Prilago. · PDF p.77 Excerpt



## 6. Pension Plans (continued)

The components of the net pension liability of the City at September 30, 2024, were as follows:

| | General Employees Retirement Plan | Police Officers and Firefighters Retirement Plan | Total |
|---|---|---|---|
| Total pension liability | $ 70,220,076 | $ 162,557,896 | $ 232,777,972 |
| Plan fiduciary net position | (66,010,922) | (134,223,214) | (200,234,136) |
| Net pension liability | $ 4,209,154 | $ 28,334,682 | $ 32,543,836 |
| Plan fiduciary net position as a percentage of the total pension liability | 94.01% | 82.57% | 86.02% |

For governmental activities, net pension liabilities are generally liquidated by the General Fund.

**Actuarial Assumptions -** The total pension (asset) liability at September 30, 2023 was determined by using actuarial valuations as of October 1, 2022, with update procedures used to roll forward the total pension (asset) liability to September 30, 2023. The actuarial valuations used the following actuarial assumptions:

| | General Employees Retirement Plan |
|---|---|
| Inflation | 2.50% |
| Salary increases | 4.00%-6.00% |
| Investment rate of return | 7.25%, net of investment expenses |
| Mortality | PUB-2010 Mortality Tables for male and female, as appropriate. |

| | Police Officers and Firefighters Retirement Plan |
|---|---|
| Inflation | 3.00% |
| Salary increases | 5.00% |
| Investment rate of return | 7.00% compounded annually, net of investment expenses, including inflation. |
| Mortality | PUB-2010 Mortality Tables for male and female, as appropriate. |

**Long-term Expected Rate of Return:** The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates for each major asset class are summarized in the following tables: