
≥ 65	-	-	-	-	-	-	-	-
Total	33	220	146	56	141	96	40	732

DATA SUMMARY

Actives by Age and Service
June 30, 2021
Fire

Age	City Service							Total
	< 1	1-4	5-9	10-14	15-19	20-24	≥ 25	
< 25	2	4	-	-	-	-	-	6
25-29	10	35	5	-	-	-	-	50
30-34	7	45	48	-	-	-	-	100
35-39	4	27	38	9	11	-	-	89
40-44	1	8	20	32	59	4	-	124
45-49	-	3	5	11	42	37	11	109
50-54	-	-	1	5	25	27	44	102
55-59	-	1	-	-	4	4	13	22
60-64	-	-	-	2	-	1	1	4
≥ 65	-	-	1	-	-	-	-	1
Total	24	123	118	59	141	73	69	607

ACTUARIAL ASSUMPTIONS

	June 30, 2019 Valuation	June 30, 2021 Valuation
■ Valuation Date	■ June 30, 2019 ■ Fiscal Years 2020/21 & 2021/22	■ June 30, 2021 ■ Fiscal Years 2022/23 & 2023/24
■ General Inflation	■ 2.75% per year ■ Used for economic assumptions	■ 2.50% per year ■ Used for economic assumptions

ACTUARIAL ASSUMPTIONS

	June 30, 2019 Valuation	June 30, 2021 Valuation
Discount Rate	<ul style="list-style-type: none"> ■ 6.75% ■ Based on closed group crossover analysis following GASBS 75 methodology: ■ Projected City contributions of \$1.5 million per year ■ 6.75% rate for full ADC pre-funding and S&P 20-year bond index rate (2.79% as of 6/30/19) for pay-go pre-funding 	<ul style="list-style-type: none"> ■ 6.25% ■ Based on closed group crossover analysis following GASBS 75 methodology: <ul style="list-style-type: none"> • Projected City contributions of \$1.5 million each year • 6.25% rate for funded benefits and S&P 20-year bond index rate (2.18% as of 6/30/21) for pay-go pre-funding
<ul style="list-style-type: none"> ■ Long Term Rate of Return on Plan Assets 	<ul style="list-style-type: none"> ■ 2018 CERBT asset allocation strategy #1 (59% global equity, 25% fixed income, 5% TIPS, 8% REITs, 3% commodities) 	<ul style="list-style-type: none"> ■ 2022 CERBT asset allocation strategy #1 (49% global equity, 23% fixed income, 5% TIPS, 20% REITs, 3% commodities)

ACTUARIAL ASSUMPTIONS

	June 30, 2019 Valuation	June 30, 2021 Valuation
<ul style="list-style-type: none"> ■ Aggregate Payroll Increases 	<ul style="list-style-type: none"> ■ 3.00% 	<ul style="list-style-type: none"> ■ 2.75%
<ul style="list-style-type: none"> ■ Mortality, Termination, Disability 	<ul style="list-style-type: none"> ■ CalPERS – 1997-2015 Experience Study ■ SCERS – 6/30/19 Valuation Assumptions (limited applicability) ■ Mortality projected fully generational with Scale MP-19 	<ul style="list-style-type: none"> ■ CalPERS – 2000-2019 Experience Study ■ SCERS – 6/30/21 Valuation Assumptions (limited applicability) ■ Mortality projected fully generational with Scale MP-21

ACTUARIAL ASSUMPTIONS

	June 30, 2019 Valuation	June 30, 2021 Valuation																																										
■ Service Retirement	■ CalPERS 1997-2015 Experience Study <table border="0"> <thead> <tr> <th></th> <th align="center"><u>Level</u></th> <th align="center"><u>Exp. Ret. Age</u></th> </tr> </thead> <tbody> <tr> <td>Fire</td> <td align="center">3%@55</td> <td align="center">57</td> </tr> <tr> <td>Police</td> <td align="center">3%@50</td> <td align="center">54</td> </tr> <tr> <td>Misc</td> <td align="center">2%@55</td> <td align="center">59</td> </tr> <tr> <td>Fire PEPRAs</td> <td align="center">2.7%@57</td> <td align="center">58</td> </tr> <tr> <td>Police PEPRAs</td> <td align="center">2.7%@57</td> <td align="center">56</td> </tr> <tr> <td>Misc PEPRAs</td> <td align="center">2%@62</td> <td align="center">61</td> </tr> </tbody> </table>		<u>Level</u>	<u>Exp. Ret. Age</u>	Fire	3%@55	57	Police	3%@50	54	Misc	2%@55	59	Fire PEPRAs	2.7%@57	58	Police PEPRAs	2.7%@57	56	Misc PEPRAs	2%@62	61	■ CalPERS 2000-2019 Experience Study <table border="0"> <thead> <tr> <th></th> <th align="center"><u>Level</u></th> <th align="center"><u>Exp. Ret. Age</u></th> </tr> </thead> <tbody> <tr> <td>Fire</td> <td align="center">3%@55</td> <td align="center">58</td> </tr> <tr> <td>Police</td> <td align="center">3%@50</td> <td align="center">54</td> </tr> <tr> <td>Misc</td> <td align="center">2%@55</td> <td align="center">60</td> </tr> <tr> <td>Fire PEPRAs</td> <td align="center">2.7%@57</td> <td align="center">58</td> </tr> <tr> <td>Police PEPRAs</td> <td align="center">2.7%@57</td> <td align="center">56</td> </tr> <tr> <td>Misc PEPRAs</td> <td align="center">2%@62</td> <td align="center">62</td> </tr> </tbody> </table>		<u>Level</u>	<u>Exp. Ret. Age</u>	Fire	3%@55	58	Police	3%@50	54	Misc	2%@55	60	Fire PEPRAs	2.7%@57	58	Police PEPRAs	2.7%@57	56	Misc PEPRAs	2%@62	62
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■ CalPERS Service	■ City service plus ½ service between age 30 and City hire date	■ Same																																										

ACTUARIAL ASSUMPTIONS

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■ Medical Trend (Increase in health care costs for all reasons except aging)	<table border="0"> <thead> <tr> <th rowspan="2"><u>Year</u></th> <th align="center" colspan="2"><u>Increase from Prior Year</u></th> </tr> <tr> <th align="center"><u>Non-Medicare</u></th> <th align="center"><u>Medicare</u></th> </tr> <tr> <td></td> <th align="center"><u>All Plans</u></th> <th align="center"><u>All Plans</u></th> </tr> </thead> <tbody> <tr> <td>2019</td> <td align="center">Actual 2019 Premiums</td> <td align="center">Actual 2019 Premiums</td> </tr> <tr> <td>2020</td> <td align="center">Actual 2020 Premiums</td> <td align="center">Actual 2020 Premiums</td> </tr> <tr> <td>2021</td> <td align="center">7.25%</td> <td align="center">6.30%</td> </tr> <tr> <td>2022</td> <td align="center">7.00%</td> <td align="center">6.10%</td> </tr> <tr> <td>2023</td> <td align="center">6.75%</td> <td align="center">5.90%</td> </tr> <tr> <td>2024</td> <td align="center">6.50%</td> <td align="center">5.70%</td> </tr> 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<td align="center">4.00%</td> </tr> </tbody> </table>	<u>Year</u>	<u>Increase from Prior Year</u>		<u>Non-Medicare</u>	<u>Medicare</u>		<u>All Plans</u>	<u>All Plans</u>	2019	Actual 2019 Premiums	Actual 2019 Premiums	2020	Actual 2020 Premiums	Actual 2020 Premiums	2021	7.25%	6.30%	2022	7.00%	6.10%	2023	6.75%	5.90%	2024	6.50%	5.70%	2025	6.25%	5.50%	2026	6.00%	5.30%	2027	5.80%	5.15%	2028	5.60%	5.00%	2029	5.40%	4.85%	2030	5.20%	4.70%	2031-35	5.05%	4.60%	2036-45	4.90%	4.50%	2046-55	4.75%	4.45%	2056-65	4.60%	4.40%	2066-75	4.30%	4.20%	2076+	4.00%	4.00%	<table border="0"> <thead> <tr> <th rowspan="2"><u>Year</u></th> <th align="center" colspan="2"><u>Increase from Prior Year</u></th> </tr> <tr> <th align="center"><u>Non-Medicare</u></th> <th align="center"><u>Medicare</u></th> </tr> <tr> <td></td> <th align="center"><u>All Plans</u></th> <th align="center"><u>Non-Kaiser Kaiser</u></th> </tr> </thead> <tbody> <tr> <td>2019</td> <td align="center">Actual Premiums/Claims</td> <td 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4.60%	2024	6.25%	5.45% 4.45%	2025	6.00%	5.25% 4.35%	2026	5.75%	5.05% 4.25%	2027	5.55%	4.90% 4.20%	2028	5.35%	4.75% 4.15%	2029	5.15%	4.60% 4.10%	2030	4.95%	4.45% 4.05%	2031-35	4.80%	4.35% 4.00%	2036-45	4.65%	4.25% 3.95%	2046-55	4.50%	4.20% 3.90%	2056-65	4.35%	4.15% 3.85%	2066-75	4.05%	3.95% 3.80%	2076+	3.75%	3.75% 3.75%
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ACTUARIAL ASSUMPTIONS

	June 30, 2019 Valuation	June 30, 2021 Valuation
■ Dental & Vision Trend	■ 2.75%	■ 2.50%
■ Cap Increase Rates	■ Fire hired <1/14/15: <ul style="list-style-type: none"> • Lowest cost \$25 co-pay medical premium – medical trend • Lowest cost PPO dental premium – dental trend ■ Misc and Police: 0%	■ Same
■ CERBT Admin. Fee	■ 0.05% of Market Value of Assets ■ Added to Normal Cost	■ Same

ACTUARIAL ASSUMPTIONS

	June 30, 2019 Valuation	June 30, 2021 Valuation																																												
■ Participation at Retirement	■ Based on retirements during fiscal years 2015 to 2017, varies by % of cash benefit earned at retirement: <table border="1" data-bbox="467 1423 901 1753"> <thead> <tr> <th rowspan="2">Plan</th> <th colspan="4">% of Benefit Earned</th> </tr> <tr> <th>0%</th> <th>50%</th> <th>75%</th> <th>100%</th> </tr> </thead> <tbody> <tr> <td>M&D&V</td> <td>10%</td> <td>23%</td> <td>30%</td> <td>35%</td> </tr> <tr> <td>D & V</td> <td>10%</td> <td>40%</td> <td>35%</td> <td>30%</td> </tr> <tr> <td>M & D</td> <td>0%</td> <td>10%</td> <td>14%</td> <td>20%</td> </tr> <tr> <td>M & V</td> <td>0%</td> <td>3%</td> <td>0%</td> <td>4%</td> </tr> <tr> <td>M Only</td> <td>10%</td> <td>12%</td> <td>9.5%</td> <td>7%</td> </tr> <tr> <td>D Only</td> <td>10%</td> <td>3%</td> <td>1.5%</td> <td>0.5%</td> </tr> <tr> <td>V Only</td> <td>0%</td> <td>0%</td> <td>1%</td> <td>0.5%</td> </tr> </tbody> </table> M = Medical, D = Dental, V = Vision	Plan	% of Benefit Earned				0%	50%	75%	100%	M&D&V	10%	23%	30%	35%	D & V	10%	40%	35%	30%	M & D	0%	10%	14%	20%	M & V	0%	3%	0%	4%	M Only	10%	12%	9.5%	7%	D Only	10%	3%	1.5%	0.5%	V Only	0%	0%	1%	0.5%	■ Same
Plan	% of Benefit Earned																																													
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D Only	10%	3%	1.5%	0.5%																																										
V Only	0%	0%	1%	0.5%																																										

ACTUARIAL ASSUMPTIONS

	June 30, 2019 Valuation				June 30, 2021 Valuation			
<ul style="list-style-type: none"> ■ Pre 1/1/91 Inactive Vested Ret. Age 	<ul style="list-style-type: none"> ■ SCERS: <ul style="list-style-type: none"> • Sect 399 – Age 62 • Sect 175 – Age 65 				<ul style="list-style-type: none"> ■ Same 			
<ul style="list-style-type: none"> ■ Estimated Monthly Age-Based Claims Cost per Retiree 		FY 2020/21				FY 2022/23		
	Medical Plan	Age	M	F	Medical Plan	Age	M	F
	Kaiser HMO	50	\$781	\$852	Kaiser HMO	50	\$797	\$870
		55	1,012	1,019		55	1,033	1,041
		60	1,294	1,215		60	1,321	1,241
		65	1,604	1,442		65	1,638	1,472
	Sutter Health	50	805	879	Sutter Health	50	789	860
		55	1,044	1,051		55	1,022	1,029
		60	1,334	1,254		60	1,306	1,227
		65	1,655	1,487		65	1,620	1,456
	Western Health	50	700	764	Western Health	50	692	755
		55	907	914		55	897	903
		60	1,160	1,090		60	1,147	1,077
65		1,439	1,293	65		1,422	1,278	

ACTUARIAL ASSUMPTIONS

	June 30, 2019 Valuation	June 30, 2021 Valuation
<ul style="list-style-type: none"> ■ Medical Plan at Retirement 	<ul style="list-style-type: none"> ■ Currently covered – Same as active elections: <ul style="list-style-type: none"> • Pre-Medicare – same as current active elections with Account Based Plans => \$25 Co-Pay Plans • Post-Medicare: <ul style="list-style-type: none"> ➢ Kaiser => Kaiser SA ➢ Sutter Health and Western Health => UHC PPO ■ Currently waived – Kaiser HMO Premium Plan 	<ul style="list-style-type: none"> ■ Same
<ul style="list-style-type: none"> ■ Waived Retiree Re-Election 	<ul style="list-style-type: none"> ■ Retirees < 65 – 30% re-elect at age 65 ■ Retirees ≥ 65 – 0% re-elect 	<ul style="list-style-type: none"> ■ Same

ACTUARIAL ASSUMPTIONS

	June 30, 2019 Valuation	June 30, 2021 Valuation
<ul style="list-style-type: none"> ■ Medicare Eligible Rate 	<ul style="list-style-type: none"> ■ Hired before 4/1/86: <ul style="list-style-type: none"> • Misc – 90% • Safety – 80% ■ Hired on or after 4/1/86: 100% ■ Retirees under age 65: <ul style="list-style-type: none"> • Misc – 95% • Safety – 90% 	<ul style="list-style-type: none"> ■ Same
<ul style="list-style-type: none"> ■ Marital Status at Retirement 	<ul style="list-style-type: none"> ■ Actives: <ul style="list-style-type: none"> • Currently covered – current marital status • Not currently covered – 85% married ■ Retirees – current marital status 	<ul style="list-style-type: none"> ■ Same

ACTUARIAL ASSUMPTIONS

	June 30, 2019 Valuation	June 30, 2021 Valuation
<ul style="list-style-type: none"> ■ Spouse Age 	<ul style="list-style-type: none"> ■ Actives – Males 3 years older than females ■ Retirees – Males 3 years older than females if spouse birth date not available 	<ul style="list-style-type: none"> ■ Same
<ul style="list-style-type: none"> ■ Surviving Spouse Participation 	<ul style="list-style-type: none"> ■ 100% 	<ul style="list-style-type: none"> ■ Same
<ul style="list-style-type: none"> ■ Dependents at Retirement 	<ul style="list-style-type: none"> ■ Pre-65: <ul style="list-style-type: none"> • Actives <ul style="list-style-type: none"> ➢ Misc – 10% ➢ Safety – 20% • Retirees – same as current coverage ■ Post-65 – 0% 	<ul style="list-style-type: none"> ■ Same

ACTUARIAL ASSUMPTIONS

	June 30, 2019 Valuation	June 30, 2021 Valuation
<ul style="list-style-type: none"> ■ Actuarial Models 	<ul style="list-style-type: none"> ■ Our valuations were performed using and relying on ProVal, an actuarial model leased from Wintech. Our use of ProVal is consistent with its intended purpose. We have reviewed and understand ProVal and its operation, sensitivities and dependencies. 	
<ul style="list-style-type: none"> ■ Data Quality 	<ul style="list-style-type: none"> ■ Our valuations used census data provided by the City. We reviewed the data for reasonableness and resolved any questions with the City. We believe the resulting data can be relied on for all purposes of this valuation without limitation 	
<ul style="list-style-type: none"> ■ COVID-19 	<ul style="list-style-type: none"> ■ No adjustments to the assumptions have been made for COVID-19 since there is not yet enough data to evaluate the future impacts 	

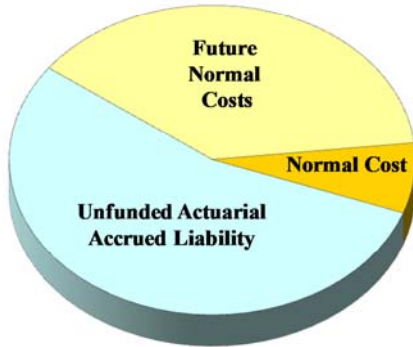
DEFINITIONS

<ul style="list-style-type: none"> ■ OPEB Actuarial Valuation 	<ul style="list-style-type: none"> ■ Project future employer-provided benefit cash flows for current active employees and current retirees ■ Discount projected cash flow to valuation date using discount rate (assumed return on assets used to pay benefits) and other actuarial assumptions to determine present value of projected future benefits (PVB) ■ Allocate PVB to past, current, and future periods using the actuarial cost method ■ Actuarial cost method used for this valuation is the Entry Age Normal Cost method which determines Normal Cost as a level percentage of payroll (same method used by CalPERS) ■ Normal Cost is amount allocated to current fiscal year ■ Actuarial Accrued Liability (AAL) is amount allocated to prior service with employer ■ Unfunded AAL (UAAL) is AAL less plan assets pre-funded in a segregated and restricted trust
<ul style="list-style-type: none"> ■ PayGo Cost 	<ul style="list-style-type: none"> ■ Cash subsidy is the pay-as-you-go employer benefit payments for retirees ■ Implied subsidy is the difference between the actual cost of retiree benefits and retiree premiums subsidized by active employee premiums

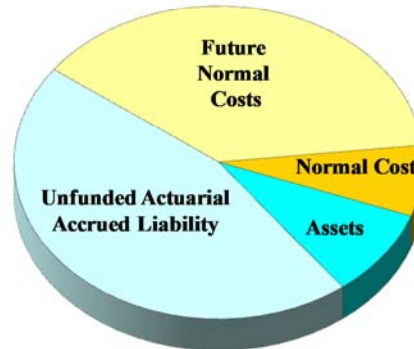
DEFINITIONS

Present Value of Benefits

**Present Value of Benefits
(Without Plan Assets)**



**Present Value of Benefits
(With Plan Assets)**



DEFINITIONS

■ Acronyms
Used in
Report

- AAL - Actuarial Accrued Liability
- ADC - Actuarially Determined Contribution
- ARC - Annual Required Contribution
- AVA - Actuarial Value of Assets
- EAN - Entry Age Normal Cost Method
- GASBS 75 - Governmental Accounting Standards Board Statement No. 75
- MVA – Market Value of Assets
- NC - Normal cost
- OPEB - Other (than pensions) Post-Employment Benefits
- PVB - Present Value of Projected Benefits
- UAAL - Unfunded Actuarial Accrued Liability



**City of Sacramento
Retiree Healthcare Plan**



June 30, 2023 GASBS 75 Accounting Information
As of Measurement Date June 30, 2022
Based on the June 30, 2021 Actuarial Valuation

Catherine A. Wandro, ASA, FCA, MAAA
Mary Elizabeth Redding, FSA, EA, MAAA
Daniel Park
Foster & Foster, Inc.

August 10, 2023

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Applicable Dates

Applicable Dates and Periods

	Fiscal Year Ended June 30, 2023
■ Measurement date	June 30, 2022
■ Measurement period	July 1, 2021 to June 30, 2022
■ Actuarial valuation date	June 30, 2021

Update procedures were used to roll forward the Total OPEB Liability from the valuation date (June 30, 2021) to the measurement date (June 30, 2022).



Note Disclosures

Plan Information

	Fiscal Year Ended June 30, 2023
■ Plan type	Agent Multiple Employer
■ OPEB trust	Yes
■ Special funding situation	No
■ Nonemployer contributing entities	No



Note Disclosures

Expected Long-Term Rate of Return

	Target Allocation CERBT-Strategy 1	Expected Real Rate of Return
■ Asset Class Component		
● Global Equity	49%	4.56%
● Fixed Income	23%	1.56%
● TIPS	5%	(0.08%)
● Commodities	3%	1.22%
● REITs	20%	4.06%
■ Assumed Long-Term Rate of Inflation		2.50%
■ Expected Long-Term Net Rate of Return, Rounded		6.25%

The long-term expected real rates of return are presented as geometric means.



Note Disclosures

Covered Participants*

At June 30, 2022, the measurement date, the following numbers of participants were covered by the benefit terms:

	Number of Covered Participants
■ Inactives currently receiving benefits	3,399
■ Inactives entitled to but not yet receiving benefits	280
■ Active employees	3,561
■ Total	7,240

* As reported by the City.



Note Disclosures

Net OPEB Liability/(Asset)

(Amounts in 000's)

	Fiscal Year Ended	
	6/30/22	6/30/23
	Measurement Date 6/30/21	Measurement Date 6/30/22
■ Total OPEB Liability (TOL)	\$ 271,612	\$ 277,626
■ Fiduciary Net Position (FNP)*	74,807	71,156
■ Net OPEB Liability (NOL)	196,805	206,470
■ Funded status (FNP/TOL)	27.5%	25.6%

* Asset information is from CalPERS' "CERBT Schedule of Changes in Fiduciary Net Position by Employer" (audited asset statement) for the year ended June 30, 2022.



Note Disclosures

Changes in Net OPEB Liability/(Asset)

(Amounts in 000's)

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
■ Balance at 6/30/22 (6/30/21 measurement date)	\$ 271,612	\$ 74,807	\$ 196,805
■ Changes for the year			
● Service Cost	5,259	-	5,259
● Interest	16,803	-	16,803
● Changes of benefit terms	-	-	-
● Actual vs. expected experience	-	-	-
● Assumption changes	-	-	-
● Contributions - employer*	-	24,675	(24,675)
● Contributions - employee	-	-	-
● Net investment income	-	(12,256)	12,256
● Benefit payments*	(16,048)	(16,048)	-
● Administrative expenses	-	(22)	22
■ Net Changes	6,014	(3,651)	9,665
■ Balance at 6/30/23 (6/30/22 measurement date)	\$ 277,626	\$ 71,156	\$ 206,470

* See the measurement period column on page 20 for details.



Note Disclosures

Sensitivity of Net OPEB Liability/(Asset)

(Amounts in 000's)

Changes in the Discount Rate

	Discount Rate		
	1% Decrease (5.25%)	Current Rate (6.25%)	1% Increase (7.25%)
■ Net OPEB Liability	\$ 239,057	\$ 206,470	\$ 179,043

Changes in the Healthcare Trend Rate

	Healthcare Trend Rate		
	1% Decrease	Current Trend	1% Increase
■ Net OPEB Liability	\$ 182,355	\$ 206,470	\$ 235,622



Note Disclosures

OPEB Expense/(Income) for Fiscal Year

(Amounts in 000's)

	2022/23
	Measurement Period 2021/22
■ OPEB Expense/(Income)*	\$ (16,747)

* See page 26 for OPEB expense/(income) detail, which is not a required disclosure.



Note Disclosures

Deferred Outflows/Inflows Balances at June 30, 2023

(Amounts in 000's)

	June 30, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
■ Differences between expected and actual experience	\$ -	\$ 38,000
■ Changes in assumptions	2,734	40,818
■ Net difference between projected and actual earnings on plan investments*	8,159	-
■ Employer contributions made subsequent to the measurement date**	23,167	-
■ Total	34,060	78,818

* Deferred Inflows and Outflows combined for footnote disclosure.

** See page 20 for details.



Note Disclosures

**Recognition of Deferred Outflows and Inflows of Resources
in Future OPEB Expense**

(Amounts in 000's)

FYE June 30	Deferred Outflows/(Inflows) of Resources
■ 2024	\$ (29,661)
■ 2025	(24,730)
■ 2026	(9,002)
■ 2027	(2,258)
■ 2028	(2,274)
■ Thereafter	-



Note Disclosures

Significant Actuarial Assumptions Used for Total OPEB Liability

Actuarial Assumption	June 30, 2022 Measurement Date
■ Actuarial Valuation Date	■ June 30, 2021
■ Contribution Policy	■ City contributes ad hoc amounts
■ Municipal Bond Rate	■ 4.09% as of June 30, 2022 ■ 2.18% as of June 30, 2021 ■ Standard & Poors 20 Year High Grade Rate
■ Discount Rate and Long-Term Expected Rate of Return on Assets	■ 6.25% at June 30, 2022 ■ 6.25% at June 30, 2021 ■ Expected City contributions projected to keep sufficient plan assets to pay all benefits from trust
■ General Inflation	■ 2.50% annually
■ Crossover Test Assumptions	■ Assumed \$1.5 million annual contribution until assets equal Present Value of Benefits ■ Administrative expenses = 0.05% of assets ■ No crossover
■ Mortality, Retirement, Disability, Termination	■ CalPERS 2000-2019 Experience Study ■ SCERS 6/30/21 Valuation Assumptions (limited applicability)



Note Disclosures

Significant Actuarial Assumptions Used for Total OPEB Liability

Actuarial Assumption	June 30, 2022 Measurement Date
■ Mortality Improvement	■ Mortality projected fully generational with Scale MP-2021
■ Salary Increases	■ Aggregate - 2.75% annually ■ Merit - CalPERS 2000-2019 Experience Study
■ Medical Trend	■ Non-Medicare - 6.50% for 2023, decreasing to an ultimate rate of 3.75% in 2076 ■ Medicare (Non-Kaiser) - 5.65% for 2023, decreasing to an ultimate rate of 3.75% in 2076 ■ Medicare (Kaiser) - 4.60% for 2022, decreasing to an ultimate rate of 3.75% in 2076
■ Healthcare Participation for Future Retirees	■ Varies from 0% to 40% of medical, dental, and/or vision coverage based on percent of cash benefit earned at retirement ■ Assumptions based on study of recent retiree experience



Note Disclosures

Changes Since June 30, 2021 Measurement Date

	June 30, 2022 Measurement Date
■ Changes of assumptions	■ None
■ Changes of benefit terms	■ None



Required Supplementary Information

Schedule of Changes in Net OPEB Liability/(Asset) and Related Ratios
(Amounts in 000's)

	2022/23
	Measurement Period 2021/22
■ Changes in Total OPEB Liability	
● Service Cost	\$ 5,259
● Interest	16,803
● Changes of benefit terms	-
● Actual vs. expected experience	-
● Assumption changes	-
● Benefit payments	(16,048)
■ Net Changes	6,014
■ Total OPEB Liability (beginning of year)	271,612
■ Total OPEB Liability (end of year)	277,626



Required Supplementary Information

Schedule of Changes in Net OPEB Liability/(Asset) and Related Ratios

(Amounts in 000's)

	2022/23
	Measurement Period 2021/22
■ Changes in Plan Fiduciary Net Position	
● Contributions - employer	\$ 24,675
● Contributions - employee	-
● Net investment income	(12,256)
● Benefit payments	(16,048)
● Administrative expenses	(22)
● Other changes	-
● Net Changes	<u>(3,651)</u>
■ Plan Fiduciary Net Position (beginning of year)	<u>74,807</u>
■ Plan Fiduciary Net Position (end of year)	71,156



Required Supplementary Information

Schedule of Changes in Net OPEB Liability/(Asset) and Related Ratios

(Amounts in 000's)

	2022/23
	Measurement Date 6/30/22
■ Net OPEB Liability/(Asset)	\$ 206,470
■ Fiduciary Net Position as a percentage of the Total OPEB Liability	25.6%
■ Covered employee payroll*	244,497
■ Net OPEB Liability as a percentage of covered employee payroll	84.4%

* For the 12-month period ended on June 30, 2022 (Measurement Date).
As reported by the City.



Required Supplementary Information

Schedule of Employer Contributions

(Amounts in 000's)

	Fiscal Year 2022/23
■ Actuarially Determined Contribution (ADC)	\$ 22,407
■ Contributions in relation to the actuarially determined contribution*	<u>23,167</u>
■ Contribution deficiency/(excess)	(760)
■ Covered employee payroll**	242,374
■ Contributions as a percentage of covered employee payroll	9.6%

* See page 20 for details.

** For the 12-month period ended on June 30, 2023 (fiscal year end).

As reported by the City.



Required Supplementary Information

**Notes to Schedule of Employer Contribution
Methods and Assumptions for
2022/23 Actuarially Determined Contribution**

■ Valuation Date	■ June 30, 2021
■ Actuarial Cost Method	■ Entry Age Normal, Level % of pay
■ Amortization Method	■ Level % of pay
■ Amortization Period	■ 16-year fixed period for 2022/23
■ Asset Valuation Method	■ Investment gains and losses spread over 5-year rolling period
■ Discount Rate	■ 6.25%
■ General Inflation	■ 2.50%
■ Medical Trend	■ Non-Medicare - 6.50% for 2023, decreasing to an ultimate rate of 3.75% in 2076 ■ Medicare (Non-Kaiser) - 5.65% for 2023, decreasing to an ultimate rate of 3.75% in 2076 ■ Medicare (Kaiser) - 4.60% for 2022, decreasing to an ultimate rate of 3.75% in 2076
■ Mortality	■ CalPERS 2000-2019 Experience Study
■ Mortality Improvement	■ Mortality projected fully generational with Scale MP-2021



Actuarial Certification

This report presents the City of Sacramento Retiree Healthcare Plan 2022/23 disclosure under Governmental Accounting Standards Board Statement No. 75 (GASBS 75). This report may not be appropriate for other purposes, although it may be useful to the City for the Plan's financial management.

This report is based on information provided by the City which we relied on and did not audit. Additional information on the actuarial valuation can be found in the June 30, 2021 actuarial valuation report.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as: plan experience differing from that anticipated by the assumptions; changes in assumptions; changes expected as part of the natural progression of the plan; and changes in plan provisions or applicable law. Actuarial models necessarily rely on the use of estimates and are sensitive to changes. Small variations in estimates may lead to significant changes in actuarial measurements. Due to the limited scope of this assignment, we did not perform an analysis of the potential range of such measurements.

The Journal Entries in this report are provided for the City's convenience and are not an actuarial communication. Therefore, this actuarial certification does not apply to the Journal Entries.

To the best of our knowledge, this report is complete and accurate and has been conducted using generally accepted actuarial principles and practices and complies with applicable Actuarial Standards of Practice. Additionally, in our opinion, actuarial methods and assumptions comply with GASBS 75. As the actuary, we have recommended the assumptions used in this report, and we believe they are reasonable. As members of the American Academy of Actuaries meeting the Academy Qualification Standards, we certify the actuarial results and opinions herein.

Respectfully submitted,

Catherine A. Wandro

Catherine A. Wandro, ASA, FCA, MAAA
Foster & Foster, Inc.
August 10, 2023

Mary Elizabeth Redding

Mary Elizabeth Redding, FSA, EA, MAAA
Foster & Foster, Inc.
August 10, 2023



August 10, 2023

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City of Sacramento

Supporting Calculations

Employer Contributions

(Amounts in 000's)

	Measurement Period	Measurement Date to FYE	Prior Measurement Date to Prior FYE
	7/1/21 to 6/30/22	7/1/22 to 6/30/23	Same as Measurement Period
■ Cash benefit payments	\$ 10,865	\$ 11,003	\$ 10,865
■ Implicit subsidy benefit payments	5,183	4,318	5,183
■ Total benefit payments	16,048	15,321	16,048
■ Benefit payments reimbursed from trust	(10,865)	(11,003)	(10,865)
■ Benefit payments paid outside of trust	5,183	4,318	5,183
■ Non-trust admin expenses	-	-	-
■ Non-trust admin expenses reimbursed from trust	-	-	-
■ Trust contributions	19,492	18,849	19,492
■ Total employer contributions	24,675	23,167	24,675

Measurement period (7/1/21 to 6/30/22): \$24,675

Fiscal year (7/1/22 to 6/30/23): \$23,167



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City of Sacramento

Supporting Calculations

Average of the Expected Remaining Service Lives

As of July 1, 2021 (beginning of the measurement period):

Valuation Date	Total expected remaining service lives*	Covered participants*	Average of the expected remaining service lives as of valuation date	Average of the expected remaining service lives as of 7/1/21 (not less than 1 yr)
6/30/21	44,751.3 years	6,878	6.5 years	6.5 years

* Participants with no liability excluded for the purpose of calculating the average.



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City of Sacramento

Supporting Calculations

Recognition of Deferred Outflows/Inflows at June 30, 2023

Differences between Expected and Actual Experience

(Amounts in 000's)

Fiscal Year	Initial Amount	Initial Recog Period	Amount Recognized in OPEB Expense for FY							Deferred Balances June 30, 2023	
			22/23	23/24	24/25	25/26	26/27	27/28	28/29+	Outflows	(Inflows)
17/18	-	-	-	-	-	-	-	-	-	-	-
18/19	-	-	-	-	-	-	-	-	-	-	-
19/20	(28,948)	6.2	(4,669)	(4,669)	(4,669)	(934)	-	-	-	-	(10,272)
20/21	-	-	-	-	-	-	-	-	-	-	-
21/22	(40,332)	6.4	(6,302)	(6,302)	(6,302)	(6,302)	(6,302)	(2,520)	-	-	(27,728)
22/23	-	-	-	-	-	-	-	-	-	-	-
Total			(10,971)	(10,971)	(10,971)	(7,236)	(6,302)	(2,520)	-	-	(38,000)



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City of Sacramento

Supporting Calculations

Recognition of Deferred Outflows/Inflows at June 30, 2023

Changes of Assumptions

(Amounts in 000's)

Fiscal Year	Initial Amount	Initial Recog Period	Amount Recognized in OPEB Expense for FY							Deferred Balances June 30, 2023	
			22/23	23/24	24/25	25/26	26/27	27/28	28/29+	Outflows	(Inflows)
17/18	(24,429)	6.1	(4,005)	(399)	-	-	-	-	-	-	(399)
18/19	(30,845)	6.1	(5,057)	(5,057)	(503)	-	-	-	-	-	(5,560)
19/20	(92,281)	6.2	(14,884)	(14,884)	(14,884)	(2,977)	-	-	-	-	(32,745)
20/21	(4,097)	6.2	(661)	(661)	(661)	(661)	(131)	-	-	-	(2,114)
21/22	3,978	6.4	622	622	622	622	622	246	-	2,734	-
22/23	-	-	-	-	-	-	-	-	-	-	-
Total			(23,985)	(20,379)	(15,426)	(3,016)	491	246	-	2,734	(40,818)



Supporting Calculations

Recognition of Deferred Outflows/Inflows at June 30, 2023

Projected Versus Actual Earnings on Investments

(Amounts in 000's)

Fiscal Year	Initial Amount	Initial Recog Period	Amount Recognized in OPEB Expense for FY							Deferred Balances June 30, 2023	
			22/23	23/24	24/25	25/26	26/27	27/28	28/29+	Outflows	(Inflows)
17/18	(701)	5.0	-	-	-	-	-	-	-	-	-
18/19	(269)	5.0	(53)	-	-	-	-	-	-	-	-
19/20	108	5.0	22	20	-	-	-	-	-	20	-
20/21	2,093	5.0	419	419	417	-	-	-	-	836	-
21/22	(11,520)	5.0	(2,304)	(2,304)	(2,304)	(2,304)	-	-	-	-	(6,912)
22/23	17,769	5.0	3,554	3,554	3,554	3,554	3,553	-	-	14,215	-
Total			1,638	1,689	1,667	1,250	3,553	-	-	15,071	(6,912)
Net Deferred Outflows/(Inflows)										8,159	-

Calculation of initial amount for 2022/23 (2021/22 measurement period):

Projected earnings on investments of \$5,513 (page 27), less

Actual earnings on investments of -\$12,256 (net investment income, page 15)



Supporting Calculations

Recognition of Deferred Outflows/Inflows in Future OPEB Expense

(Amounts in 000's)

	23/24	24/25	25/26	26/27	27/28	Thereafter 28/29+
■ Differences between Expected and Actual Experience	(10,971)	(10,971)	(7,236)	(6,302)	(2,520)	-
■ Changes of Assumptions	(20,379)	(15,426)	(3,016)	491	246	-
■ Projected Versus Actual Earnings on Investments	1,689	1,667	1,250	3,553	-	-
■ Total	(29,661)	(24,730)	(9,002)	(2,258)	(2,274)	-



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City of Sacramento

Supporting Calculations

Components of GASBS 75 OPEB Expense

(Amounts in 000's)

	2022/23
	Measurement Period 2021/22
■ Service Cost	\$ 5,259
■ Interest on Total OPEB Liability	16,803
■ Projected earnings on investments	(5,513)
■ Employee contributions	-
■ Administrative expense	22
■ Changes of benefit terms	-
■ Recognition of deferred outflows/(inflows)	
● Experience	(10,971)
● Assumptions	(23,985)
● Asset returns	1,638
■ OPEB Expense/(Income)	(16,747)



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City of Sacramento

Supporting Calculations

Components of GASBS 75 OPEB Expense* **Calculation of Projected Earnings on Investments** **2021/22 Measurement Period**

(Amounts in 000's)

	Dollar Amount	Expected Return	Portion of Year	Projected Earnings
■ Fiduciary Net Position (beginning of year)	\$ 74,807	6.25%	100%	\$ 4,675
■ Employer contributions	19,492	6.25%	80%	975
■ Employee contributions	-	6.25%	0%	-
■ Disbursements	(10,865)	6.25%	20%	(136)
■ Administrative expenses	(22)	6.25%	50%	(1)
■ Projected earnings				5,513

* The items on this page reflect trust activity only.



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City of Sacramento

Supporting Calculations

Components of GASBS 75 OPEB Expense **Calculation of Interest on Total OPEB Liability** **2021/22 Measurement Period**

(Amounts in 000's)

	Dollar Amount	Discount Rate	Portion of Year	Interest
■ Total OPEB Liability	\$ 271,612	6.25%	100%	\$ 16,976
■ Service Cost	5,259	6.25%	100%	329
■ Changes of benefit terms	-	6.25%	0%	-
■ Experience	-	6.25%	0%	-
■ Assumption changes	-	6.25%	0%	-
■ Benefit payments	(16,048)	6.25%	50%	(502)
■ Total interest				16,803



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City of Sacramento

Supporting Calculations

GASBS 75 Balance Equation

(Amounts in 000's)

	Fiscal Year Ended	
	6/30/22	6/30/23
	Measurement Date 6/30/21	Measurement Date 6/30/22
■ Total OPEB Liability	\$ 271,612	\$ 277,626
■ Fiduciary Net Position	74,807	71,156
■ Net OPEB Liability/(Asset)	196,805	206,470
■ Deferred inflows of resources	122,368	78,818
■ Deferred (outflows) of resources	(3,356)	(10,893)
■ Balance Sheet	315,817	274,395

Check:

■ Balance Sheet 6/30/22	\$ 315,817
● OPEB Expense/(Income)	(16,747)
● Employer Contributions*	(24,675)
■ Balance Sheet 6/30/23	274,395

* See the measurement period column on page 20 for details.



Supporting Calculations

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Journal Entries

Employer Contributions

(Amounts in 000's)

The entries below assume cash benefit payments, Trust contributions, and administrative expenses have been charged to OPEB Expense when paid, and that no accounting entries have been made for the current year implicit subsidy payment, which is recorded as a reduction to active employee health care costs. See page 20 for details.

Following records the impact of employer contributions as deferred outflows of resources and as a reduction to Net OPEB Liability.

	Debit	(Credit)
■ Net OPEB Liability - (for contributions paid 7/1/21 to 6/30/22)	\$ 24,675	\$ -
■ Deferred Outflow - 7/1/21 to 6/30/22 contributions	-	(24,675)
■ Deferred Outflow - 7/1/22 to 6/30/23 contributions	23,167	-
■ Active employee health care costs - (implicit subsidy payments 7/1/22 to 6/30/23)	-	(4,318)
■ OPEB Expense - (for contributions paid 7/1/22 to 6/30/23)	-	(18,849)
<i>Check</i>	<i>47,842</i>	<i>(47,842)</i>



Journal Entries

Summary Journal Entries - OPEB Expense

(Amounts in 000's)

Following records the impact of current year OPEB expense

	Debit	(Credit)
■ Deferred Outflows*	\$ 8,159	\$ (622)
■ Deferred Inflows**	43,550	-
■ OPEB Expense/Credit	-	(16,747)
■ Net OPEB Liability	-	(34,340)
<i>Check</i>	<i>51,709</i>	<i>(51,709)</i>

* See page 34 ('Subtotal' row) for details.

** See page 35 for details.



Journal Entries

Ending Balances at June 30, 2023

(Amounts in 000's)

	Debit	(Credit)
■ Deferral: Differences between expected and actual experience	\$ -	\$ (38,000)
■ Deferral: Changes of assumptions	2,734	(40,818)
■ Deferral: Net differences between projected and actual earnings on plan investments	8,159	-
	<hr/>	<hr/>
■ Total deferred outflow/inflow	10,893	(78,818)
■ Net OPEB Liability (NOL)	-	(206,470)
■ Contributions after the Measurement Date	23,167	-
■ Net Impact	251,228	-

Check: 285,288 (285,288)

■ Total OPEB expense/(income) for FYE 2023	-	(16,747)
--	---	----------



Journal Entries

Reconciliation of Deferred Outflows

Detail for page 32

(Amounts in 000's)

Deferred Outflows	Opening Balance - Debit	Journal Entry - Debit	Journal Entry - (Credit)	Ending Balance - Debit
■ Differences between actual and expected experience	\$ -	\$ -	\$ -	\$ -
■ Change in assumptions	3,356	-	(622)	2,734
■ Differences between projected and actual earnings on plan investments	-	8,159	-	8,159
■ Subtotal - actuarial deferrals	3,356	8,159	(622)	10,893
■ Contributions after the Measurement Date	24,675	23,167	(24,675)	23,167
■ Total Deferred Outflows	28,031	31,326	(25,297)	34,060



Journal Entries

Reconciliation of Deferred Inflows

Detail for page 32
(Amounts in 000's)

Deferred Inflows	Opening Balance - (Credit)	Journal Entry - (Credit)	Journal Entry - Debit	Ending Balance - (Credit)
■ Differences between actual and expected experience	\$ (48,971)	\$ -	\$ 10,971	\$ (38,000)
■ Change in assumptions	(65,425)	-	24,607	(40,818)
■ Differences between projected and actual earnings on plan investments	(7,972)	-	7,972	-
■ Total Deferred (Inflows)	(122,368)	-	43,550	(78,818)



Journal Entries

Reconciliation of Deferred Outflows/(Inflows)

Summary of Balances
(Amounts in 000's)

	Fiscal Year Ended	
	6/30/22	6/30/23
	Measurement Date 6/30/21	Measurement Date 6/30/22
■ Total OPEB (Liability)	\$ (271,612)	\$ (277,626)
■ Fiduciary Net Position	74,807	71,156
■ Net OPEB (Liability)/Asset	(196,805)	(206,470)
■ Deferred (inflows) of resources	(122,368)	(78,818)
■ Deferred outflows of resources	28,031	34,060
■ Balance Sheet Impact	(291,142)	(251,228)

Deferred Outflows include contributions after the measurement date.



Crossover Test

Discount Rate Crossover Test

Projection of Fiduciary Net Position

(Amounts in 000's)

Year	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Admin Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2024	\$ 82,742	\$ 17,474	\$ 16,149	\$ 41	\$ 4,679	\$ 88,705
2025	88,705	18,013	16,778	44	5,032	94,928
2026	94,928	18,625	17,489	47	5,400	101,415
2027	101,415	19,263	18,233	51	5,782	108,177
2028	108,177	19,881	18,964	54	6,184	115,224
2029	115,224	20,506	19,709	58	6,603	122,566
2030	122,566	21,144	20,477	61	7,038	130,210
2031	130,210	21,975	21,446	65	7,486	138,160
2032	138,160	22,659	22,273	69	7,958	146,435
2033	146,435	23,383	23,146	73	8,449	155,048
*	*	*	*	*	*	*
2053	195,932	98	22,845	98	11,546	184,634
2054	184,634	92	21,953	92	10,866	173,547
2055	173,547	87	20,851	87	10,207	162,903
2056	162,903	81	19,888	81	9,571	152,586
2057	152,586	76	18,533	76	8,967	143,020
*	*	*	*	*	*	*
2103	29	0	14	0	1	16
2104	16	0	8	0	1	9
2105	9	0	5	0	0	5
2106	5	0	3	0	0	3
2107	3	0	1	0	0	1



Crossover Test

Discount Rate Crossover Test

Present Values of Projected Benefit Payments

(Amounts in 000's)

Year	Projected Beginning Fiduciary Net Position	Projected Benefit Payments	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments	PV of "Funded" Portion of Benefit Payments	PV of "Unfunded" Portion of Benefit Payments	PV of Benefit Payments @ 6.25%
2024	\$ 82,742	\$ 16,149	\$ 16,149	\$ 0	\$ 15,663	\$ 0	\$ 15,663
2025	88,705	16,778	16,778	0	15,316	0	15,316
2026	94,928	17,489	17,489	0	15,026	0	15,026
2027	101,415	18,233	18,233	0	14,743	0	14,743
2028	108,177	18,964	18,964	0	14,431	0	14,431
2029	115,224	19,709	19,709	0	14,115	0	14,115
2030	122,566	20,477	20,477	0	13,803	0	13,803
2031	130,210	21,446	21,446	0	13,605	0	13,605
2032	138,160	22,273	22,273	0	13,299	0	13,299
2033	146,435	23,146	23,146	0	13,007	0	13,007
*	*	*	*	*	*	*	*
2053	195,932	22,845	22,845	0	3,820	0	3,820
2054	184,634	21,953	21,953	0	3,455	0	3,455
2055	173,547	20,851	20,851	0	3,088	0	3,088
2056	162,903	19,888	19,888	0	2,773	0	2,773
2057	152,586	18,533	18,533	0	2,432	0	2,432
*	*	*	*	*	*	*	*
2103	29	14	14	0	0	0	0
2104	16	8	8	0	0	0	0
2105	9	5	5	0	0	0	0
2106	5	3	3	0	0	0	0
2107	3	1	1	0	0	0	0
*	*	*	*	*	*	*	*
Total					336,081	0	336,081

