

Sacramento County Employees' Retirement System (SCERS)

Governmental Accounting Standards Board Statement 68 (GASBS 68) Actuarial Valuation

Based on June 30, 2022 Measurement Date for
Employer Reporting as of June 30, 2023



This report has been prepared at the request of the Board of Retirement to assist the sponsors of the Fund in preparing their financial report for their liabilities associated with the SCERS pension plan. This valuation report may not otherwise be copied or reproduced in any form without the consent of the Board of Retirement and may only be provided to other parties in its entirety, unless expressly authorized by Segal. The measurements shown in this actuarial valuation may not be applicable for other purposes.

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March 15, 2023

Board of Retirement
Sacramento County Employees' Retirement System
980 9th Street, Suite 1900
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Dear Board Members:

We are pleased to submit this Governmental Accounting Standards Board Statement 68 (GASBS 68) Actuarial Valuation based on a June 30, 2022 measurement date for employer reporting as of June 30, 2023. It contains various information that will need to be disclosed in order for SCERS employers to comply with GASBS 68.

This report was prepared in accordance with generally accepted actuarial principles and practices at the request of the Board to assist the sponsors in preparing their financial report for their liabilities associated with the SCERS pension plan. The census and financial information on which our calculations were based was provided by SCERS. That assistance is gratefully acknowledged.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements; and changes in plan provisions or applicable law.

The actuarial calculations were completed under the supervision of Andy Yeung, ASA, MAAA, Enrolled Actuary. We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of our knowledge, the information supplied in the actuarial valuation is complete and accurate. Further, in our opinion, the assumptions as approved by the Board are reasonably related to the experience of and expectations for the Retirement System. We look forward to reviewing this report with you and to answering any questions.

Sincerely,

Segal

A handwritten signature in black ink, appearing to read "Paul Angelo".

Paul Angelo, FSA, MAAA, FCA, EA
Senior Vice President and Actuary

A handwritten signature in black ink, appearing to read "Andy Yeung".

Andy Yeung, ASA, MAAA, FCA, EA
Vice President and Actuary

A handwritten signature in blue ink, appearing to read "Molly Calcagno".

Molly Calcagno, ASA, EA, MAAA
Actuary

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Section 1: Actuarial Valuation Summary

Purpose and basis

This report has been prepared by Segal to present certain disclosure information required by Governmental Accounting Standards Board Statement 68 (GASBS 68) for employer reporting as of June 30, 2023. The results used in preparing this GASBS 68 report are comparable to those used in preparing the Governmental Accounting Standards Board Statement 67 (GASBS 67) report for the plan based on a reporting date and a measurement date as of June 30, 2022. This valuation is based on:

- The benefit provisions of SCERS, as administered by the Board;
- The characteristics of covered active members, terminated vested members, and retired members and beneficiaries as of June 30, 2022, provided by SCERS;
- The assets of the Plan as of June 30, 2022, provided by SCERS;
- Economic assumptions regarding future salary increases and investment earnings adopted by the Board for the June 30, 2022 valuation; and
- Other actuarial assumptions, regarding employee terminations, retirement, death, etc. adopted by the Board for the June 30, 2022 valuation.

General observations on GASBS 68 actuarial valuation

1. It is important to note that Governmental Accounting Standards Board (GASB) rules only define pension liability and expense for financial reporting purposes, and do not apply to contribution amounts for pension funding purposes. Employers and plans should develop and adopt funding policies under current practices.
2. When measuring pension liability, GASB uses the same actuarial cost method (Entry Age method) and the same type of discount rate (expected return on assets) as SCERS uses for funding. This means that the Total Pension Liability (TPL) measure for financial reporting shown in this report is determined on the same basis as SCERS' Actuarial Accrued Liability¹ (AAL)

¹ It should be noted that for the June 30, 2021 funding valuation, the non-valuation reserves and designations (including the Contingency Reserve and the Balance of Transfer to Offset Member COLA Rate) are included in both the AAL and the valuation assets. That treatment has the same effect of excluding both of those assets in determining the System's Unfunded Actuarial Accrued Liability. However, starting with this year's funding valuation, the Contingency Reserve is no longer included in the AAL and the valuation assets.

Section 1: Actuarial Valuation Summary

measure for funding. We note that the same is generally true for the Normal Cost component of the annual plan cost for funding and financial reporting.

3. The Net Pension Liability (NPL) is equal to the difference between the TPL and the Plan Fiduciary Net Position. The Plan Fiduciary Net Position is equal to the market value of assets and therefore, the NPL measure is very similar to an Unfunded Actuarial Accrued Liability (UAAL) calculated on a market value basis.

Highlights of the valuation

1. For this report, the reporting dates for the employer are June 30, 2023 and June 30, 2022. The NPL was measured as of June 30, 2022 and June 30, 2021 and determined based upon the results of the actuarial valuations as of June 30, 2022 and June 30, 2021, respectively.

The Plan Fiduciary Net Position was valued as of the measurement dates. Consistent with the provisions of GASBS 68, the assets and liabilities measured as of June 30, 2022 and June 30, 2021 are not adjusted or rolled forward to the June 30, 2023 and June 30, 2022 reporting dates, respectively.

2. The NPL increased from \$421.4 million as of June 30, 2021 to \$1,748.6 million as of June 30, 2022 primarily as a result of unfavorable investment return (about \$1,400 million less than expected¹). Changes in these values during the last two fiscal years ending June 30, 2021 and June 30, 2022 can be found in *Section 2, Schedule of changes in Net Pension Liability* on page 17.
3. The pension expense increased from \$2.3 million as of June 30, 2021 to \$123.8 million as of June 30, 2022. The primary cause of the increase was due to the unfavorable actual investment return during 2021/2022 (resulting in recognition of 1/5 of about \$1,399 million in less than expected investment return). However, there is an offset in pension expense due to an increase in the 6.75% projected earnings on plan investments for FYE 2022 compared to FYE 2021, as the plan assets at July 1, 2021 were \$12.6 billion compared to plan assets of \$10.0 billion at July 1, 2020. The projected earnings for FYE 2022 of \$851.5 million and FYE 2021 of \$676.5 million can be found on page 30.
4. The discount rate used to determine the TPL and NPL was 6.75% as of June 30, 2022 and June 30, 2021, following the same assumptions used by SCERS in the actuarial valuations as of June 30, 2022 and June 30, 2021, respectively. The detailed calculations used in this derivation as of June 30, 2022 can be found in *Section 3, Appendix A*. Various other information that is required to be disclosed can be found throughout *Section 2*.

¹ Equal to about \$1,408 million investment loss net of investment expenses but gross of about \$9 million in administrative expenses.

Section 1: Actuarial Valuation Summary

5. The Plan Fiduciary Net Position as of June 30, 2022 includes \$12.7 million that is available to offset a portion of the legacy members' future COLA contribution rates. Since the \$12.7 million can only be used in the future to reduce contribution rates for the legacy employees, we have included a liability of the same amount so that the employer's net NPL is unchanged by the availability of this amount.
6. The Safety membership class has only one active employer (the County of Sacramento) that was making contributions in 2020/2021 and 2021/2022, so all of the NPLs for Safety as of both June 30, 2021 and June 30, 2022 are allocated to the County of Sacramento.

For Miscellaneous employers, the NPLs as of June 30, 2021 and June 30, 2022 are allocated based on the actual employer contributions within the Miscellaneous membership class made during 2020/2021 and 2021/2022, respectively. The steps we used are as follows:

- a. First calculate ratio of employer's contributions to the total contributions for the membership class.
- b. This ratio is multiplied by the NPL for the membership class to determine the employer's proportionate share of the NPL for the membership class.

The NPL allocation can be found in *Section 2, Determination of proportionate share* on page 22.

7. On July 30, 2020, the California Supreme Court issued a decision in the case of Alameda County Deputy Sheriffs' Association et al. v. Alameda County Employees' Retirement Association (ACERA) and Board of Retirement of ACERA. That decision has important implications for SCERS and its members. In particular, the decision requires pension systems like SCERS to exclude certain pay items from a legacy member's compensation earnable. It should be noted that neither the June 30, 2022 assets provided by SCERS nor the liabilities we calculated using the membership data provided by SCERS reflect the financial impact of the California Supreme Court decision.
8. It is important to note that this actuarial valuation is based on plan assets as of June 30, 2022. Due to the COVID-19 pandemic, market conditions have changed significantly since the onset of the Public Health Emergency. The Plan's funded status does not reflect short-term fluctuations of the market, but rather is based on the market values on the last day of the Plan Year. Moreover, this actuarial valuation is based on Plan data as of June 30, 2022 and it does not include any possible short-term or long-term impacts on mortality of the covered population that may emerge after June 30, 2022. While it is impossible to determine how the pandemic will affect market conditions and other demographic experience of the Plan in future valuations, Segal is available to prepare projections of potential outcomes upon request.

Section 1: Actuarial Valuation Summary

Summary of key valuation results

| Reporting Date for Employer under GASBS 68 | | June 30, 2023 ¹ | June 30, 2022 ² |
|--|--|---|---|
| Measurement Date for Employer under GASBS 68 | | June 30, 2022 | June 30, 2021 |
| Disclosure elements for plan year ending June 30: | • Service Cost ³ | \$264,372,132 | \$265,223,856 |
| | • Total Pension Liability | 13,578,984,000 | 12,985,529,000 |
| | • Plan Fiduciary Net Position | 11,830,351,000 | 12,564,149,000 |
| | • Net Pension Liability | 1,748,633,000 | 421,380,000 |
| | • Pension expense | 123,751,555 | 2,297,632 |
| Schedule of contributions⁴ for plan year ending June 30: | • Actuarially determined contributions | \$323,609,923 | \$292,533,591 |
| | • Actual contributions | 323,609,923 | 292,533,591 |
| | • Contribution deficiency / (excess) | 0 | 0 |
| Demographic data for plan year ending June 30: | • Number of retired members and beneficiaries | 13,635 | 13,051 |
| | • Number of vested terminated members ⁵ | 4,423 | 4,054 |
| | • Number of active members | 12,757 | 12,500 |
| Key assumptions as of June 30: | • Investment rate of return | 6.75% | 6.75% |
| | • Inflation rate | 2.75% | 2.75% |
| | • Across-the-board pay increase | 0.25% | 0.25% |
| | • Projected salary increases ⁶ | 4.25% - 10.50%, varying by service, including inflation and across-the-board pay increase | 4.25% - 10.50%, varying by service, including inflation and across-the-board pay increase |

¹ The reporting date and measurement date for the plan are June 30, 2022.

² The reporting date and measurement date for the plan are June 30, 2021.

³ The Service Cost is based on the previous year's valuation, meaning the 2022 and 2021 values are based on the valuations as of June 30, 2021 and 2020, respectively. Both service costs have been calculated using the assumptions shown in the June 30, 2021 column, as there had been no changes in the actuarial assumptions between the June 30, 2020 and June 30, 2021 valuations.

⁴ These amounts exclude \$(17,274,684) and \$2,618,490 in receivable contributions due from Sacramento Metropolitan Fire (SMF) in the 2022 and 2021 valuations, respectively. (They represent the change in the withdrawal liability for SMF as a result of our annual update.) The amount for the 2021 valuation also excludes \$117,177 in principal contributions made by SMF.

⁵ Includes terminated members with member contributions on deposit.

⁶ Includes inflation at 2.75% plus real across the board salary increase of 0.25% plus merit and promotional increases as of June 30, 2022 and 2021, respectively.

Section 1: Actuarial Valuation Summary

Important information about actuarial valuations

An actuarial valuation is a budgeting tool with respect to the financing of future projected obligations of a pension plan. It is an estimated forecast – the actual long-term cost of the plan will be determined by the actual benefits and expenses paid and the actual investment experience of the plan.

In order to prepare a valuation, Segal relies on a number of input items. These include:

| | |
|------------------------------|---|
| Plan of benefits | Plan provisions define the rules that will be used to determine benefit payments, and those rules, or the interpretation of them, may change over time. It is important to keep Segal informed with respect to plan provisions and administrative procedures, and to review the plan description in this report (as well as the plan summary included in our funding valuation report) to confirm that Segal has correctly interpreted the plan of benefits. |
| Participant data | An actuarial valuation for a plan is based on data provided to the actuary by SCERS. Segal does not audit such data for completeness or accuracy, other than reviewing it for obvious inconsistencies compared to prior data and other information that appears unreasonable. It is important for Segal to receive the best possible data and to be informed about any known incomplete or inaccurate data. |
| Assets | This valuation is based on the market value of assets as of the valuation date, as provided by SCERS. |
| Actuarial assumptions | In preparing an actuarial valuation, Segal projects the benefits to be paid to existing plan participants for the rest of their lives and the lives of their beneficiaries. This projection requires actuarial assumptions as to the probability of death, disability, withdrawal, and retirement of each participant for each year. In addition, the benefits projected to be paid for each of those events in each future year reflect actuarial assumptions as to salary increases and cost-of-living adjustments (if any). The forecasted benefits are then discounted to a present value, typically based on an estimate of the rate of return that will be achieved on the plan's assets or, if there are no assets, a rate of return based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). There is a reasonable range for each assumption used in the projection and the results may vary materially based on which assumptions are selected. It is important for any user of an actuarial valuation to understand this concept. Actuarial assumptions are periodically reviewed to ensure that future valuations reflect emerging plan experience. While future changes in actuarial assumptions may have a significant impact on the reported results, that does not mean that the previous assumptions were unreasonable. |
| Models | Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are presented to meet regulatory, legislative and client requirements. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary. |

Section 1: Actuarial Valuation Summary

The user of Segal's actuarial valuation (or other actuarial calculations) should keep the following in mind:

The valuation is prepared at the request of the Board to assist SCERS in preparing items related to the pension plan in their financial reports. Segal is not responsible for the use or misuse of its report, particularly by any other party.

An actuarial valuation is a measurement of the plan's assets and liabilities at a specific date. Accordingly, except where otherwise noted, Segal did not perform an analysis of the potential range of future financial measures. The actual long-term cost of the plan will be determined by the actual benefits and expenses paid and the actual investment experience of the plan.

If SCERS is aware of any event or trend that was not considered in this valuation that may materially change the results of the valuation, Segal should be advised, so that we can evaluate it.

Segal does not provide investment, legal, accounting, or tax advice. Segal's valuation is based on our understanding of applicable guidance in these areas and of the plan's provisions, but they may be subject to alternative interpretations. The Board should look to their other advisors for expertise in these areas.

As Segal has no discretionary authority with respect to the management or assets of SCERS, it is not a fiduciary in its capacity as actuaries and consultants with respect to SCERS.

Section 2: GASBS 68 Information

General information about the pension plan

Plan Description

Plan administration. The Sacramento County Employees' Retirement System (SCERS) was established by the County of Sacramento in 1941. SCERS is administered by the Board of Retirement and governed by the County Employees' Retirement Law of 1937 (California Government Code Section 31450 et. seq). SCERS is a cost-sharing multiple employer public employee retirement system whose main function is to provide service retirement, disability, death and survivor benefits to the Safety and Miscellaneous members employed by the County of Sacramento. SCERS also provides retirement benefits to the employee members of the Superior Court of California (County of Sacramento) and nine Special Districts.

The management of SCERS is vested with the Sacramento County Board of Retirement. The Board consists of nine members and two alternates. Four members are appointed by the Board of Supervisors, two members are elected by the Miscellaneous membership, one member and one alternate are elected by the Safety membership, one member and one alternate are elected by the retired members of the System; and the County Director of Finance serves as ex officio member. All members of the Board of Retirement serve terms of three years except for the County Director of Finance whose term runs concurrent with his term as Director of Finance.

Plan membership. At June 30, 2022, pension plan membership consisted of the following:

| | |
|--|---------------|
| Retired members or beneficiaries currently receiving benefits | 13,635 |
| Vested terminated members entitled to but not yet receiving benefits | 4,423 |
| Active members | <u>12,757</u> |
| Total | 30,815 |

Benefits provided. SCERS provides service retirement, disability, death and survivor benefits to eligible employees. All permanent full-time or part-time employees of the County of Sacramento or contracting district become members of SCERS upon employment. There are separate retirement plans for Safety and Miscellaneous members. Safety membership is extended to those involved in active law enforcement, fire suppression, and certain other classifications. There are four tiers applicable to Safety members. Those entering prior to June 25, 1995 are Tier 1 members. Those entering on or after June 25, 1995 are Tier 2 members. County employees entering on or after January 1, 2012 but prior to January 1, 2013 are members of Tier 3. Any new Safety employee who becomes a member on or after January 1, 2013 is designated PEPRA Safety (Tier 4) and is subject to the provisions of California Public Employees' Pension Reform Act of 2013 (PEPRA), California Government Code 7522 et seq. and Assembly Bill (AB) 197. All

Section 2: GASBS 68 Information

other employees are classified as Miscellaneous members. There are five tiers applicable to Miscellaneous members. Those entering prior to September 27, 1981 are Tier 1 members. Those hired on or after September 27, 1981 and June 27, 1993 are members of Tier 2 or Tier 3, respectively. County employees entering on or after January 1, 2012 but prior to January 1, 2013 are members of Tier 4. Any new Miscellaneous employee who becomes a member on or after January 1, 2013 is designated as PEPRA Miscellaneous (Tier 5) and are subject to the provisions of California Government Code 7522 et seq. and AB 197.

Safety members hired prior to January 1, 2013, are eligible to retire once they attain the age of 50 and have acquired 10 or more years of retirement service credit. A member with 20 years of service is eligible to retire regardless of age. Safety members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 50, and have acquired five years of retirement service credit.

Miscellaneous members hired prior to January 1, 2013, are eligible to retire once they attain the age of 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. Miscellaneous members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 52, and have acquired five years of retirement service credit.

The retirement benefit the member will receive is based upon age at retirement, final average compensation, years of retirement service credit and retirement plan and tier.

Safety member benefits for Tier 1 and Tier 2 are calculated pursuant to the provisions of California Government Code Section 31664.1. Safety member benefits for Tier 3 are calculated pursuant to the provision of California Government Code Section 31664.2. The monthly allowance is equal to 2% of the first \$350 of final compensation, plus 3% of the excess final compensation times years of accrued retirement service credit times age factor from either Section 31664.1 (Tier 1 and 2) or 31664.2 (Tier 3). Safety member benefits for those who are first hired on or after January 1, 2013, are calculated pursuant to the provision of California Government Code Section 7522.25(d). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.25(d).

Miscellaneous member benefits for Tier 1, Tier 2 and Tier 3 are calculated pursuant to the provisions of California Government Code Section 31676.14. Miscellaneous member benefits for Tier 4 are calculated pursuant to the provisions of California Government Code Section 31676.1. The monthly allowance is equal to 1/90th of the first \$350 of final compensation, plus 1/60th of the excess final compensation times years of accrued retirement service credit times age factor from either Section 31676.14 (Tier 1, Tier 2 and Tier 3) or Section 31676.1 (Tier 4). Miscellaneous member benefits for those who are first hired on or after January 1, 2013, are calculated pursuant to the provision of California Government Code Section 7522.20(a). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.20(a).

For members with membership dates before January 1, 2013, the maximum monthly retirement allowance is 100% of final compensation. There is no maximum for members with membership dates on or after January 1, 2013.

Final average compensation consists of the highest 12 consecutive months for a Tier 1 Safety or Tier 1 Miscellaneous member and the highest 36 consecutive months for a Tier 2, Tier 3, Tier 4 or Tier 5 member.

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The member may elect an unmodified retirement allowance, or choose an optional retirement allowance. The unmodified retirement allowance provides the highest monthly benefit and a 60% continuance to an eligible surviving spouse. An eligible surviving spouse is one married to the member one year prior to the effective retirement date. There are four optional retirement allowances the member may choose. Each of the optional retirement allowances requires a reduction in the unmodified retirement allowance in order to allow the member the ability to provide certain benefits to a surviving spouse or named beneficiary having an insurable interest in the life of the member.

SCERS provides an annual cost-of-living benefit to Safety Tier 1, Tier 2, Tier 3 and Tier 4 members and Miscellaneous Tier 1, Tier 3, Tier 4 and Tier 5 members. The cost-of-living adjustment, based upon the Consumer Price Index for the San Francisco-Oakland-Hayward area, is capped at 4.0% for Tier 1 members and 2% for all other members eligible for a cost-of-living adjustment.

The County of Sacramento and contracting districts contribute to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from SCERS' actuary after the completion of the annual actuarial valuation. The average employer contribution rate as of June 30, 2022 for 2021/2022 (based on the June 30, 2020 valuation) was 30.01% of compensation.

All members are required to make contributions to SCERS regardless of the retirement plan or tier in which they are included. The average member contribution rate as of June 30, 2022 for 2021/2022 (based on the June 30, 2020 valuation) was 12.29% of compensation.

Section 2: GASBS 68 Information

Net Pension Liability

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|--|------------------------|----------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| Components of the Net Pension Liability | | |
| Total Pension Liability | \$13,578,984,000 | \$12,985,529,000 |
| Plan Fiduciary Net Position | (11,830,351,000) | (12,564,149,000) |
| Net Pension Liability | \$1,748,633,000 | \$421,380,000 |
| Plan Fiduciary Net Position as a percentage of the Total Pension Liability | 87.12% | 96.76% |

The Net Pension Liability (NPL) was measured as of June 30, 2022 and 2021 and determined based upon the Total Pension Liability (TPL) from actuarial valuations as of June 30, 2022 and 2021, respectively.

Plan Provisions. The plan provisions used in the measurement of the NPL as of June 30, 2022 and 2021 are the same as those used in the SCERS actuarial valuations as of June 30, 2022 and 2021, respectively.

Actuarial assumptions. The TPLs as of June 30, 2022 and June 30, 2021 that were measured by actuarial valuations as of June 30, 2022 and June 30, 2021, respectively, used the same actuarial assumptions and actuarial cost method as the June 30, 2022 and the June 30, 2021 funding valuations. The actuarial assumptions used in the June 30, 2022 and June 30, 2021 valuations were based on the results of an experience study for the period from July 1, 2016 through June 30, 2019. In particular, the following actuarial assumptions were applied to all periods included in the measurement:

| | |
|---------------------------------------|---|
| Inflation: | 2.75% |
| Across-the-board pay increase: | 0.25% |
| Salary increases: | 4.25% to 10.50%, varying by service, including inflation and across-the-board pay increase |
| Investment rate of return: | 6.75%, net of pension plan investment expense, including inflation |
| Other assumptions: | See the analysis of actuarial experience study for the period July 1, 2016 through June 30, 2019. |

Section 2: GASBS 68 Information

Determination of discount rate and investment rates of return

The long-term expected rate of return on pension plan investments was determined in 2020 using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns 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, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation (approved by the Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumption as of June 30, 2020 is summarized in the following table. This information will change every three years based on the actuarial experience study.

| Asset Class | Target Allocation | Long-Term Expected Arithmetic Real Rate of Return |
|--------------------------------|-------------------|---|
| U.S. Large Cap Equity | 18% | 5.42% |
| U.S. Small Cap Equity | 2% | 6.21% |
| International Developed Equity | 16% | 6.50% |
| Emerging Markets Equity | 4% | 8.80% |
| Core Plus Bonds | 10% | 1.13% |
| High Yield Bonds | 1% | 3.40% |
| Global Bonds | 3% | (0.04%) |
| Bank Loans | 1% | 3.89% |
| U.S. Treasury | 5% | 0.30% |
| Real Estate | 5% | 4.57% |
| Cash | 1% | (0.03%) |
| Liquid Real Return | 2% | 4.47% |
| Hedge Fund Growth | 3% | 2.40% |
| Hedge Fund Diversifying | 7% | 2.40% |
| Value Added Real Estate | 2% | 8.10% |
| Private Equity | 9% | 9.40% |
| Private Real Assets | 7% | 8.05% |
| Private Credit | 4% | 5.60% |
| Total | 100% | 5.04% |

Section 2: GASBS 68 Information

Discount rate. The discount rate used to measure the TPL was 6.75% as of June 30, 2022 and June 30, 2021, respectively. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of both June 30, 2022 and June 30, 2021.

Section 2: GASBS 68 Information

Discount rate sensitivity

Sensitivity of the June 30, 2022 NPL to changes in the discount rate. The following presents the NPL of the SCERS as of June 30, 2022, which is allocated to all employers, calculated using the discount rate of 6.75%, as well as what the SCERS' NPL would be if it were calculated using a discount rate that is 1 percentage-point lower (5.75%) or 1 percentage-point higher (7.75%) than the current rate. The determination of the NPL by employer is shown later in *Section 2, Determination of proportionate share.*

| | 1% Decrease (5.75%) | Current Discount Rate (6.75%) | 1% Increase (7.75%) |
|--|------------------------|-------------------------------------|------------------------|
| Carmichael Recreation and Park District | \$4,243,419 | \$2,061,923 | \$276,140 |
| County of Sacramento | 3,352,000,028 | 1,628,772,918 | 218,130,922 |
| Elk Grove Cosumnes Cemetery District | 868,421 | 421,975 | 56,512 |
| Fair Oaks Cemetery District | 453,948 | 220,578 | 29,541 |
| Galt-Arno Cemetery District | 177,631 | 86,313 | 11,559 |
| Mission Oaks Recreation and Park District | 4,164,472 | 2,023,562 | 271,002 |
| Orangevale Recreation and Park District | 2,546,052 | 1,237,154 | 165,684 |
| Rio Linda Elverta Recreation and Park District | 611,843 | 297,301 | 39,816 |
| Sacramento Employment and Training Agency (SETA) | 89,772,997 | 43,621,666 | 5,841,965 |
| Sunrise Recreation and Park District | 8,901,313 | 4,325,244 | 579,252 |
| Superior Court of California, County of Sacramento | <u>134,930,876</u> | <u>65,564,366</u> | <u>8,780,607</u> |
| Total for all Employers | \$3,598,671,000 | \$1,748,633,000 | \$234,183,000 |

Section 2: GASBS 68 Information

Schedule of changes in Net Pension Liability – Last two fiscal years

| Reporting Date for Employer under GASBS 68 Measurement Date for Employer under GASBS 68 | June 30, 2023 June 30, 2022 | June 30, 2022 June 30, 2021 |
|--|--------------------------------|--------------------------------|
| Total Pension Liability | | |
| • Service Cost ¹ | \$264,372,132 | \$265,223,856 |
| • Interest | 873,480,721 | 855,202,614 |
| • Change of benefit terms | 0 | 0 |
| • Differences between expected and actual experience | 74,494,147 | 74,045,530 |
| • Changes of assumptions | 0 | (324,177,000) |
| • Benefit payments, including refunds of member contributions | (618,892,000) | (578,421,000) |
| • Other | 0 | 0 |
| Net change in Total Pension Liability | \$593,455,000 | \$291,874,000 |
| Total Pension Liability – beginning | <u>12,985,529,000</u> | <u>12,693,655,000</u> |
| Total Pension Liability – ending | \$13,578,984,000 | \$12,985,529,000 |
| Plan Fiduciary Net Position | | |
| • Contributions – employer | \$323,610,000 | \$292,534,000 |
| • Contributions – employee | 132,526,000 | 120,597,000 |
| • Net investment income | (547,787,000) | 2,753,409,000 |
| • Benefit payments, including refunds of member contributions | (618,892,000) | (578,421,000) |
| • Administrative expense | (8,971,000) | (9,165,000) |
| • Other | (14,284,000) ² | 5,816,000 ³ |
| Net change in Plan Fiduciary Net Position | \$(733,798,000) | \$2,584,770,000 |
| Plan Fiduciary Net Position – beginning | <u>12,564,149,000</u> | <u>9,979,379,000</u> |
| Plan Fiduciary Net Position – ending | <u>\$11,830,351,000</u> | <u>\$12,564,149,000</u> |
| Net Pension Liability – ending | \$1,748,633,000 | \$421,380,000 |
| Plan Fiduciary Net Position as a percentage of the Total Pension Liability | 87.12% | 96.76% |
| Covered payroll⁴ | \$1,078,235,461 | \$1,034,343,000 |
| Net Pension Liability as percentage of covered payroll | 162.18% | 40.74% |

¹ The Service Cost is based on the previous year's valuation, meaning the 2022 and 2021 values are based on the valuations as of June 30, 2021 and June 30, 2020, respectively.

² We have classified the \$2,941,000 interest contribution made by Sacramento Metropolitan Fire, a non-active employer, during 2021/2022 as well as the \$(17,275,000) offset to receivable contributions due from Sacramento Metropolitan Fire, in the "Other" category. We have also classified \$49,000 of miscellaneous income and federal tax credit in the "Other" category. This was done because the NPL for the active employers disclosed in this GASBS 68 actuarial valuation as of June 30, 2023 was allocated using the employer contributions excluding the total \$(14,334,000) offset to contributions made and miscellaneous income and federal tax credit received during 2021/2022. Following last year's practice, we have concluded to treat the \$49,000 in miscellaneous income and federal tax credit as an amount to be recognized immediately as of the June 30, 2022 measurement date.

Section 2: GASBS 68 Information

- ³ We have classified the \$3,076,000 interest contribution and \$117,000 principal contribution made by Sacramento Metropolitan Fire, a non-active employer, during 2020/2021 as well as the \$2,618,000 receivable contributions due from Sacramento Metropolitan Fire in the “Other” category. We have also classified \$5,000 of miscellaneous income and federal tax credit in the “Other” category. This was done because the NPL for the active employers disclosed in our GASBS 68 actuarial valuation as of June 30, 2022 was allocated using the employer contributions excluding the total \$5,811,000 contribution made and miscellaneous income and federal tax credit received during 2020/2021. We are including the \$5,000 in miscellaneous income and federal tax credit based on our understanding that such amount is recognized immediately as of the June 30, 2021 measurement date.
- ⁴ Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

Notes to Schedule:

Benefit changes: None

Section 2: GASBS 68 Information

Schedule of contributions – Last ten fiscal years

| Year Ended June 30 | Actuarially Determined Contributions ¹ | Contributions in Relation to the Actuarially Determined Contributions | Contribution Deficiency / (Excess) | Covered Payroll ² | Contributions as a Percentage of Covered Payroll |
|-----------------------|---|---|--|------------------------------|--|
| 2013 | \$188,528,426 | \$188,528,426 | \$0 | \$858,551,000 | 21.96% |
| 2014 | 209,367,323 | 209,367,323 | 0 | 858,343,000 | 24.39% |
| 2015 | 221,823,365 | 221,823,365 | 0 | 873,328,000 | 25.40% |
| 2016 | 207,884,162 | 207,884,162 | 0 | 912,421,000 | 22.78% |
| 2017 | 201,928,297 | 201,928,297 | 0 | 958,934,000 | 21.06% |
| 2018 | 198,331,133 | 198,331,133 | 0 | 985,375,000 | 20.13% |
| 2019 | 240,237,090 | 240,237,090 | 0 | 1,017,885,000 | 23.60% |
| 2020 | 274,054,940 | 274,054,940 | 0 | 1,059,984,000 | 25.85% |
| 2021 | 292,533,591 | 292,533,591 | 0 | 1,034,343,000 | 28.28% |
| 2022 | 323,609,923 | 323,609,923 | 0 | 1,078,235,000 | 30.01% |

¹ All “Actuarially Determined Contributions” through June 30, 2015 were determined as the “Annual Required Contribution” under GASBS 25 and 27.

² Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

See accompanying notes to this schedule on the next page.

Section 2: GASBS 68 Information

Notes to Schedule:

Methods and assumptions used to establish “actuarially determined contribution” rates:

| | |
|---------------------------------------|--|
| Valuation date: | Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported |
| Actuarial cost method: | Entry Age Actuarial Cost Method |
| Amortization method: | Level percent of payroll (3.25% payroll growth assumed) |
| Remaining amortization period: | <u>June 30, 2020 valuation</u> 15 years (declining) as of June 30, 2020 for the outstanding balance of the June 30, 2012 UAAL. Effective June 30, 2013, any changes in UAAL due to actuarial gains or losses or due to changes in actuarial assumptions or methods will be amortized over a 20-year closed period effective with each valuation. Any change in UAAL that arises due to plan amendments will be amortized over its own declining 15-year period and any change in UAAL due to retirement incentive programs will be amortized over a declining period of up to 5 years. |
| Asset valuation method: | The market value of assets less unrecognized returns from each of the last six years. Unrecognized return is equal to the difference between actual and expected returns on a market value basis and is recognized over a seven-year period. The deferred return is further adjusted, if necessary, so that the actuarial value of assets will stay within 30% of the market value of assets. |
| Other information: | All members with membership dates on or after January 1, 2013 enter the new tiers created by the California Public Employees’ Pension Reform Act of 2013 (PEPRA). |

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| Actuarial assumptions: | |
|---------------------------------------|--|
| | June 30, 2020 valuation (used for the year ended June 30, 2022 ADC) |
| Investment rate of return: | 6.75%, net of pension plan investment expense, including inflation |
| Inflation rate: | 2.75% |
| Across-the-board pay increase: | 0.25% |
| Projected salary increases: | Miscellaneous: 4.25% to 8.00% and Safety: 5.50% to 10.50%, varying by service, including inflation and across-the-board pay increase |
| Cost of living adjustments: | Miscellaneous and Safety Tier 1 benefits are assumed to increase at 2.75% per year. Miscellaneous Tier 3, Tier 4 and Tier 5 and Safety Tier 2, Tier 3 and Tier 4 benefits are assumed to increase at 2.00% per year. Miscellaneous Tier 2 receive no COLA increases. |
| Other assumptions: | Same as those used in the June 30, 2020 funding actuarial valuation. |

Section 2: GASBS 68 Information

Determination of proportionate share

Actual Employer Contributions by Employer and Membership Class July 1, 2020 to June 30, 2021

| Employer | Miscellaneous | Miscellaneous Percentage ¹ | Safety | Safety Percentage | Total Contributions |
|--|----------------------|---------------------------------------|----------------------|-------------------|----------------------------------|
| Carmichael Recreation and Park District | \$390,000 | 0.224% | \$0 | 0.000% | \$390,000 |
| County of Sacramento | 150,803,000 | 86.748% | 118,693,000 | 100.000% | 269,496,000 |
| Elk Grove Cosumnes Cemetery District | 86,000 | 0.049% | 0 | 0.000% | 86,000 |
| Fair Oaks Cemetery District | 50,000 | 0.029% | 0 | 0.000% | 50,000 |
| Galt-Arno Cemetery District | 15,000 | 0.009% | 0 | 0.000% | 15,000 |
| Mission Oaks Recreation and Park District | 333,000 | 0.192% | 0 | 0.000% | 333,000 |
| Orangevale Recreation and Park District | 223,000 | 0.128% | 0 | 0.000% | 223,000 |
| Rio Linda Elverta Recreation and Park District | 44,000 | 0.025% | 0 | 0.000% | 44,000 |
| Sacramento Employment and Training Agency (SETA) | 8,764,000 | 5.041% | 0 | 0.000% | 8,764,000 |
| Sunrise Park Recreation and Park District | 740,000 | 0.426% | 0 | 0.000% | 740,000 |
| Superior Court of California, County of Sacramento | <u>12,393,000</u> | <u>7.129%</u> | <u>0</u> | <u>0.000%</u> | <u>12,393,000</u> |
| Total for all Employers | \$173,841,000 | 100.000% | \$118,693,000 | 100.000% | \$292,534,000² |

¹ The unrounded percentages are used in the allocation of the Net Pension Liability (NPL) amongst the Miscellaneous employers.

² The employer contributions on the financial statement are \$295,269,000. The difference can be explained as follows:

| | |
|----------------------|---|
| \$295,269,000 | Employer contributions on financial statements |
| (2,618,000) | Contribution receivable for Florin Fire that has previously withdrawn from SCERS as an active employer |
| <u>(117,000)</u> | Contribution made for North Highlands Fire that has previously withdrawn from SCERS as an active employer |
| \$292,534,000 | Employer contributions used to allocate NPL |

Note that the \$3,076,000 interest payment made by Florin Fire that has previously withdrawn from SCERS as an active employer was classified as other income on the financial statements.

Note: Results may not total due to rounding.

Section 2: GASBS 68 Information

Determination of proportionate share (continued)

Allocation of June 30, 2021 Net Pension Liability

| Employer | Miscellaneous | Miscellaneous Percentage | Safety | Safety Percentage | Total NPL | Total Percentage |
|--|---------------------|--------------------------|----------------------|-------------------|----------------------------------|------------------|
| Carmichael Recreation and Park District | \$198,561 | 0.224% | \$0 | 0.000% | \$198,561 | 0.047% |
| County of Sacramento | 76,778,332 | 86.748% | 332,872,332 | 100.000% | 409,650,664 | 97.217% |
| Elk Grove Cosumnes Cemetery District | 43,785 | 0.049% | 0 | 0.000% | 43,785 | 0.010% |
| Fair Oaks Cemetery District | 25,456 | 0.029% | 0 | 0.000% | 25,456 | 0.006% |
| Galt-Arno Cemetery District | 7,637 | 0.009% | 0 | 0.000% | 7,637 | 0.002% |
| Mission Oaks Recreation and Park District | 169,540 | 0.192% | 0 | 0.000% | 169,540 | 0.040% |
| Orangevale Recreation and Park District | 113,536 | 0.128% | 0 | 0.000% | 113,536 | 0.027% |
| Rio Linda Elverta Recreation and Park District | 22,402 | 0.025% | 0 | 0.000% | 22,402 | 0.005% |
| Sacramento Employment and Training Agency (SETA) | 4,462,015 | 5.041% | 0 | 0.000% | 4,462,015 | 1.059% |
| Sunrise Park Recreation and Park District | 376,756 | 0.426% | 0 | 0.000% | 376,756 | 0.090% |
| Superior Court of California, County of Sacramento | <u>6,309,648</u> | <u>7.129%</u> | <u>0</u> | <u>0.000%</u> | <u>6,309,648</u> | <u>1.497%</u> |
| Total for all Employers | \$88,507,668 | 100.000% | \$332,872,332 | 100.000% | \$421,380,000³ | 100.000% |

³ Excludes a reduction in liability (gain) of \$(16,182,373) for Florin Fire and North Highlands Fire (employers that merged with Sacramento Metropolitan Fire District) that had previously withdrawn from SCERS as active employers. This is based on the latest estimate available as of June 30, 2021 of \$31,413,859 offset by the estimate available as of June 30, 2020 adjusted with interest at the assumed rate of investment return to June 30, 2021 and with contributions made during 2020/2021, equal to \$47,596,232.

Note: Results may not total due to rounding.

Section 2: GASBS 68 Information

Determination of proportionate share (continued)

Notes:

Based on the July 1, 2020 through June 30, 2021 employer contributions as provided by SCERS.

The Net Pension Liability (NPL) for each membership class is the Total Pension Liability (TPL) minus the Plan Fiduciary Net Position (plan assets). The Total Pension Liability for each membership class is obtained from internal valuation results. The Plan Fiduciary Net Position for each membership class was estimated by adjusting the valuation value of assets for each membership class by the ratio of the total SCERS Plan Fiduciary Net Position to total SCERS valuation value of assets.

The Safety membership class has only one active employer (County of Sacramento) that was making contributions in 2020/2021, so all of the NPL for Safety is allocated to the County of Sacramento.

For Miscellaneous employers, the NPL is allocated based on the actual employer contributions within the Miscellaneous membership class.

- First calculate ratio of employer's contributions to the total contributions for the membership class.
- This ratio is multiplied by the NPL for the membership class to determine the employer's proportionate share of the NPL for the membership class.

If the employer is in both membership classes, the employer's total allocated NPL is the sum of its allocated NPL from each membership class. Proportionate share of total plan NPL is then the ratio of the employer's total allocated NPL to the total NPL of all employers.

Section 2: GASBS 68 Information

Determination of proportionate share (continued)

Notes (continued):

For purposes of the above results, we have assumed that the reporting date for the employer under GASBS 68 is June 30, 2022. The reporting date and measurement date for the plan under GASBS 67 are assumed to be June 30, 2021. This means that assets and liabilities are determined as of June 30, 2021 and are not adjusted or “rolled forward” to June 30, 2022. Other results, such as the total deferred inflows and outflows would also be allocated based on the same proportionate shares determined above.

The following items are allocated based on the corresponding proportionate share within each membership class:

1. Net Pension Liability
2. Service Cost
3. Interest on the Total Pension Liability
4. Current-period benefit changes
5. Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability
6. Expensed portion of current-period changes of assumptions or other inputs
7. Member contributions
8. Projected earnings on plan investments
9. Expensed portion of current-period differences between actual and projected earnings on plan investments
10. Administrative expense
11. Other
12. Recognition of beginning of year deferred outflows of resources as pension expense
13. Recognition of beginning of year deferred inflows of resources as pension expense

Section 2: GASBS 68 Information

Determination of proportionate share (continued)

Actual Employer Contributions by Employer and Membership Class
July 1, 2021 to June 30, 2022

| Employer | Miscellaneous | Miscellaneous Percentage ¹ | Safety | Safety Percentage | Total Contributions |
|--|----------------------|---------------------------------------|----------------------|-------------------|----------------------------------|
| Carmichael Recreation and Park District | \$430,000 | 0.220% | \$0 | 0.000% | \$430,000 |
| County of Sacramento | 170,436,000 | 87.209% | 128,178,000 | 100.000% | 298,614,000 |
| Elk Grove Cosumnes Cemetery District | 88,000 | 0.045% | 0 | 0.000% | 88,000 |
| Fair Oaks Cemetery District | 46,000 | 0.024% | 0 | 0.000% | 46,000 |
| Galt-Arno Cemetery District | 18,000 | 0.009% | 0 | 0.000% | 18,000 |
| Mission Oaks Recreation and Park District | 422,000 | 0.216% | 0 | 0.000% | 422,000 |
| Orangevale Recreation and Park District | 258,000 | 0.132% | 0 | 0.000% | 258,000 |
| Rio Linda Elverta Recreation and Park District | 62,000 | 0.032% | 0 | 0.000% | 62,000 |
| Sacramento Employment and Training Agency (SETA) | 9,097,000 | 4.655% | 0 | 0.000% | 9,097,000 |
| Sunrise Park Recreation and Park District | 902,000 | 0.462% | 0 | 0.000% | 902,000 |
| Superior Court of California, County of Sacramento | <u>13,673,000</u> | <u>6.996%</u> | <u>0</u> | <u>0.000%</u> | <u>13,673,000</u> |
| Total for all Employers | \$195,432,000 | 100.000% | \$128,178,000 | 100.000% | \$323,610,000² |

¹ The unrounded percentages are used in the allocation of the Net Pension Liability (NPL) amongst the Miscellaneous employers.

² The employer contributions on the financial statement are \$306,335,000. The difference can be explained as follows:

| | |
|----------------------|---|
| \$306,335,000 | Employer contributions on financial statements |
| <u>17,275,000</u> | Offset to contribution receivable for Sacramento Metropolitan Fire that has previously withdrawn from SCERS as an active employer |
| \$323,610,000 | Employer contributions used to allocate NPL |

Note that the \$2,941,000 interest payment made by Florin Fire that has previously withdrawn from SCERS as an active employer was classified as other income on the financial statements.

Note: Results may not total due to rounding.

Section 2: GASBS 68 Information

Determination of proportionate share (continued)

Allocation of June 30, 2022 Net Pension Liability

| Employer | Miscellaneous | Miscellaneous Percentage | Safety | Safety Percentage | Total NPL | Total Percentage |
|--|----------------------|--------------------------|----------------------|-------------------|------------------------------------|------------------|
| Carmichael Recreation and Park District | \$2,061,923 | 0.220% | \$0 | 0.000% | \$2,061,923 | 0.118% |
| County of Sacramento | 817,269,670 | 87.209% | 811,503,248 | 100.000% | 1,628,772,918 | 93.145% |
| Elk Grove Cosumnes Cemetery District | 421,975 | 0.045% | 0 | 0.000% | 421,975 | 0.024% |
| Fair Oaks Cemetery District | 220,578 | 0.024% | 0 | 0.000% | 220,578 | 0.013% |
| Galt-Arno Cemetery District | 86,313 | 0.009% | 0 | 0.000% | 86,313 | 0.005% |
| Mission Oaks Recreation and Park District | 2,023,562 | 0.216% | 0 | 0.000% | 2,023,562 | 0.116% |
| Orangevale Recreation and Park District | 1,237,154 | 0.132% | 0 | 0.000% | 1,237,154 | 0.071% |
| Rio Linda Elverta Recreation and Park District | 297,301 | 0.032% | 0 | 0.000% | 297,301 | 0.017% |
| Sacramento Employment and Training Agency (SETA) | 43,621,666 | 4.655% | 0 | 0.000% | 43,621,666 | 2.495% |
| Sunrise Park Recreation and Park District | 4,325,244 | 0.462% | 0 | 0.000% | 4,325,244 | 0.247% |
| Superior Court of California, County of Sacramento | <u>65,564,366</u> | <u>6.996%</u> | <u>0</u> | <u>0.000%</u> | <u>65,564,366</u> | <u>3.749%</u> |
| Total for all Employers | \$937,129,752 | 100.000% | \$811,503,248 | 100.000% | \$1,748,633,000³ | 100.000% |

³ Excludes an increase in liability (loss) of \$9,905,226 for Sacramento Metropolitan Fire District that has previously withdrawn from SCERS as an active employer. This is based on the latest estimate available as of June 30, 2022 of \$38,759,730 offset by the estimate available as of June 30, 2021 adjusted with interest at the assumed rate of investment return to June 30, 2022 and with contributions made during 2021/2022, equal to \$28,854,504.

Note: Results may not total due to rounding.

Section 2: GASBS 68 Information

Determination of proportionate share (continued)

Notes:

Based on the July 1, 2021 through June 30, 2022 employer contributions as provided by SCERS.

The Net Pension Liability (NPL) for each membership class is the Total Pension Liability (TPL) minus the Plan Fiduciary Net Position (plan assets). The Total Pension Liability for each membership class is obtained from internal valuation results. The Plan Fiduciary Net Position for each membership class was estimated by adjusting the valuation value of assets for each membership class by the ratio of the total SCERS Plan Fiduciary Net Position to total SCERS valuation value of assets.

The Safety membership class has only one active employer (County of Sacramento) that was making contributions in 2021/2022, so all of the NPL for Safety is allocated to the County of Sacramento.

For Miscellaneous employers, the NPL is allocated based on the actual employer contributions within the Miscellaneous membership class.

- First calculate ratio of employer's contributions to the total contributions for the membership class.
- This ratio is multiplied by the NPL for the membership class to determine the employer's proportionate share of the NPL for the membership class.

If the employer is in both membership classes, the employer's total allocated NPL is the sum of its allocated NPL from each membership class. Proportionate share of total plan NPL is then the ratio of the employer's total allocated NPL to the total NPL of all employers.

Section 2: GASBS 68 Information

Determination of proportionate share (continued)

Notes (continued):

For purposes of the above results, we have assumed that the reporting date for the employer under GASBS 68 is June 30, 2023. The reporting date and measurement date for the plan under GASBS 67 are assumed to be June 30, 2022. This means that assets and liabilities are determined as of June 30, 2022 and are not adjusted or “rolled forward” to June 30, 2023. Other results, such as the total deferred inflows and outflows would also be allocated based on the same proportionate shares determined above.

The following items are allocated based on the corresponding proportionate share within each membership class:

1. Net Pension Liability
2. Service Cost
3. Interest on the Total Pension Liability
4. Current-period benefit changes
5. Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability
6. Expensed portion of current-period changes of assumptions or other inputs
7. Member contributions
8. Projected earnings on plan investments
9. Expensed portion of current-period differences between actual and projected earnings on plan investments
10. Administrative expense
11. Other
12. Recognition of beginning of year deferred outflows of resources as pension expense
13. Recognition of beginning of year deferred inflows of resources as pension expense

Section 2: GASBS 68 Information

Pension expense

Total for All Employers

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|----------------------|--------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Service Cost | \$264,372,132 | \$265,223,856 |
| • Interest on the Total Pension Liability | 873,480,721 | 855,202,614 |
| • Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions | 0 | 0 |
| • Current-period benefit changes | 0 | 0 |
| • Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability | 15,716,064 | 15,330,337 |
| • Expensed portion of current-period changes of assumptions or other inputs | 0 | (67,117,391) |
| • Member contributions | (132,526,000) | (120,597,000) |
| • Projected earnings on plan investments | (851,471,334) | (676,522,326) |
| • Expensed portion of current-period differences between actual and projected earnings on plan investments | 279,851,667 | (415,377,335) |
| • Administrative expense | 8,971,000 | 9,165,000 |
| • Other ¹ | 14,284,000 | (5,816,000) |
| • Recognition of beginning of year deferred outflows of resources as pension expense | 191,088,468 | 301,865,652 |
| • Recognition of beginning of year deferred inflows of resources as pension expense | (540,015,163) | (159,059,775) |
| • Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions | 0 | 0 |
| Pension Expense | \$123,751,555 | \$2,297,632 |

¹ For the measurement period ended June 30, 2022, this represents the \$2,941,000 interest contribution made by Sacramento Metropolitan Fire, a non-active employer, as well as the \$(17,275,000) offset to receivable contributions due from Sacramento Metropolitan Fire, and \$50,000 of miscellaneous income and federal tax credit. For the measurement period ended June 30, 2021, this represents the \$3,076,000 interest contribution and \$117,000 principal contribution made by Sacramento Metropolitan Fire, a non-active employer, as well as the \$2,618,000 receivable contributions due from Sacramento Metropolitan Fire, and \$5,000 of miscellaneous income and federal tax credit.

Section 2: GASBS 68 Information

Pension expense (continued)

Carmichael Recreation and Park District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|-----------------|--------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Service Cost | \$386,412 | \$390,187 |
| • Interest on the Total Pension Liability | 1,217,445 | 1,214,595 |
| • Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions | (9,581) | (47,286) |
| • Current-period benefit changes | 0 | 0 |
| • Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability | 18,213 | 25,962 |
| • Expensed portion of current-period changes of assumptions or other inputs | 0 | (97,557) |
| • Member contributions | (192,265) | (175,964) |
| • Projected earnings on plan investments | (1,210,391) | (981,529) |
| • Expensed portion of current-period differences between actual and projected earnings on plan investments | 399,340 | (606,029) |
| • Administrative expense | 12,627 | 12,383 |
| • Other ¹ | 321 | (76) |
| • Recognition of beginning of year deferred outflows of resources as pension expense | 253,509 | 392,312 |
| • Recognition of beginning of year deferred inflows of resources as pension expense | (779,358) | (233,607) |
| • Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions | <u>(28,697)</u> | <u>6,081</u> |
| Pension Expense | \$67,575 | \$(100,528) |

¹ For the measurement period ended June 30, 2022, this represents the employer's proportional share of the \$(146,000) allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the offset to receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit. For the measurement period ended June 30, 2021, this represents the employer's proportional share of the \$34,000 allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit.

Section 2: GASBS 68 Information

Pension expense (continued)

County of Sacramento

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|----------------------|--------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Service Cost | \$241,909,912 | \$242,174,867 |
| • Interest on the Total Pension Liability | 802,710,340 | 783,454,445 |
| • Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions | 1,025,603 | 1,515,896 |
| • Current-period benefit changes | 0 | 0 |
| • Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability | 14,657,317 | 13,796,714 |
| • Expensed portion of current-period changes of assumptions or other inputs | 0 | (61,354,545) |
| • Member contributions | (121,349,603) | (110,202,527) |
| • Projected earnings on plan investments | (781,111,033) | (618,541,747) |
| • Expensed portion of current-period differences between actual and projected earnings on plan investments | 256,637,916 | (379,578,162) |
| • Administrative expense | 8,236,964 | 8,433,522 |
| • Other ¹ | 14,265,327 | (5,811,493) |
| • Recognition of beginning of year deferred outflows of resources as pension expense | 176,351,938 | 278,691,125 |
| • Recognition of beginning of year deferred inflows of resources as pension expense | (494,710,911) | (145,260,200) |
| • Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions | <u>1,407,088</u> | <u>(708,892)</u> |
| Pension Expense | \$120,030,858 | \$6,609,003 |

¹ For the measurement period ended June 30, 2022, this represents the employer's proportional share of the \$(146,000) allocated to the Miscellaneous membership class and the \$(14,138,000) allocated to the Safety membership class. These amounts include: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the offset to receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit. For the measurement period ended June 30, 2021, this represents the employer's proportional share of the \$34,000 allocated to the Miscellaneous membership class and the \$5,782,000 allocated to the Safety membership class. These amounts include: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit.

Section 2: GASBS 68 Information

Pension expense (continued)

Elk Grove Cosumnes Cemetery District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|-----------------|------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Service Cost | \$79,080 | \$86,040 |
| • Interest on the Total Pension Liability | 249,152 | 267,832 |
| • Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions | (9,856) | (8,327) |
| • Current-period benefit changes | 0 | 0 |
| • Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability | 3,727 | 5,725 |
| • Expensed portion of current-period changes of assumptions or other inputs | 0 | (21,512) |
| • Member contributions | (39,347) | (38,802) |
| • Projected earnings on plan investments | (247,708) | (216,438) |
| • Expensed portion of current-period differences between actual and projected earnings on plan investments | 81,725 | (133,636) |
| • Administrative expense | 2,584 | 2,731 |
| • Other ¹ | 66 | (17) |
| • Recognition of beginning of year deferred outflows of resources as pension expense | 51,881 | 86,509 |
| • Recognition of beginning of year deferred inflows of resources as pension expense | (159,496) | (51,513) |
| • Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions | (262) | 12,107 |
| Pension Expense | \$11,546 | \$(9,301) |

¹ For the measurement period ended June 30, 2022, this represents the employer's proportional share of the \$(146,000) allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the offset to receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit. For the measurement period ended June 30, 2021, this represents the employer's proportional share of the \$34,000 allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit.

Section 2: GASBS 68 Information

Pension expense (continued)

Fair Oaks Cemetery District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|-------------------|-------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Service Cost | \$41,338 | \$50,023 |
| • Interest on the Total Pension Liability | 130,238 | 155,714 |
| • Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions | (11,591) | (4,842) |
| • Current-period benefit changes | 0 | 0 |
| • Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability | 1,948 | 3,328 |
| • Expensed portion of current-period changes of assumptions or other inputs | 0 | (12,507) |
| • Member contributions | (20,568) | (22,559) |
| • Projected earnings on plan investments | (129,484) | (125,834) |
| • Expensed portion of current-period differences between actual and projected earnings on plan investments | 42,720 | (77,694) |
| • Administrative expense | 1,351 | 1,588 |
| • Other ¹ | 34 | (10) |
| • Recognition of beginning of year deferred outflows of resources as pension expense | 27,120 | 50,295 |
| • Recognition of beginning of year deferred inflows of resources as pension expense | (83,373) | (29,949) |
| • Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions | (41,140) | (21,636) |
| Pension Expense | \$(41,407) | \$(34,083) |

¹ For the measurement period ended June 30, 2022, this represents the employer's proportional share of the \$(146,000) allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the offset to receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit. For the measurement period ended June 30, 2021, this represents the employer's proportional share of the \$34,000 allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit.

Section 2: GASBS 68 Information

Pension expense (continued)

Galt-Arno Cemetery District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|----------------|------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Service Cost | \$16,173 | \$15,006 |
| • Interest on the Total Pension Liability | 50,963 | 46,715 |
| • Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions | 1,291 | (1,452) |
| • Current-period benefit changes | 0 | 0 |
| • Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability | 762 | 999 |
| • Expensed portion of current-period changes of assumptions or other inputs | 0 | (3,752) |
| • Member contributions | (8,048) | (6,768) |
| • Projected earnings on plan investments | (50,668) | (37,751) |
| • Expensed portion of current-period differences between actual and projected earnings on plan investments | 16,717 | (23,309) |
| • Administrative expense | 529 | 476 |
| • Other ¹ | 13 | (3) |
| • Recognition of beginning of year deferred outflows of resources as pension expense | 10,612 | 15,089 |
| • Recognition of beginning of year deferred inflows of resources as pension expense | (32,624) | (8,985) |
| • Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions | (6,002) | 1,950 |
| Pension Expense | \$(282) | \$(1,785) |

¹ For the measurement period ended June 30, 2022, this represents the employer's proportional share of the \$(146,000) allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the offset to receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit. For the measurement period ended June 30, 2021, this represents the employer's proportional share of the \$34,000 allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit.

Section 2: GASBS 68 Information

Pension expense (continued)

Mission Oaks Recreation and Park District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|-------------------|--------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Service Cost | \$379,224 | \$333,157 |
| • Interest on the Total Pension Liability | 1,194,795 | 1,037,074 |
| • Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions | 54,092 | (94,172) |
| • Current-period benefit changes | 0 | 0 |
| • Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability | 17,875 | 22,168 |
| • Expensed portion of current-period changes of assumptions or other inputs | 0 | (83,298) |
| • Member contributions | (188,688) | (150,245) |
| • Projected earnings on plan investments | (1,187,872) | (838,072) |
| • Expensed portion of current-period differences between actual and projected earnings on plan investments | 391,911 | (517,454) |
| • Administrative expense | 12,393 | 10,573 |
| • Other ¹ | 315 | (65) |
| • Recognition of beginning of year deferred outflows of resources as pension expense | 248,792 | 334,973 |
| • Recognition of beginning of year deferred inflows of resources as pension expense | (764,858) | (199,464) |
| • Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions | (176,384) | 25,838 |
| Pension Expense | \$(18,405) | \$(118,987) |

¹ For the measurement period ended June 30, 2022, this represents the employer's proportional share of the \$(146,000) allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the offset to receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit. For the measurement period ended June 30, 2021, this represents the employer's proportional share of the \$34,000 allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit.

Section 2: GASBS 68 Information

Pension expense (continued)

Orangevale Recreation and Park District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|-----------------|-------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Service Cost | \$231,847 | \$223,106 |
| • Interest on the Total Pension Liability | 730,467 | 694,498 |
| • Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions | 8,292 | 641 |
| • Current-period benefit changes | 0 | 0 |
| • Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability | 10,928 | 14,845 |
| • Expensed portion of current-period changes of assumptions or other inputs | 0 | (55,782) |
| • Member contributions | (115,359) | (100,615) |
| • Projected earnings on plan investments | (726,234) | (561,232) |
| • Expensed portion of current-period differences between actual and projected earnings on plan investments | 239,604 | (346,524) |
| • Administrative expense | 7,576 | 7,080 |
| • Other ¹ | 193 | (44) |
| • Recognition of beginning of year deferred outflows of resources as pension expense | 152,105 | 224,322 |
| • Recognition of beginning of year deferred inflows of resources as pension expense | (467,615) | (133,575) |
| • Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions | <u>10,139</u> | <u>3,179</u> |
| Pension Expense | \$81,943 | \$(30,101) |

¹ For the measurement period ended June 30, 2022, this represents the employer's proportional share of the \$(146,000) allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the offset to receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit. For the measurement period ended June 30, 2021, this represents the employer's proportional share of the \$34,000 allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit.

Section 2: GASBS 68 Information

Pension expense (continued)

Rio Linda Elverta Recreation and Park District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|-----------------|-----------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Service Cost | \$55,716 | \$44,023 |
| • Interest on the Total Pension Liability | 175,539 | 137,033 |
| • Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions | 14,232 | 505 |
| • Current-period benefit changes | 0 | 0 |
| • Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability | 2,626 | 2,929 |
| • Expensed portion of current-period changes of assumptions or other inputs | 0 | (11,007) |
| • Member contributions | (27,722) | (19,853) |
| • Projected earnings on plan investments | (174,521) | (110,738) |
| • Expensed portion of current-period differences between actual and projected earnings on plan investments | 57,579 | (68,373) |
| • Administrative expense | 1,821 | 1,397 |
| • Other ¹ | 46 | (9) |
| • Recognition of beginning of year deferred outflows of resources as pension expense | 36,552 | 44,261 |
| • Recognition of beginning of year deferred inflows of resources as pension expense | (112,373) | (26,356) |
| • Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions | <u>35,128</u> | <u>39,655</u> |
| Pension Expense | \$64,623 | \$33,467 |

¹ For the measurement period ended June 30, 2022, this represents the employer's proportional share of the \$(146,000) allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the offset to receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit. For the measurement period ended June 30, 2021, this represents the employer's proportional share of the \$34,000 allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit.

Section 2: GASBS 68 Information

Pension expense (continued)

Sacramento Employment and Training Agency (SETA)

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|--------------------|----------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Service Cost | \$8,174,860 | \$8,768,181 |
| • Interest on the Total Pension Liability | 25,756,047 | 27,294,077 |
| • Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions | (857,765) | (294,308) |
| • Current-period benefit changes | 0 | 0 |
| • Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability | 385,319 | 583,413 |
| • Expensed portion of current-period changes of assumptions or other inputs | 0 | (2,192,273) |
| • Member contributions | (4,067,518) | (3,954,213) |
| • Projected earnings on plan investments | (25,606,803) | (22,056,681) |
| • Expensed portion of current-period differences between actual and projected earnings on plan investments | 8,448,372 | (13,618,542) |
| • Administrative expense | 267,144 | 278,265 |
| • Other ¹ | 6,796 | (1,714) |
| • Recognition of beginning of year deferred outflows of resources as pension expense | 5,363,187 | 8,815,937 |
| • Recognition of beginning of year deferred inflows of resources as pension expense | (16,487,949) | (5,249,565) |
| • Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions | (80,935) | 338,085 |
| Pension Expense | \$1,300,755 | \$(1,289,338) |

¹ For the measurement period ended June 30, 2022, this represents the employer's proportional share of the \$(146,000) allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the offset to receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit. For the measurement period ended June 30, 2021, this represents the employer's proportional share of the \$34,000 allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit.

Section 2: GASBS 68 Information

Pension expense (continued)

Sunrise Recreation and Park District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|-----------------|--------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Service Cost | \$810,567 | \$740,353 |
| • Interest on the Total Pension Liability | 2,553,804 | 2,304,611 |
| • Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions | 79,582 | (220,914) |
| • Current-period benefit changes | 0 | 0 |
| • Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability | 38,206 | 49,261 |
| • Expensed portion of current-period changes of assumptions or other inputs | 0 | (185,107) |
| • Member contributions | (403,309) | (333,879) |
| • Projected earnings on plan investments | (2,539,006) | (1,862,384) |
| • Expensed portion of current-period differences between actual and projected earnings on plan investments | 837,686 | (1,149,899) |
| • Administrative expense | 26,488 | 23,496 |
| • Other ¹ | 674 | (145) |
| • Recognition of beginning of year deferred outflows of resources as pension expense | 531,779 | 744,385 |
| • Recognition of beginning of year deferred inflows of resources as pension expense | (1,634,839) | (443,254) |
| • Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions | (227,064) | 187,189 |
| Pension Expense | \$74,568 | \$(146,287) |

¹ For the measurement period ended June 30, 2022, this represents the employer's proportional share of the \$(146,000) allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the offset to receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit. For the measurement period ended June 30, 2021, this represents the employer's proportional share of the \$34,000 allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit.

Section 2: GASBS 68 Information

Pension expense (continued)

Superior Court of California, County of Sacramento

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|--------------------|----------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Service Cost | \$12,287,003 | \$12,398,913 |
| • Interest on the Total Pension Liability | 38,711,931 | 38,596,020 |
| • Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions | (294,299) | (845,741) |
| • Current-period benefit changes | 0 | 0 |
| • Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability | 579,143 | 824,993 |
| • Expensed portion of current-period changes of assumptions or other inputs | 0 | (3,100,051) |
| • Member contributions | (6,113,573) | (5,591,575) |
| • Projected earnings on plan investments | (38,487,614) | (31,189,920) |
| • Expensed portion of current-period differences between actual and projected earnings on plan investments | 12,698,097 | (19,257,713) |
| • Administrative expense | 401,523 | 393,489 |
| • Other ¹ | 10,215 | (2,424) |
| • Recognition of beginning of year deferred outflows of resources as pension expense | 8,060,993 | 12,466,444 |
| • Recognition of beginning of year deferred inflows of resources as pension expense | (24,781,767) | (7,423,307) |
| • Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions | (891,871) | 116,444 |
| Pension Expense | \$2,179,781 | \$(2,614,428) |

¹ For the measurement period ended June 30, 2022, this represents the employer's proportional share of the \$(146,000) allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the offset to receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit. For the measurement period ended June 30, 2021, this represents the employer's proportional share of the \$34,000 allocated to the Miscellaneous membership class. This amount includes: i) the contribution made by Sacramento Metropolitan Fire, a non-active employer, ii) the receivable contributions due from Sacramento Metropolitan Fire, and iii) the miscellaneous income and federal tax credit.

Section 2: GASBS 68 Information

Deferred outflows of resources and deferred inflows of resources

Total for All Employers

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|--|------------------------|--------------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| Deferred Outflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$9,831,809 | \$8,288,087 |
| • Changes of assumptions or other inputs | 81,317,167 | 126,243,778 |
| • Net difference between projected and actual earnings on pension plan investments (if any) | 1,279,420,810 | 242,283,263 |
| • Difference between actual and expected experience in the Total Pension Liability | 152,057,883 | 157,172,537 |
| • Total Deferred Outflows of Resources | \$1,522,627,669 | \$533,987,665 |
| Deferred Inflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$9,831,809 | \$8,288,087 |
| • Changes of assumptions or other inputs | 189,942,218 | 257,059,609 |
| • Net difference between actual and projected earnings on pension plan investments (if any) | 1,255,406,404 | 1,728,304,176 |
| • Difference between expected and actual experience in the Total Pension Liability | 0 | 0 |
| • Total Deferred Inflows of Resources | \$1,455,180,431 | \$1,993,651,872 |
| Deferred outflows of resources and deferred inflows of resources related to pension will be recognized as follows: | | |
| Reporting Date for Employer under GASBS 68 Year Ended June 30: | | |
| 2023 | N/A | \$(348,926,695) |
| 2024 | \$(12,878,546) | (308,446,277) |
| 2025 | (48,362,916) | (343,930,647) |
| 2026 | (162,792,857) | (458,360,588) |
| 2027 | 291,481,557 | 0 |
| 2028 | 0 | 0 |
| Thereafter | 0 | 0 |
| Total | \$67,447,238 | \$(1,459,664,207) |

¹ Calculated in accordance with Paragraphs 54 and 55 of GASBS 68.

Section 2: GASBS 68 Information

Deferred outflows of resources and deferred inflows of resources (continued)

Carmichael Recreation and Park District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|--|---------------------|-----------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| Deferred Outflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$3,504 | \$41,196 |
| • Changes of assumptions or other inputs | 155,438 | 246,050 |
| • Net difference between projected and actual earnings on pension plan investments (if any) | 1,816,882 | 335,742 |
| • Difference between actual and expected experience in the Total Pension Liability | <u>173,886</u> | <u>166,851</u> |
| • Total Deferred Outflows of Resources | \$2,149,710 | \$789,839 |
| Deferred Inflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$204,225 | \$234,781 |
| • Changes of assumptions or other inputs | 270,772 | 373,643 |
| • Net difference between actual and projected earnings on pension plan investments (if any) | 1,803,501 | 2,535,990 |
| • Difference between expected and actual experience in the Total Pension Liability | <u>0</u> | <u>0</u> |
| • Total Deferred Inflows of Resources | \$2,278,498 | \$3,144,414 |
| Deferred outflows of resources and deferred inflows of resources related to pension will be recognized as follows: | | |
| Reporting Date for Employer under GASBS 68 Year Ended June 30: | | |
| 2023 | N/A | \$(564,865) |
| 2024 | \$(115,394) | (532,404) |
| 2025 | (135,206) | (552,606) |
| 2026 | (283,917) | (704,700) |
| 2027 | 405,729 | 0 |
| 2028 | 0 | 0 |
| Thereafter | <u>0</u> | <u>0</u> |
| Total | \$ (128,788) | \$ (2,354,575) |

¹ Calculated in accordance with Paragraphs 54 and 55 of GASBS 68.

Section 2: GASBS 68 Information

Deferred outflows of resources and deferred inflows of resources (continued)

County of Sacramento

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|--|------------------------|--------------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| Deferred Outflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$8,644,880 | \$6,767,359 |
| • Changes of assumptions or other inputs | 72,281,540 | 111,709,159 |
| • Net difference between projected and actual earnings on pension plan investments (if any) | 1,173,805,060 | 222,450,426 |
| • Difference between actual and expected experience in the Total Pension Liability | <u>141,949,845</u> | <u>147,316,352</u> |
| • Total Deferred Outflows of Resources | \$1,396,681,325 | \$488,243,296 |
| Deferred Inflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$0 | \$551,144 |
| • Changes of assumptions or other inputs | 174,202,178 | 234,987,905 |
| • Net difference between actual and projected earnings on pension plan investments (if any) | 1,150,568,462 | 1,578,498,958 |
| • Difference between expected and actual experience in the Total Pension Liability | <u>0</u> | <u>0</u> |
| • Total Deferred Inflows of Resources | \$1,324,770,640 | \$1,814,038,007 |
| Deferred outflows of resources and deferred inflows of resources related to pension will be recognized as follows: | | |
| Reporting Date for Employer under GASBS 68 Year Ended June 30: | | |
| 2023 | N/A | \$(315,847,224) |
| 2024 | \$(7,439,128) | (278,792,617) |
| 2025 | (42,050,306) | (313,361,911) |
| 2026 | (146,843,155) | (417,792,959) |
| 2027 | 268,243,274 | 0 |
| 2028 | 0 | 0 |
| Thereafter | <u>0</u> | <u>0</u> |
| Total | \$71,910,685 | \$(1,325,794,711) |

¹ Calculated in accordance with Paragraphs 54 and 55 of GASBS 68.

Section 2: GASBS 68 Information

Deferred outflows of resources and deferred inflows of resources (continued)

Elk Grove Cosumnes Cemetery District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|--|-------------------|--------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| Deferred Outflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$6,918 | \$25,094 |
| • Changes of assumptions or other inputs | 31,810 | 54,257 |
| • Net difference between projected and actual earnings on pension plan investments (if any) | 371,827 | 74,035 |
| • Difference between actual and expected experience in the Total Pension Liability | <u>35,586</u> | <u>36,793</u> |
| • Total Deferred Outflows of Resources | \$446,141 | \$190,179 |
| Deferred Inflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$78,726 | \$60,303 |
| • Changes of assumptions or other inputs | 55,414 | 82,393 |
| • Net difference between actual and projected earnings on pension plan investments (if any) | 369,089 | 559,215 |
| • Difference between expected and actual experience in the Total Pension Liability | <u>0</u> | <u>0</u> |
| • Total Deferred Inflows of Resources | \$503,229 | \$701,911 |
| Deferred outflows of resources and deferred inflows of resources related to pension will be recognized as follows: | | |
| Reporting Date for Employer under GASBS 68 Year Ended June 30: | | |
| 2023 | N/A | \$(118,493) |
| 2024 | \$(30,161) | (115,054) |
| 2025 | (39,238) | (124,533) |
| 2026 | (64,879) | (153,652) |
| 2027 | 77,190 | 0 |
| 2028 | 0 | 0 |
| Thereafter | <u>0</u> | <u>0</u> |
| Total | \$(57,088) | \$(511,732) |

¹ Calculated in accordance with Paragraphs 54 and 55 of GASBS 68.

Section 2: GASBS 68 Information

Deferred outflows of resources and deferred inflows of resources (continued)

Fair Oaks Cemetery District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|--|-------------------|--------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| Deferred Outflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$0 | \$0 |
| • Changes of assumptions or other inputs | 16,628 | 31,544 |
| • Net difference between projected and actual earnings on pension plan investments (if any) | 194,364 | 43,043 |
| • Difference between actual and expected experience in the Total Pension Liability | <u>18,602</u> | <u>21,391</u> |
| • Total Deferred Outflows of Resources | \$229,594 | \$95,978 |
| Deferred Inflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$91,907 | \$89,697 |
| • Changes of assumptions or other inputs | 28,966 | 47,902 |
| • Net difference between actual and projected earnings on pension plan investments (if any) | 192,933 | 325,120 |
| • Difference between expected and actual experience in the Total Pension Liability | <u>0</u> | <u>0</u> |
| • Total Deferred Inflows of Resources | \$313,806 | \$462,719 |
| Deferred outflows of resources and deferred inflows of resources related to pension will be recognized as follows: | | |
| Reporting Date for Employer under GASBS 68 Year Ended June 30: | | |
| 2023 | N/A | \$(109,878) |
| 2024 | \$(46,912) | (90,922) |
| 2025 | (32,124) | (76,608) |
| 2026 | (40,760) | (89,333) |
| 2027 | 35,584 | 0 |
| 2028 | 0 | 0 |
| Thereafter | <u>0</u> | <u>0</u> |
| Total | \$(84,212) | \$(366,741) |

¹ Calculated in accordance with Paragraphs 54 and 55 of GASBS 68.

Section 2: GASBS 68 Information

Deferred outflows of resources and deferred inflows of resources (continued)

Galt-Arno Cemetery District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|--|------------------|--------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| Deferred Outflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$4,828 | \$5,313 |
| • Changes of assumptions or other inputs | 6,507 | 9,464 |
| • Net difference between projected and actual earnings on pension plan investments (if any) | 76,056 | 12,913 |
| • Difference between actual and expected experience in the Total Pension Liability | <u>7,279</u> | <u>6,417</u> |
| • Total Deferred Outflows of Resources | \$94,670 | \$34,107 |
| Deferred Inflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$13,907 | \$25,222 |
| • Changes of assumptions or other inputs | 11,335 | 14,371 |
| • Net difference between actual and projected earnings on pension plan investments (if any) | 75,495 | 97,539 |
| • Difference between expected and actual experience in the Total Pension Liability | <u>0</u> | <u>0</u> |
| • Total Deferred Inflows of Resources | \$100,737 | \$137,132 |
| Deferred outflows of resources and deferred inflows of resources related to pension will be recognized as follows: | | |
| Reporting Date for Employer under GASBS 68 Year Ended June 30: | | |
| 2023 | N/A | \$(26,624) |
| 2024 | \$(10,708) | (28,261) |
| 2025 | (3,840) | (21,339) |
| 2026 | (9,756) | (26,801) |
| 2027 | 18,237 | 0 |
| 2028 | 0 | 0 |
| Thereafter | <u>0</u> | <u>0</u> |
| Total | \$(6,067) | \$(103,025) |

¹ Calculated in accordance with Paragraphs 54 and 55 of GASBS 68.

Section 2: GASBS 68 Information

Deferred outflows of resources and deferred inflows of resources (continued)

Mission Oaks Recreation and Park District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|--|--------------------|----------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| Deferred Outflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$202,304 | \$5 |
| • Changes of assumptions or other inputs | 152,546 | 210,089 |
| • Net difference between projected and actual earnings on pension plan investments (if any) | 1,783,079 | 286,671 |
| • Difference between actual and expected experience in the Total Pension Liability | <u>170,651</u> | <u>142,465</u> |
| • Total Deferred Outflows of Resources | \$2,308,580 | \$639,230 |
| Deferred Inflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$346,498 | \$522,887 |
| • Changes of assumptions or other inputs | 265,734 | 319,032 |
| • Net difference between actual and projected earnings on pension plan investments (if any) | 1,769,948 | 2,165,338 |
| • Difference between expected and actual experience in the Total Pension Liability | <u>0</u> | <u>0</u> |
| • Total Deferred Inflows of Resources | \$2,382,180 | \$3,007,257 |
| Deferred outflows of resources and deferred inflows of resources related to pension will be recognized as follows: | | |
| Reporting Date for Employer under GASBS 68 Year Ended June 30: | | |
| 2023 | N/A | \$(634,188) |
| 2024 | \$(147,897) | (560,755) |
| 2025 | (116,083) | (526,732) |
| 2026 | (254,786) | (646,352) |
| 2027 | 445,166 | 0 |
| 2028 | 0 | 0 |
| Thereafter | <u>0</u> | <u>0</u> |
| Total | \$(73,600) | \$(2,368,027) |

¹ Calculated in accordance with Paragraphs 54 and 55 of GASBS 68.

Section 2: GASBS 68 Information

Deferred outflows of resources and deferred inflows of resources (continued)

Orangevale Recreation and Park District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|--|--------------------|----------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| Deferred Outflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$39,166 | \$19,004 |
| • Changes of assumptions or other inputs | 93,263 | 140,690 |
| • Net difference between projected and actual earnings on pension plan investments (if any) | 1,090,129 | 191,975 |
| • Difference between actual and expected experience in the Total Pension Liability | <u>104,332</u> | <u>95,405</u> |
| • Total Deferred Outflows of Resources | \$1,326,890 | \$447,074 |
| Deferred Inflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$1,291 | \$2,003 |
| • Changes of assumptions or other inputs | 162,463 | 213,647 |
| • Net difference between actual and projected earnings on pension plan investments (if any) | 1,082,101 | 1,450,064 |
| • Difference between expected and actual experience in the Total Pension Liability | <u>0</u> | <u>0</u> |
| • Total Deferred Inflows of Resources | \$1,245,855 | \$1,665,714 |
| Deferred outflows of resources and deferred inflows of resources related to pension will be recognized as follows: | | |
| Reporting Date for Employer under GASBS 68 Year Ended June 30: | | |
| 2023 | N/A | \$(296,439) |
| 2024 | \$(11,197) | (262,200) |
| 2025 | (29,366) | (280,030) |
| 2026 | (132,231) | (379,971) |
| 2027 | 253,829 | 0 |
| 2028 | 0 | 0 |
| Thereafter | <u>0</u> | <u>0</u> |
| Total | \$81,035 | \$(1,218,640) |

¹ Calculated in accordance with Paragraphs 54 and 55 of GASBS 68.

Section 2: GASBS 68 Information

Deferred outflows of resources and deferred inflows of resources (continued)

Rio Linda Elverta Recreation and Park District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|--|------------------|--------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| Deferred Outflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$55,364 | \$41,822 |
| • Changes of assumptions or other inputs | 22,412 | 27,760 |
| • Net difference between projected and actual earnings on pension plan investments (if any) | 261,969 | 37,879 |
| • Difference between actual and expected experience in the Total Pension Liability | <u>25,072</u> | <u>18,824</u> |
| • Total Deferred Outflows of Resources | \$364,817 | \$126,285 |
| Deferred Inflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$5,634 | \$10,190 |
| • Changes of assumptions or other inputs | 39,042 | 42,155 |
| • Net difference between actual and projected earnings on pension plan investments (if any) | 260,040 | 286,115 |
| • Difference between expected and actual experience in the Total Pension Liability | <u>0</u> | <u>0</u> |
| • Total Deferred Inflows of Resources | \$304,716 | \$338,460 |
| Deferred outflows of resources and deferred inflows of resources related to pension will be recognized as follows: | | |
| Reporting Date for Employer under GASBS 68 Year Ended June 30: | | |
| 2023 | N/A | \$(25,363) |
| 2024 | \$6,143 | (54,871) |
| 2025 | 3,153 | (57,281) |
| 2026 | (19,247) | (74,660) |
| 2027 | 70,052 | 0 |
| 2028 | 0 | 0 |
| Thereafter | <u>0</u> | <u>0</u> |
| Total | \$60,101 | \$(212,175) |

¹ Calculated in accordance with Paragraphs 54 and 55 of GASBS 68.

Section 2: GASBS 68 Information

Deferred outflows of resources and deferred inflows of resources (continued)

Sacramento Employment and Training Agency (SETA)

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|--|-----------------------|------------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| Deferred Outflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$554,110 | \$1,024,071 |
| • Changes of assumptions or other inputs | 3,288,410 | 5,529,187 |
| • Net difference between projected and actual earnings on pension plan investments (if any) | 38,437,609 | 7,544,708 |
| • Difference between actual and expected experience in the Total Pension Liability | <u>3,678,701</u> | <u>3,749,440</u> |
| • Total Deferred Outflows of Resources | \$45,958,830 | \$17,847,406 |
| Deferred Inflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$4,264,167 | \$1,607,023 |
| • Changes of assumptions or other inputs | 5,728,402 | 8,396,406 |
| • Net difference between actual and projected earnings on pension plan investments (if any) | 38,154,535 | 56,988,147 |
| • Difference between expected and actual experience in the Total Pension Liability | <u>0</u> | <u>0</u> |
| • Total Deferred Inflows of Resources | \$48,147,104 | \$66,991,576 |
| Deferred outflows of resources and deferred inflows of resources related to pension will be recognized as follows: | | |
| Reporting Date for Employer under GASBS 68 Year Ended June 30: | | |
| 2023 | N/A | \$(12,129,584) |
| 2024 | \$(1,977,355) | (10,762,322) |
| 2025 | (2,234,094) | (11,054,091) |
| 2026 | (6,075,588) | (15,198,173) |
| 2027 | 8,098,763 | 0 |
| 2028 | 0 | 0 |
| Thereafter | <u>0</u> | <u>0</u> |
| Total | \$ (2,188,274) | \$ (49,144,170) |

¹ Calculated in accordance with Paragraphs 54 and 55 of GASBS 68.

Section 2: GASBS 68 Information

Deferred outflows of resources and deferred inflows of resources (continued)

Sunrise Recreation and Park District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|--|---------------------|-----------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| Deferred Outflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$320,735 | \$138,096 |
| • Changes of assumptions or other inputs | 326,058 | 466,864 |
| • Net difference between projected and actual earnings on pension plan investments (if any) | 3,811,226 | 637,047 |
| • Difference between actual and expected experience in the Total Pension Liability | <u>364,756</u> | <u>316,589</u> |
| • Total Deferred Outflows of Resources | \$4,822,775 | \$1,558,596 |
| Deferred Inflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$844,465 | \$1,186,527 |
| • Changes of assumptions or other inputs | 567,992 | 708,961 |
| • Net difference between actual and projected earnings on pension plan investments (if any) | 3,783,158 | 4,811,868 |
| • Difference between expected and actual experience in the Total Pension Liability | <u>0</u> | <u>0</u> |
| • Total Deferred Inflows of Resources | \$5,195,615 | \$6,707,356 |
| Deferred outflows of resources and deferred inflows of resources related to pension will be recognized as follows: | | |
| Reporting Date for Employer under GASBS 68 Year Ended June 30: | | |
| 2023 | N/A | \$(1,244,407) |
| 2024 | \$(329,432) | (1,209,844) |
| 2025 | (371,337) | (1,248,499) |
| 2026 | (596,921) | (1,446,010) |
| 2027 | 924,850 | 0 |
| 2028 | 0 | 0 |
| Thereafter | <u>0</u> | <u>0</u> |
| Total | \$ (372,840) | \$ (5,148,760) |

¹ Calculated in accordance with Paragraphs 54 and 55 of GASBS 68.

Section 2: GASBS 68 Information

Deferred outflows of resources and deferred inflows of resources (continued)

Superior Court of California, County of Sacramento

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|--|----------------------|-----------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| Deferred Outflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$0 | \$226,127 |
| • Changes of assumptions or other inputs | 4,942,555 | 7,818,714 |
| • Net difference between projected and actual earnings on pension plan investments (if any) | 57,772,609 | 10,668,824 |
| • Difference between actual and expected experience in the Total Pension Liability | <u>5,529,173</u> | <u>5,302,010</u> |
| • Total Deferred Outflows of Resources | \$68,244,337 | \$24,015,675 |
| Deferred Inflows of Resources | | |
| • Changes in proportion and differences between employer's contributions and proportionate share of contributions ¹ | \$3,980,989 | \$3,998,310 |
| • Changes of assumptions or other inputs | 8,609,920 | 11,873,194 |
| • Net difference between actual and projected earnings on pension plan investments (if any) | 57,347,142 | 80,585,822 |
| • Difference between expected and actual experience in the Total Pension Liability | <u>0</u> | <u>0</u> |
| • Total Deferred Inflows of Resources | \$69,938,051 | \$96,457,326 |
| Deferred outflows of resources and deferred inflows of resources related to pension will be recognized as follows: | | |
| Reporting Date for Employer under GASBS 68 Year Ended June 30: | | |
| 2023 | N/A | \$(17,929,630) |
| 2024 | \$(2,776,505) | (16,037,027) |
| 2025 | (3,354,475) | (16,627,017) |
| 2026 | (8,471,617) | (21,847,977) |
| 2027 | 12,908,883 | 0 |
| 2028 | 0 | 0 |
| Thereafter | <u>0</u> | <u>0</u> |
| Total | \$(1,693,714) | \$(72,441,651) |

¹ Calculated in accordance with Paragraphs 54 and 55 of GASBS 68.

Section 2: GASBS 68 Information

Deferred outflows of resources and deferred inflows of resources (continued)

There are changes in each employer's proportionate share of the total NPL during the measurement period ended June 30, 2022. The net effect of the change on the employer's proportionate share of the collective NPL and collective deferred outflows of resources and deferred inflows of resources for the current period is recognized over the average of the expected remaining service lives of all employees that are provided with pensions through SCERS which is 4.74 years determined as of June 30, 2021 (the beginning of the measurement period ended June 30, 2022). This is described in Paragraph 33a. of GASBS 68.

In addition, the difference between the actual employer contributions and the proportionate share of the employer contributions during the measurement period ended June 30, 2022 is recognized over the same period.

The net effects of the change on the employer's proportionate share of the collective NPL and collective deferred outflows of resources and deferred inflows of resources for prior periods are continued to be recognized based on the expected remaining service lives of all employees calculated as of those prior measurement dates.

The average of the expected remaining service lives of all employees was determined by:

- Calculating each active employees' expected remaining service life as the present value of \$1 per year of future service at zero percent interest.
- Setting the remaining service life to zero for each non-active or retired member.
- Dividing the sum of the above amounts by the total number of active, non-active and retired members.

Section 2: GASBS 68 Information

Schedule of proportionate share of the Net Pension Liability

Total for All Employers

| Reporting Date for Employer Under GASBS 68 as of June 30 | Proportion of the Net Pension Liability | Proportionate Share of Net Pension Liability | Covered Payroll ¹ | Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--|---|--|------------------------------|---|--|
| 2015 | 100.000% | \$770,927,000 | \$858,343,000 | 89.82% | 91.02% |
| 2016 | 100.000% | 1,149,865,000 | 873,328,000 | 131.66% | 87.26% |
| 2017 | 100.000% | 1,755,225,000 | 912,421,000 | 192.37% | 81.40% |
| 2018 | 100.000% | 2,096,773,000 | 958,934,000 | 218.66% | 80.37% |
| 2019 | 100.000% | 1,961,326,000 | 985,375,000 | 199.04% | 82.51% |
| 2020 | 100.000% | 2,073,826,000 | 1,017,885,000 | 203.74% | 82.57% |
| 2021 | 100.000% | 2,714,276,000 | 1,059,984,000 | 256.07% | 78.62% |
| 2022 | 100.000% | 421,380,000 | 1,034,343,000 | 40.74% | 96.76% |
| 2023 | 100.000% | 1,748,633,000 | 1,078,235,000 | 162.18% | 87.12% |

¹ Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

Section 2: GASBS 68 Information

Schedule of proportionate share of the Net Pension Liability (continued)

Carmichael Recreation and Park District

| Reporting Date for Employer Under GASBS 68 as of June 30 | Proportion of the Net Pension Liability | Proportionate Share of Net Pension Liability | Covered Payroll ¹ | Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--|---|--|------------------------------|---|--|
| 2015 | 0.102% | \$787,256 | \$1,040,000 | 75.70% | 93.16% |
| 2016 | 0.119% | 1,373,257 | 1,096,000 | 125.30% | 89.46% |
| 2017 | 0.140% | 2,457,342 | 1,138,000 | 215.94% | 83.21% |
| 2018 | 0.128% | 2,686,756 | 1,039,000 | 258.59% | 82.52% |
| 2019 | 0.139% | 2,718,183 | 1,143,000 | 237.81% | 84.67% |
| 2020 | 0.135% | 2,806,617 | 1,239,000 | 226.52% | 85.10% |
| 2021 | 0.140% | 3,789,899 | 1,249,000 | 303.43% | 80.55% |
| 2022 | 0.047% | 198,561 | 1,156,000 | 17.18% | 98.92% |
| 2023 | 0.118% | 2,061,923 | 1,222,000 | 168.73% | 89.09% |

¹ Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

Section 2: GASBS 68 Information

Schedule of proportionate share of the Net Pension Liability (continued)

County of Sacramento

| Reporting Date for Employer Under GASBS 68 as of June 30 | Proportion of the Net Pension Liability | Proportionate Share of Net Pension Liability | Covered Payroll ¹ | Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--|---|--|------------------------------|---|--|
| 2015 | 93.899% | \$723,888,442 | \$786,364,000 | 92.06% | 90.83% |
| 2016 | 93.437% | 1,074,403,473 | 803,586,000 | 133.70% | 87.08% |
| 2017 | 92.346% | 1,620,887,640 | 838,533,000 | 193.30% | 81.23% |
| 2018 | 92.245% | 1,934,170,514 | 883,259,000 | 218.98% | 80.16% |
| 2019 | 92.175% | 1,807,849,704 | 908,447,000 | 199.00% | 82.30% |
| 2020 | 92.508% | 1,918,456,345 | 938,438,000 | 204.43% | 82.32% |
| 2021 | 92.036% | 2,498,098,601 | 975,071,000 | 256.20% | 78.43% |
| 2022 | 97.217% | 409,650,664 | 952,846,000 | 42.99% | 96.56% |
| 2023 | 93.145% | 1,628,772,918 | 993,049,000 | 164.02% | 86.95% |

¹ Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

Section 2: GASBS 68 Information

Schedule of proportionate share of the Net Pension Liability (continued)

Elk Grove Cosumnes Cemetery District

| Reporting Date for Employer Under GASBS 68 as of June 30 | Proportion of the Net Pension Liability | Proportionate Share of Net Pension Liability | Covered Payroll ¹ | Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--|---|--|------------------------------|---|--|
| 2015 | 0.020% | \$155,234 | \$209,000 | 74.27% | 93.16% |
| 2016 | 0.018% | 207,045 | 162,000 | 127.81% | 89.46% |
| 2017 | 0.025% | 443,907 | 209,000 | 212.40% | 83.21% |
| 2018 | 0.026% | 547,121 | 227,000 | 241.02% | 82.52% |
| 2019 | 0.029% | 578,532 | 273,000 | 211.92% | 84.67% |
| 2020 | 0.031% | 639,285 | 300,000 | 213.10% | 85.10% |
| 2021 | 0.030% | 823,059 | 295,000 | 279.00% | 80.55% |
| 2022 | 0.010% | 43,785 | 274,000 | 15.98% | 98.92% |
| 2023 | 0.024% | 421,975 | 272,000 | 155.14% | 89.09% |

¹ Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

Section 2: GASBS 68 Information

Schedule of proportionate share of the Net Pension Liability (continued)

Fair Oaks Cemetery District

| Reporting Date for Employer Under GASBS 68 as of June 30 | Proportion of the Net Pension Liability | Proportionate Share of Net Pension Liability | Covered Payroll ¹ | Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--|---|--|------------------------------|---|--|
| 2015 | 0.018% | \$138,601 | \$199,000 | 69.65% | 93.16% |
| 2016 | 0.020% | 232,397 | 206,000 | 112.81% | 89.46% |
| 2017 | 0.021% | 364,638 | 211,000 | 172.81% | 83.21% |
| 2018 | 0.028% | 595,971 | 261,000 | 228.34% | 82.52% |
| 2019 | 0.025% | 486,702 | 226,000 | 215.35% | 84.67% |
| 2020 | 0.019% | 397,604 | 185,000 | 214.92% | 85.10% |
| 2021 | 0.018% | 478,523 | 180,000 | 265.85% | 80.55% |
| 2022 | 0.006% | 25,456 | 181,000 | 14.06% | 98.92% |
| 2023 | 0.013% | 220,578 | 160,000 | 137.86% | 89.09% |

¹ Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

Section 2: GASBS 68 Information

Schedule of proportionate share of the Net Pension Liability (continued)

Galt-Arno Cemetery District

| Reporting Date for Employer Under GASBS 68 as of June 30 | Proportion of the Net Pension Liability | Proportionate Share of Net Pension Liability | Covered Payroll ¹ | Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--|---|--|------------------------------|---|--|
| 2015 | 0.002% | \$16,632 | \$26,000 | 63.97% | 93.16% |
| 2016 | 0.003% | 29,578 | 26,000 | 113.76% | 89.46% |
| 2017 | 0.003% | 55,488 | 28,000 | 198.17% | 83.21% |
| 2018 | 0.006% | 127,010 | 63,000 | 201.60% | 82.52% |
| 2019 | 0.008% | 156,112 | 81,000 | 192.73% | 84.67% |
| 2020 | 0.005% | 109,146 | 60,000 | 181.91% | 85.10% |
| 2021 | 0.005% | 143,557 | 63,000 | 227.87% | 80.55% |
| 2022 | 0.002% | 7,637 | 60,000 | 12.73% | 98.92% |
| 2023 | 0.005% | 86,313 | 69,000 | 125.09% | 89.09% |

¹ Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

Section 2: GASBS 68 Information

Schedule of proportionate share of the Net Pension Liability (continued)

Mission Oaks Recreation and Park District

| Reporting Date for Employer Under GASBS 68 as of June 30 | Proportion of the Net Pension Liability | Proportionate Share of Net Pension Liability | Covered Payroll ¹ | Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--|---|--|------------------------------|---|--|
| 2015 | 0.083% | \$643,111 | \$826,000 | 77.86% | 93.16% |
| 2016 | 0.095% | 1,090,155 | 851,000 | 128.10% | 89.46% |
| 2017 | 0.100% | 1,751,847 | 782,000 | 224.02% | 83.21% |
| 2018 | 0.154% | 3,224,108 | 1,116,000 | 288.90% | 82.52% |
| 2019 | 0.147% | 2,892,660 | 1,148,000 | 251.97% | 84.67% |
| 2020 | 0.128% | 2,635,102 | 1,101,000 | 239.34% | 85.10% |
| 2021 | 0.131% | 3,560,209 | 1,120,000 | 317.88% | 80.55% |
| 2022 | 0.040% | 169,540 | 974,000 | 17.41% | 98.92% |
| 2023 | 0.116% | 2,023,562 | 1,208,000 | 167.51% | 89.09% |

¹ Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

Section 2: GASBS 68 Information

Schedule of proportionate share of the Net Pension Liability (continued)

Orangevale Recreation and Park District

| Reporting Date for Employer Under GASBS 68 as of June 30 | Proportion of the Net Pension Liability | Proportionate Share of Net Pension Liability | Covered Payroll ¹ | Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--|---|--|------------------------------|---|--|
| 2015 | 0.062% | \$476,789 | \$611,000 | 78.03% | 93.16% |
| 2016 | 0.066% | 760,573 | 592,000 | 128.48% | 89.46% |
| 2017 | 0.075% | 1,307,940 | 593,000 | 220.56% | 83.21% |
| 2018 | 0.070% | 1,455,733 | 590,000 | 246.73% | 82.52% |
| 2019 | 0.069% | 1,359,091 | 639,000 | 212.69% | 84.67% |
| 2020 | 0.069% | 1,434,493 | 642,000 | 223.44% | 85.10% |
| 2021 | 0.074% | 2,000,225 | 745,000 | 268.49% | 80.55% |
| 2022 | 0.027% | 113,536 | 731,000 | 15.53% | 98.92% |
| 2023 | 0.071% | 1,237,154 | 822,000 | 150.51% | 89.09% |

¹ Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

Section 2: GASBS 68 Information

Schedule of proportionate share of the Net Pension Liability (continued)

Rio Linda Elverta Recreation and Park District

| Reporting Date for Employer Under GASBS 68 as of June 30 | Proportion of the Net Pension Liability | Proportionate Share of Net Pension Liability | Covered Payroll ¹ | Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--|---|--|------------------------------|---|--|
| 2019 ² | 0.014% | \$284,675 | \$295,000 | 96.50% | 84.67% |
| 2020 | 0.014% | 296,254 | 407,000 | 72.79% | 85.10% |
| 2021 | 0.014% | 392,389 | 420,000 | 93.43% | 80.55% |
| 2022 | 0.005% | 22,402 | 430,000 | 5.21% | 98.92% |
| 2023 | 0.017% | 297,301 | 528,000 | 56.31% | 89.09% |

- ¹ Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.
- ² Rio Linda Elverta Recreation and Park District joined the System on October 1, 2017. There is no amount reportable before the June 30, 2019 reporting date.

Section 2: GASBS 68 Information

Schedule of proportionate share of the Net Pension Liability (continued)

Sacramento Employment and Training Agency (SETA)

| Reporting Date for Employer Under GASBS 68 as of June 30 | Proportion of the Net Pension Liability | Proportionate Share of Net Pension Liability | Covered Payroll ¹ | Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--|---|--|------------------------------|---|--|
| 2015 | 2.303% | \$17,754,845 | \$23,035,000 | 77.08% | 93.16% |
| 2016 | 2.488% | 28,610,225 | 22,744,000 | 125.79% | 89.46% |
| 2017 | 2.868% | 50,343,812 | 23,077,000 | 218.16% | 83.21% |
| 2018 | 2.858% | 59,919,549 | 22,917,000 | 261.46% | 82.52% |
| 2019 | 2.869% | 56,264,540 | 23,045,000 | 244.15% | 84.67% |
| 2020 | 2.704% | 56,085,569 | 23,982,000 | 233.87% | 85.10% |
| 2021 | 2.967% | 80,535,363 | 27,119,000 | 296.97% | 80.55% |
| 2022 | 1.059% | 4,462,015 | 26,542,000 | 16.81% | 98.92% |
| 2023 | 2.495% | 43,621,666 | 27,696,000 | 157.50% | 89.09% |

¹ Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

Section 2: GASBS 68 Information

Schedule of proportionate share of the Net Pension Liability (continued)

Sunrise Recreation and Park District

| Reporting Date for Employer Under GASBS 68 as of June 30 | Proportion of the Net Pension Liability | Proportionate Share of Net Pension Liability | Covered Payroll ¹ | Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--|---|--|------------------------------|---|--|
| 2015 | 0.142% | \$1,092,179 | \$1,406,000 | 77.68% | 93.16% |
| 2016 | 0.169% | 1,939,461 | 1,521,000 | 127.51% | 89.46% |
| 2017 | 0.189% | 3,321,376 | 1,495,000 | 222.17% | 83.21% |
| 2018 | 0.278% | 5,832,704 | 2,278,000 | 256.04% | 82.52% |
| 2019 | 0.307% | 6,014,897 | 2,588,000 | 232.41% | 84.67% |
| 2020 | 0.305% | 6,314,889 | 2,839,000 | 222.43% | 85.10% |
| 2021 | 0.294% | 7,981,758 | 2,754,000 | 289.82% | 80.55% |
| 2022 | 0.090% | 376,756 | 2,299,000 | 16.39% | 98.92% |
| 2023 | 0.247% | 4,325,244 | 2,716,000 | 159.25% | 89.09% |

¹ Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

Section 2: GASBS 68 Information

Schedule of proportionate share of the Net Pension Liability (continued)

Superior Court of California, County of Sacramento

| Reporting Date for Employer Under GASBS 68 as of June 30 | Proportion of the Net Pension Liability | Proportionate Share of Net Pension Liability | Covered Payroll ¹ | Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--|---|--|------------------------------|---|--|
| 2015 | 3.369% | \$25,973,911 | \$44,627,000 | 58.20% | 93.16% |
| 2016 | 3.585% | 41,218,836 | 42,543,000 | 96.89% | 89.46% |
| 2017 | 4.233% | 74,291,010 | 46,355,000 | 160.27% | 83.21% |
| 2018 | 4.207% | 88,213,534 | 47,184,000 | 186.96% | 82.52% |
| 2019 | 4.218% | 82,720,904 | 47,490,000 | 174.19% | 84.67% |
| 2020 | 4.082% | 84,650,696 | 48,692,000 | 173.85% | 85.10% |
| 2021 | 4.291% | 116,472,417 | 50,968,000 | 228.52% | 80.55% |
| 2022 | 1.497% | 6,309,648 | 48,850,000 | 12.92% | 98.92% |
| 2023 | 3.749% | 65,564,366 | 50,493,000 | 129.85% | 89.09% |

¹ Covered payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

Section 2: GASBS 68 Information

Schedule of reconciliation of Net Pension Liability

Total for All Employers

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|------------------------|----------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Beginning Net Pension Liability | \$421,380,000 | \$2,714,276,000 |
| • Pension Expense excluding that Attributable to Employer-Paid Member Contributions | 123,751,555 | 2,297,632 |
| • Employer Contributions | (323,610,000) | (292,534,000) |
| • New Net Deferred Inflows/Outflows | 1,178,184,750 | (1,859,853,755) |
| • Change in Allocation of Prior Deferred Inflows/Outflows | 0 | 0 |
| • New Net Deferred Flows Due to Change in Proportion | 0 | 0 |
| • Recognition of Prior Deferred Inflows/Outflows | 348,926,695 | (142,805,877) |
| • Recognition of Prior Deferred Flows Due to Change in Proportion | <u>0</u> | <u>0</u> |
| Ending Net Pension Liability | \$1,748,633,000 | \$421,380,000 |

Section 2: GASBS 68 Information

Schedule of reconciliation of Net Pension Liability (continued)

Carmichael Recreation and Park District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|--------------------|------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Beginning Net Pension Liability | \$198,561 | \$3,789,899 |
| • Pension Expense excluding that Attributable to Employer-Paid Member Contributions | 67,575 | (100,528) |
| • Employer Contributions | (430,000) | (390,000) |
| • New Net Deferred Inflows/Outflows | 1,665,482 | (2,698,326) |
| • Change in Allocation of Prior Deferred Inflows/Outflows | 41,592 | (56,595) |
| • New Net Deferred Flows Due to Change in Proportion | (35,833) | (181,103) |
| • Recognition of Prior Deferred Inflows/Outflows | 525,849 | (158,705) |
| • Recognition of Prior Deferred Flows Due to Change in Proportion | <u>28,697</u> | <u>(6,081)</u> |
| Ending Net Pension Liability | \$2,061,923 | \$198,561 |

Section 2: GASBS 68 Information

Schedule of reconciliation of Net Pension Liability (continued)

County of Sacramento

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|------------------------|----------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Beginning Net Pension Liability | \$409,650,664 | \$2,498,098,601 |
| • Pension Expense excluding that Attributable to Employer-Paid Member Contributions | 120,030,858 | 6,609,003 |
| • Employer Contributions | (298,614,000) | (269,496,000) |
| • New Net Deferred Inflows/Outflows | 1,081,370,022 | (1,700,459,130) |
| • Change in Allocation of Prior Deferred Inflows/Outflows | (4,452,264) | 1,814,340 |
| • New Net Deferred Flows Due to Change in Proportion | 3,835,753 | 5,805,883 |
| • Recognition of Prior Deferred Inflows/Outflows | 318,358,973 | (133,430,925) |
| • Recognition of Prior Deferred Flows Due to Change in Proportion | <u>(1,407,088)</u> | <u>708,892</u> |
| Ending Net Pension Liability | \$1,628,772,918 | \$409,650,664 |

Section 2: GASBS 68 Information

Schedule of reconciliation of Net Pension Liability (continued)

Elk Grove Cosumnes Cemetery District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|------------------|-----------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Beginning Net Pension Liability | \$43,785 | \$823,059 |
| • Pension Expense excluding that Attributable to Employer-Paid Member Contributions | 11,546 | (9,301) |
| • Employer Contributions | (88,000) | (86,000) |
| • New Net Deferred Inflows/Outflows | 340,842 | (595,012) |
| • Change in Allocation of Prior Deferred Inflows/Outflows | 42,786 | (9,966) |
| • New Net Deferred Flows Due to Change in Proportion | (36,861) | (31,892) |
| • Recognition of Prior Deferred Inflows/Outflows | 107,615 | (34,996) |
| • Recognition of Prior Deferred Flows Due to Change in Proportion | <u>262</u> | <u>(12,107)</u> |
| Ending Net Pension Liability | \$421,975 | \$43,785 |

Section 2: GASBS 68 Information

Schedule of reconciliation of Net Pension Liability (continued)

Fair Oaks Cemetery District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|------------------|-----------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Beginning Net Pension Liability | \$25,456 | \$478,523 |
| • Pension Expense excluding that Attributable to Employer-Paid Member Contributions | (41,407) | (34,083) |
| • Employer Contributions | (46,000) | (50,000) |
| • New Net Deferred Inflows/Outflows | 178,168 | (345,932) |
| • Change in Allocation of Prior Deferred Inflows/Outflows | 50,318 | (5,796) |
| • New Net Deferred Flows Due to Change in Proportion | (43,350) | (18,546) |
| • Recognition of Prior Deferred Inflows/Outflows | 56,253 | (20,346) |
| • Recognition of Prior Deferred Flows Due to Change in Proportion | <u>41,140</u> | <u>21,636</u> |
| Ending Net Pension Liability | \$220,578 | \$25,456 |

Section 2: GASBS 68 Information

Schedule of reconciliation of Net Pension Liability (continued)

Galt-Arno Cemetery District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|-----------------|----------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Beginning Net Pension Liability | \$7,637 | \$143,557 |
| • Pension Expense excluding that Attributable to Employer-Paid Member Contributions | (282) | (1,785) |
| • Employer Contributions | (18,000) | (15,000) |
| • New Net Deferred Inflows/Outflows | 69,720 | (103,781) |
| • Change in Allocation of Prior Deferred Inflows/Outflows | (5,604) | (1,738) |
| • New Net Deferred Flows Due to Change in Proportion | 4,828 | (5,562) |
| • Recognition of Prior Deferred Inflows/Outflows | 22,012 | (6,104) |
| • Recognition of Prior Deferred Flows Due to Change in Proportion | <u>6,002</u> | <u>(1,950)</u> |
| Ending Net Pension Liability | \$86,313 | \$7,637 |

Section 2: GASBS 68 Information

Schedule of reconciliation of Net Pension Liability (continued)

Mission Oaks Recreation and Park District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|--------------------|------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Beginning Net Pension Liability | \$169,540 | \$3,560,209 |
| • Pension Expense excluding that Attributable to Employer-Paid Member Contributions | (18,405) | (118,987) |
| • Employer Contributions | (422,000) | (333,000) |
| • New Net Deferred Inflows/Outflows | 1,634,493 | (2,303,946) |
| • Change in Allocation of Prior Deferred Inflows/Outflows | (234,820) | (112,712) |
| • New Net Deferred Flows Due to Change in Proportion | 202,304 | (360,677) |
| • Recognition of Prior Deferred Inflows/Outflows | 516,066 | (135,509) |
| • Recognition of Prior Deferred Flows Due to Change in Proportion | <u>176,384</u> | <u>(25,838)</u> |
| Ending Net Pension Liability | \$2,023,562 | \$169,540 |

Section 2: GASBS 68 Information

Schedule of reconciliation of Net Pension Liability (continued)

Orangevale Recreation and Park District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|--------------------|------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Beginning Net Pension Liability | \$113,536 | \$2,000,225 |
| • Pension Expense excluding that Attributable to Employer-Paid Member Contributions | 81,943 | (30,101) |
| • Employer Contributions | (258,000) | (223,000) |
| • New Net Deferred Inflows/Outflows | 999,288 | (1,542,885) |
| • Change in Allocation of Prior Deferred Inflows/Outflows | (35,997) | 768 |
| • New Net Deferred Flows Due to Change in Proportion | 31,013 | 2,455 |
| • Recognition of Prior Deferred Inflows/Outflows | 315,510 | (90,747) |
| • Recognition of Prior Deferred Flows Due to Change in Proportion | <u>(10,139)</u> | <u>(3,179)</u> |
| Ending Net Pension Liability | \$1,237,154 | \$113,536 |

Section 2: GASBS 68 Information

Schedule of reconciliation of Net Pension Liability (continued)

Rio Linda Elverta Recreation and Park District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|------------------|-----------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Beginning Net Pension Liability | \$22,402 | \$392,389 |
| • Pension Expense excluding that Attributable to Employer-Paid Member Contributions | 64,623 | 33,467 |
| • Employer Contributions | (62,000) | (44,000) |
| • New Net Deferred Inflows/Outflows | 240,138 | (304,431) |
| • Change in Allocation of Prior Deferred Inflows/Outflows | (61,781) | 604 |
| • New Net Deferred Flows Due to Change in Proportion | 53,226 | 1,933 |
| • Recognition of Prior Deferred Inflows/Outflows | 75,821 | (17,905) |
| • Recognition of Prior Deferred Flows Due to Change in Proportion | <u>(35,128)</u> | <u>(39,655)</u> |
| Ending Net Pension Liability | \$297,301 | \$22,402 |

Section 2: GASBS 68 Information

Schedule of reconciliation of Net Pension Liability (continued)

Sacramento Employment and Training Agency (SETA)

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|---------------------|--------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Beginning Net Pension Liability | \$4,462,015 | \$80,535,363 |
| • Pension Expense excluding that Attributable to Employer-Paid Member Contributions | 1,300,755 | (1,289,338) |
| • Employer Contributions | (9,097,000) | (8,764,000) |
| • New Net Deferred Inflows/Outflows | 35,234,580 | (60,636,100) |
| • Change in Allocation of Prior Deferred Inflows/Outflows | 3,723,659 | (352,251) |
| • New Net Deferred Flows Due to Change in Proportion | (3,208,040) | (1,127,202) |
| • Recognition of Prior Deferred Inflows/Outflows | 11,124,762 | (3,566,372) |
| • Recognition of Prior Deferred Flows Due to Change in Proportion | <u>80,935</u> | <u>(338,085)</u> |
| Ending Net Pension Liability | \$43,621,666 | \$4,462,015 |

Section 2: GASBS 68 Information

Schedule of reconciliation of Net Pension Liability (continued)

Sunrise Recreation and Park District

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|--------------------|------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Beginning Net Pension Liability | \$376,756 | \$7,981,758 |
| • Pension Expense excluding that Attributable to Employer-Paid Member Contributions | 74,568 | (146,287) |
| • Employer Contributions | (902,000) | (740,000) |
| • New Net Deferred Inflows/Outflows | 3,493,634 | (5,119,889) |
| • Change in Allocation of Prior Deferred Inflows/Outflows | (345,475) | (264,406) |
| • New Net Deferred Flows Due to Change in Proportion | 297,637 | (846,100) |
| • Recognition of Prior Deferred Inflows/Outflows | 1,103,060 | (301,131) |
| • Recognition of Prior Deferred Flows Due to Change in Proportion | <u>227,064</u> | <u>(187,189)</u> |
| Ending Net Pension Liability | \$4,325,244 | \$376,756 |

Section 2: GASBS 68 Information

Schedule of reconciliation of Net Pension Liability (continued)

Superior Court of California, County of Sacramento

| Reporting Date for Employer under GASBS 68 | June 30, 2023 | June 30, 2022 |
|---|---------------------|--------------------|
| Measurement Date for Employer under GASBS 68 | June 30, 2022 | June 30, 2021 |
| • Beginning Net Pension Liability | \$6,309,648 | \$116,472,417 |
| • Pension Expense excluding that Attributable to Employer-Paid Member Contributions | 2,179,781 | (2,614,428) |
| • Employer Contributions | (13,673,000) | (12,393,000) |
| • New Net Deferred Inflows/Outflows | 52,958,383 | (85,744,323) |
| • Change in Allocation of Prior Deferred Inflows/Outflows | 1,277,586 | (1,012,248) |
| • New Net Deferred Flows Due to Change in Proportion | (1,100,677) | (3,239,189) |
| • Recognition of Prior Deferred Inflows/Outflows | 16,720,774 | (5,043,137) |
| • Recognition of Prior Deferred Flows Due to Change in Proportion | <u>891,871</u> | <u>(116,444)</u> |
| Ending Net Pension Liability | \$65,564,366 | \$6,309,648 |

Section 2: GASBS 68 Information

Schedule of recognition of changes in total Net Pension Liability

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Differences between Actual and Expected Experience on Total Pension Liability

| Reporting Date for Employer Under GASBS 68 Year Ended June 30 | Differences Between Actual and Expected Experience | Recognition Period (Years) | Reporting Date for Employer under GASBS 68 Year Ended June 30: ¹ | | | | | | |
|---|--|----------------------------|---|---------------------|---------------------|---------------------|---------------------|---------------------|------------|
| | | | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | Thereafter |
| 2018 | \$(46,244,335) | 4.72 | \$(7,054,219) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2019 | 18,565,823 | 4.88 | 3,804,472 | 3,347,935 | 0 | 0 | 0 | 0 | 0 |
| 2020 | 165,493,168 | 4.87 | 33,982,170 | 33,982,170 | 29,564,488 | 0 | 0 | 0 | 0 |
| 2021 | 54,027,341 | 4.81 | 11,232,295 | 11,232,295 | 11,232,295 | 9,098,161 | 0 | 0 | 0 |
| 2022 | 74,045,530 | 4.83 | 15,330,337 | 15,330,337 | 15,330,337 | 15,330,337 | 12,724,182 | 0 | 0 |
| 2023 | 74,494,147 | 4.74 | N/A | 15,716,064 | 15,716,064 | 15,716,064 | 15,716,064 | 11,629,891 | 0 |
| Net Increase/(Decrease) in Pension Expense | | | \$57,295,055 | \$79,608,801 | \$71,843,184 | \$40,144,562 | \$28,440,246 | \$11,629,891 | \$0 |

As described in *Section 2, Schedule of deferred outflows of resources and deferred inflows of resources*, the average of the expected remaining service lives of all employees that are provided with pensions through SCERS (active and inactive employees) determined as of June 30, 2021 (the beginning of the measurement period ending June 30, 2022) is 4.74 years.

¹ The amortization amounts prior to June 30, 2022 have been omitted from this Schedule. Those amounts can be found in prior years' GASBS 68 reports.

Section 2: GASBS 68 Information

Schedule of recognition of changes in total Net Pension Liability (continued)

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Assumption Changes

| Reporting Date for Employer Under GASBS 68 Year Ended June 30 | Effects of Assumption Changes | Recognition Period (Years) | Reporting Date for Employer under GASBS 68 Year Ended June 30: ¹ | | | | | | |
|---|-------------------------------------|----------------------------------|---|-----------------------|-----------------------|-----------------------|-----------------------|------------|------------|
| | | | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | Thereafter |
| 2018 | \$823,712,000 | 4.72 | \$125,650,984 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2019 | 0 | 4.88 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2020 | 0 | 4.87 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2021 | 216,097,000 | 4.81 | 44,926,611 | 44,926,611 | 44,926,611 | 36,390,556 | 0 | 0 | 0 |
| 2022 | (324,177,000) | 4.83 | (67,117,391) | (67,117,391) | (67,117,391) | (67,117,391) | (55,707,436) | 0 | 0 |
| 2023 | 0 | 4.74 | <u>N/A</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Net Increase/(Decrease) in Pension Expense | | | \$103,460,204 | \$(22,190,780) | \$(22,190,780) | \$(30,726,835) | \$(55,707,436) | \$0 | \$0 |

¹ The amortization amounts prior to June 30, 2022 have been omitted from this Schedule. Those amounts can be found in prior years' GASBS 68 reports.

Section 2: GASBS 68 Information

Schedule of recognition of changes in total Net Pension Liability (continued)

Increase (Decrease) in Pension Expense Arising from the Recognition of Differences between Projected and Actual Earnings on Pension Plan Investments

| Reporting Date for Employer Under GASBS 68 Year Ended June 30 | Differences between Projected and Actual Earnings | Recognition Period (Years) | Reporting Date for Employer under GASBS 68 Year Ended June 30: ¹ | | | | | | | |
|---|---|----------------------------------|---|------------------------|-----------------------|-----------------------|------------------------|----------------------|--------------------|------------|
| | | | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | Thereafter | |
| 2018 | \$(472,425,587) | 5.00 | \$(94,485,119) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2019 | (241,230,175) | 5.00 | (48,246,035) | (48,246,035) | 0 | 0 | 0 | 0 | 0 | 0 |
| 2020 | (23,751,530) | 5.00 | (4,750,306) | (4,750,306) | (4,750,306) | 0 | 0 | 0 | 0 | 0 |
| 2021 | 388,725,121 | 5.00 | 77,745,024 | 77,745,024 | 77,745,024 | 77,745,025 | 0 | 0 | 0 | 0 |
| 2022 | (2,076,886,674) | 5.00 | (415,377,335) | (415,377,335) | (415,377,335) | (415,377,335) | (415,377,334) | 0 | 0 | 0 |
| 2023 | 1,399,258,334 | 5.00 | N/A | <u>279,851,667</u> | <u>279,851,667</u> | <u>279,851,667</u> | <u>279,851,667</u> | <u>279,851,667</u> | <u>279,851,666</u> | <u>0</u> |
| Net Increase/(Decrease) in Pension Expense | | | \$(485,113,771) | \$(110,776,985) | \$(62,530,950) | \$(57,780,643) | \$(135,525,667) | \$279,851,666 | \$0 | \$0 |

¹ The amortization amounts prior to June 30, 2022 have been omitted from this Schedule. Those amounts can be found in prior years' GASBS 68 reports.

Section 2: GASBS 68 Information

Schedule of recognition of changes in total Net Pension Liability (continued)

Total Increase (Decrease) in Pension Expense

| Reporting Date for Employer Under GASBS 68 Year Ended June 30 | Total Differences | Reporting Date for Employer under GASBS 68 Year Ended June 30: ¹ | | | | | | |
|---|----------------------|---|-----------------------|-----------------------|-----------------------|------------------------|----------------------|------------|
| | | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | Thereafter |
| 2018 | \$305,042,078 | \$24,111,646 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2019 | (222,664,352) | (44,441,563) | (44,898,100) | 0 | 0 | 0 | 0 | 0 |
| 2020 | 141,741,638 | 29,231,864 | 29,231,864 | 24,814,182 | 0 | 0 | 0 | 0 |
| 2021 | 658,849,462 | 133,903,930 | 133,903,930 | 133,903,930 | 123,233,742 | 0 | 0 | 0 |
| 2022 | (2,327,018,144) | (467,164,389) | (467,164,389) | (467,164,389) | (467,164,389) | (458,360,588) | 0 | 0 |
| 2023 | 1,473,752,481 | N/A | 295,567,731 | 295,567,731 | 295,567,731 | 295,567,731 | 291,481,557 | 0 |
| Net Increase/(Decrease) in Pension Expense | | \$(324,358,512) | \$(53,358,964) | \$(12,878,546) | \$(48,362,916) | \$(162,792,857) | \$291,481,557 | \$0 |

¹ The amortization amounts prior to June 30, 2022 have been omitted from this Schedule. Those amounts can be found in prior years' GASBS 68 reports.

Section 2: GASBS 68 Information

Allocation of changes in total Net Pension Liability

In addition to the amounts shown in the preceding *Schedule of recognition of changes in Net Pension Liability*, there are changes in each employer's proportionate share of the total Net Pension Liability during the measurement period ending on June 30, 2022 as a result of change in allocation percentage (the actual contributions made by an employer as a percentage of total contributions). The net effect of the change on the employer's proportionate share of the collective Net Pension Liability and collective deferred outflows of resources and deferred inflows of resources is also recognized over the average of the expected remaining service lives of all employees shown above. These amounts are shown below. While these amounts are different for each employer, they sum to zero over the entire SCERS.

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of the Change in Proportion for the Year Ended June 30, 2022

| | Total Change to be Recognized | Recognition Period (Years) | Reporting Date for Employer under GASBS 68 Year Ended June 30: | | | | | |
|--|-------------------------------|----------------------------|--|------------|------------|------------|------------|------------|
| | | | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
| Carmichael Recreation and Park District | \$(45,414) | 4.74 | \$(9,581) | \$(9,581) | \$(9,581) | \$(9,581) | \$(7,090) | \$0 |
| County of Sacramento | 4,861,356 | 4.74 | 1,025,603 | 1,025,603 | 1,025,603 | 1,025,603 | 758,944 | 0 |
| Elk Grove Cosumnes Cemetery District | (46,717) | 4.74 | (9,856) | (9,856) | (9,856) | (9,856) | (7,293) | 0 |
| Fair Oaks Cemetery District | (54,941) | 4.74 | (11,591) | (11,591) | (11,591) | (11,591) | (8,577) | 0 |
| Galt-Arno Cemetery District | 6,119 | 4.74 | 1,291 | 1,291 | 1,291 | 1,291 | 955 | 0 |
| Mission Oaks Recreation and Park District | 256,396 | 4.74 | 54,092 | 54,092 | 54,092 | 54,092 | 40,028 | 0 |
| Orangevale Recreation and Park District | 39,305 | 4.74 | 8,292 | 8,292 | 8,292 | 8,292 | 6,137 | 0 |
| Rio Linda Elverta Recreation and Park District | 67,458 | 4.74 | 14,232 | 14,232 | 14,232 | 14,232 | 10,530 | 0 |
| Sacramento Employment and Training Agency (SETA) | (4,065,805) | 4.74 | (857,765) | (857,765) | (857,765) | (857,765) | (634,745) | 0 |
| Sunrise Recreation and Park District | 377,219 | 4.74 | 79,582 | 79,582 | 79,582 | 79,582 | 58,891 | 0 |
| Superior Court of California, County of Sacramento | (1,394,976) | 4.74 | (294,299) | (294,299) | (294,299) | (294,299) | (217,780) | 0 |
| Total for all Employers | \$0 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Section 2: GASBS 68 Information

Allocation of changes in total Net Pension Liability (continued)

The amounts as of June 30, 2021 are as follows:

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of the Change in Proportion for the Year Ended June 30, 2021

| | Total Change to be Recognized | Recognition Period (Years) | Reporting Date for Employer under GASBS 68 Year Ended June 30: | | | | | |
|--|-------------------------------|----------------------------|--|------------|------------|------------|------------|------------|
| | | | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
| Carmichael Recreation and Park District | \$(228,389) | 4.83 | \$(47,286) | \$(47,286) | \$(47,286) | \$(47,286) | \$(39,245) | \$0 |
| County of Sacramento | 7,321,779 | 4.83 | 1,515,896 | 1,515,896 | 1,515,896 | 1,515,896 | 1,258,195 | 0 |
| Elk Grove Cosumnes Cemetery District | (40,219) | 4.83 | (8,327) | (8,327) | (8,327) | (8,327) | (6,911) | 0 |
| Fair Oaks Cemetery District | (23,388) | 4.83 | (4,842) | (4,842) | (4,842) | (4,842) | (4,020) | 0 |
| Galt-Arno Cemetery District | (7,014) | 4.83 | (1,452) | (1,452) | (1,452) | (1,452) | (1,206) | 0 |
| Mission Oaks Recreation and Park District | (454,849) | 4.83 | (94,172) | (94,172) | (94,172) | (94,172) | (78,161) | 0 |
| Orangevale Recreation and Park District | 3,096 | 4.83 | 641 | 641 | 641 | 641 | 532 | 0 |
| Rio Linda Elverta Recreation and Park District | 2,438 | 4.83 | 505 | 505 | 505 | 505 | 418 | 0 |
| Sacramento Employment and Training Agency (SETA) | (1,421,510) | 4.83 | (294,308) | (294,308) | (294,308) | (294,308) | (244,278) | 0 |
| Sunrise Recreation and Park District | (1,067,014) | 4.83 | (220,914) | (220,914) | (220,914) | (220,914) | (183,358) | 0 |
| Superior Court of California, County of Sacramento | (4,084,930) | 4.83 | (845,741) | (845,741) | (845,741) | (845,741) | (701,966) | 0 |
| Total for all Employers | \$0 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Section 2: GASBS 68 Information

Allocation of changes in total Net Pension Liability (continued)

The amounts as of June 30, 2020 are as follows:

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of the Change in Proportion for the Year Ended June 30, 2020

| | Total Change to be Recognized | Recognition Period (Years) | Reporting Date for Employer under GASBS 68 Year Ended June 30: | | | | | |
|--|-------------------------------|----------------------------|--|------------|------------|------------|------------|------------|
| | | | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
| Carmichael Recreation and Park District | \$(91,884) | 4.81 | \$(19,103) | \$(19,103) | \$(19,103) | \$(19,103) | \$(15,472) | \$0 |
| County of Sacramento | 692,789 | 4.81 | 144,032 | 144,032 | 144,032 | 144,032 | 116,661 | 0 |
| Elk Grove Cosumnes Cemetery District | (48,633) | 4.81 | (10,111) | (10,111) | (10,111) | (10,111) | (8,189) | 0 |
| Fair Oaks Cemetery District | (53,254) | 4.81 | (11,072) | (11,072) | (11,072) | (11,072) | (8,966) | 0 |
| Galt-Arno Cemetery District | (6,211) | 4.81 | (1,291) | (1,291) | (1,291) | (1,291) | (1,047) | 0 |
| Mission Oaks Recreation and Park District | (84,950) | 4.81 | (17,661) | (17,661) | (17,661) | (17,661) | (14,306) | 0 |
| Orangevale Recreation and Park District | (3,427) | 4.81 | (712) | (712) | (712) | (712) | (579) | 0 |
| Rio Linda Elverta Recreation and Park District | (14,976) | 4.81 | (3,114) | (3,114) | (3,114) | (3,114) | (2,520) | 0 |
| Sacramento Employment and Training Agency (SETA) | 1,472,521 | 4.81 | 306,137 | 306,137 | 306,137 | 306,137 | 247,973 | 0 |
| Sunrise Recreation and Park District | (582,723) | 4.81 | (121,148) | (121,148) | (121,148) | (121,148) | (98,131) | 0 |
| Superior Court of California, County of Sacramento | (1,279,252) | 4.81 | (265,957) | (265,957) | (265,957) | (265,957) | (215,424) | 0 |
| Total for all Employers | \$0 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Section 2: GASBS 68 Information

Allocation of changes in total Net Pension Liability (continued)

The amounts as of June 30, 2019 are as follows:

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of the Change in Proportion for the Year Ended June 30, 2019

| | Total Change to be Recognized | Recognition Period (Years) | Reporting Date for Employer under GASBS 68 Year Ended June 30: | | | | | |
|--|-------------------------------|----------------------------|--|------------|------------|------------|------------|------------|
| | | | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Carmichael Recreation and Park District | \$19,604 | 4.87 | \$4,025 | \$4,025 | \$4,025 | \$4,025 | \$3,504 | \$0 |
| County of Sacramento | 1,446,707 | 4.87 | 297,065 | 297,065 | 297,065 | 297,065 | 258,447 | 0 |
| Elk Grove Cosumnes Cemetery District | 38,714 | 4.87 | 7,949 | 7,949 | 7,949 | 7,949 | 6,918 | 0 |
| Fair Oaks Cemetery District | (82,931) | 4.87 | (17,029) | (17,029) | (17,029) | (17,029) | (14,815) | 0 |
| Galt-Arno Cemetery District | (41,747) | 4.87 | (8,572) | (8,572) | (8,572) | (8,572) | (7,459) | 0 |
| Mission Oaks Recreation and Park District | (268,834) | 4.87 | (55,202) | (55,202) | (55,202) | (55,202) | (48,026) | 0 |
| Orangevale Recreation and Park District | 35,491 | 4.87 | 7,288 | 7,288 | 7,288 | 7,288 | 6,339 | 0 |
| Rio Linda Elverta Recreation and Park District | 3,962 | 4.87 | 813 | 813 | 813 | 813 | 710 | 0 |
| Sacramento Employment and Training Agency (SETA) | (1,249,585) | 4.87 | (256,588) | (256,588) | (256,588) | (256,588) | (223,233) | 0 |
| Sunrise Recreation and Park District | 129,302 | 4.87 | 26,551 | 26,551 | 26,551 | 26,551 | 23,098 | 0 |
| Superior Court of California, County of Sacramento | (30,683) | 4.87 | (6,300) | (6,300) | (6,300) | (6,300) | (5,483) | 0 |
| Total for all Employers | \$0 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Section 2: GASBS 68 Information

Allocation of changes in total Net Pension Liability (continued)

The amounts as of June 30, 2018 are as follows:

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of the Change in Proportion for the Year Ended June 30, 2018

| | Total Change to be Recognized | Recognition Period (Years) | Reporting Date for Employer under GASBS 68 Year Ended June 30: | | | | | |
|--|-------------------------------|----------------------------|--|------------|------------|------------|------------|------------|
| | | | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Carmichael Recreation and Park District | \$186,683 | 4.88 | \$38,255 | \$38,255 | \$38,255 | \$38,255 | \$33,663 | \$0 |
| County of Sacramento | (3,056,352) | 4.88 | (626,302) | (626,302) | (626,302) | (626,302) | (551,144) | 0 |
| Elk Grove Cosumnes Cemetery District | 56,707 | 4.88 | 11,620 | 11,620 | 11,620 | 11,620 | 10,227 | 0 |
| Fair Oaks Cemetery District | (45,461) | 4.88 | (9,316) | (9,316) | (9,316) | (9,316) | (8,197) | 0 |
| Galt-Arno Cemetery District | 29,464 | 4.88 | 6,038 | 6,038 | 6,038 | 6,038 | 5,312 | 0 |
| Mission Oaks Recreation and Park District | (51,866) | 4.88 | (10,628) | (10,628) | (10,628) | (10,628) | (9,354) | 0 |
| Orangevale Recreation and Park District | 16,200 | 4.88 | 3,320 | 3,320 | 3,320 | 3,320 | 2,920 | 0 |
| Rio Linda Elverta Recreation and Park District | 212,746 | 4.88 | 43,595 | 43,595 | 43,595 | 43,595 | 38,366 | 0 |
| Sacramento Employment and Training Agency (SETA) | 908,071 | 4.88 | 186,080 | 186,080 | 186,080 | 186,080 | 163,751 | 0 |
| Sunrise Recreation and Park District | 490,443 | 4.88 | 100,501 | 100,501 | 100,501 | 100,501 | 88,439 | 0 |
| Superior Court of California, County of Sacramento | 1,253,365 | 4.88 | 256,837 | 256,837 | 256,837 | 256,837 | 226,017 | 0 |
| Total for all Employers | \$0 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Section 2: GASBS 68 Information

Allocation of changes in total Net Pension Liability (continued)

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of the Change in Employer Contributions for the Year Ended June 30, 2018

| | Total Change to be Recognized | Recognition Period (Years) | Reporting Date for Employer under GASBS 68 Year Ended June 30: | | | | | |
|--|-------------------------------|----------------------------|--|------------|------------|------------|------------|------------|
| | | | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Carmichael Recreation and Park District | \$20 | 4.88 | \$4 | \$4 | \$4 | \$4 | \$4 | \$0 |
| County of Sacramento | 6,875 | 4.88 | 1,409 | 1,409 | 1,409 | 1,409 | 1,239 | 0 |
| Elk Grove Cosumnes Cemetery District | 4 | 4.88 | 1 | 1 | 1 | 1 | 0 | 0 |
| Fair Oaks Cemetery District | 4 | 4.88 | 1 | 1 | 1 | 1 | 0 | 0 |
| Galt-Arno Cemetery District | 1 | 4.88 | 0 | 0 | 0 | 0 | 1 | 0 |
| Mission Oaks Recreation and Park District | 21 | 4.88 | 4 | 4 | 4 | 4 | 5 | 0 |
| Orangevale Recreation and Park District | 10 | 4.88 | 2 | 2 | 2 | 2 | 2 | 0 |
| Rio Linda Elverta Recreation and Park District | (7,998) | 4.88 | (1,639) | (1,639) | (1,639) | (1,639) | (1,442) | 0 |
| Sacramento Employment and Training Agency (SETA) | 413 | 4.88 | 85 | 85 | 85 | 85 | 73 | 0 |
| Sunrise Recreation and Park District | 44 | 4.88 | 9 | 9 | 9 | 9 | 8 | 0 |
| Superior Court of California, County of Sacramento | 606 | 4.88 | 124 | 124 | 124 | 124 | 110 | 0 |
| Total for all Employers | \$0 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Section 3: Actuarial Assumptions and Methods and Appendices

Actuarial Assumptions and Methods

For June 30, 2022 Measurement Date and Employer Reporting as of June 30, 2023:

| | |
|--|--|
| Rationale for Assumptions: | The information and analysis used in selecting each assumption that has a significant effect on this actuarial valuation is shown in the July 1, 2016 through June 30, 2019 Actuarial Experience Study report dated May 11, 2020. Unless otherwise noted, all actuarial assumptions and methods shown below apply to all tiers. These assumptions were adopted by the Board. |
| <u>Economic Assumptions</u> | |
| Net Investment Return: | 6.75%; net of investment expenses. |
| Employee Contribution Crediting Rate:¹ | 2.75% (assumed rate of inflation), compounded semi-annually. |
| Consumer Price Index: | Increase of 2.75% per year. Miscellaneous and Safety Tier 1 benefits are assumed to increase at 2.75% per year. Miscellaneous Tier 3, Tier 4 and Tier 5 and Safety Tier 2, Tier 3 and Tier 4 benefits are assumed to increase at 2.00% per year. Miscellaneous Tier 2 receive no COLA increases. |
| Payroll Growth: | Inflation of 2.75% per year plus “across the board” salary increases of 0.25% per year, used to amortize the Unfunded Actuarial Accrued Liability as a level percentage of payroll. |
| Increase in Section 7522.10 Compensation Limit: | Increase of 2.75% per year from the valuation date. |

¹ Current policy is to credit the member contribution account with interest up to the current 5-year Treasury rate, if such earnings are available. However, the difference in earnings between the 5-year Treasury rate and the target crediting rate will be applied to the other valuation reserves so that the overall valuation reserve target crediting rate is maintained at 6.75%.

Section 3: Actuarial Assumptions and Methods and Appendices

Salary Increases:

The annual rate of compensation increase includes: inflation at 2.75%, plus “across the board” salary increases of 0.25% per year, plus the following merit and promotion increases:

| Years of Service | Merit and Promotion Increases | |
|------------------|-------------------------------|--------|
| | Rate (%) | |
| | Miscellaneous | Safety |
| Less than 1 | 5.00 | 7.50 |
| 1 – 2 | 5.00 | 6.50 |
| 2 – 3 | 5.00 | 6.25 |
| 3 – 4 | 5.00 | 5.50 |
| 4 – 5 | 4.00 | 5.00 |
| 5 – 6 | 3.00 | 4.25 |
| 6 – 7 | 2.50 | 4.00 |
| 7 – 8 | 2.25 | 3.50 |
| 8 – 9 | 2.00 | 3.25 |
| 9 – 10 | 1.80 | 3.00 |
| 10 – 11 | 1.70 | 2.50 |
| 11 – 12 | 1.60 | 2.50 |
| 12 – 13 | 1.50 | 2.50 |
| 13 – 14 | 1.45 | 2.50 |
| 14 – 15 | 1.35 | 2.50 |
| 15 & Over | 1.25 | 2.50 |

Section 3: Actuarial Assumptions and Methods and Appendices

Demographic Assumptions:

Post-Retirement Mortality Rates:

Healthy

- **Miscellaneous Members:** Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 10%, projected generationally with the two-dimensional mortality improvement scale MP-2019.
- **Safety Members:** Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates decreased by 5% for males, projected generationally with the two-dimensional mortality improvement scale MP-2019.

Disabled

- **Miscellaneous Members:** Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2019.
- **Safety Members:** Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2019.

Beneficiaries

- Pub-2010 Contingent Survivor Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2019.

The Pub-2010 mortality tables and adjustments as shown above reasonably reflect the mortality experience as of the measurement date. The generational projection is a provision for future mortality improvement.

Section 3: Actuarial Assumptions and Methods and Appendices

Pre-Retirement Mortality Rates:

- **Miscellaneous Members:** Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2019.
- **Safety Members:** Pub-2010 Safety Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2019

| Age | Rate (%) | | | |
|-----|---------------|--------|--------|--------|
| | Miscellaneous | | Safety | |
| | Male | Female | Male | Female |
| 20 | 0.04 | 0.01 | 0.04 | 0.01 |
| 25 | 0.02 | 0.01 | 0.03 | 0.02 |
| 30 | 0.03 | 0.01 | 0.04 | 0.02 |
| 35 | 0.04 | 0.02 | 0.04 | 0.03 |
| 40 | 0.06 | 0.03 | 0.05 | 0.04 |
| 45 | 0.09 | 0.05 | 0.07 | 0.06 |
| 50 | 0.13 | 0.08 | 0.10 | 0.08 |
| 55 | 0.19 | 0.11 | 0.15 | 0.11 |
| 60 | 0.28 | 0.17 | 0.23 | 0.14 |
| 65 | 0.41 | 0.27 | 0.35 | 0.20 |

Note that generational projections beyond the base year (2010) are not reflected in the above mortality rates.

Miscellaneous pre-retirement deaths are assumed to be non-duty.

For Safety, 50% of pre-retirement deaths are assumed to be non-duty and the rest are assumed to be duty.

Mortality Rates for Member Contributions:

- **Miscellaneous Members:** Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 10%, projected 30 years (from 2010) with the two-dimensional mortality improvement scale MP-2019, weighted 40% male and 60% female.
- **Safety Members:** Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates decreased by 5% for males, projected 30 years (from 2010) with the two-dimensional mortality improvement scale MP-2019, weighted 75% male and 25% female.

Section 3: Actuarial Assumptions and Methods and Appendices

Assumptions for Optional Form of Benefits:

- **Miscellaneous Service Retirees:** Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 10%, projected generationally with the two-dimensional mortality improvement scale MP-2019 weighted 40% male and 60% female.
- **Safety Service Retirees:** Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates decreased by 5% for males, projected generationally with the two-dimensional mortality improvement scale MP-2019 weighted 75% male and 25% female.
- **Miscellaneous Disabled Retirees:** Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2019 weighted 40% male and 60% female.
- **Safety Disabled Retirees:** Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2019 weighted 75% male and 25% female.
- **All Miscellaneous Beneficiaries:** Pub-2010 Contingent Survivor Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2019 weighted 60% male and 40% female.
- **All Safety Beneficiaries:** Pub-2010 Contingent Survivor Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2019 weighted 25% male and 75% female.
- Note that for optional form of benefits, a 6.75% per annum interest rate with a 0.00% COLA is used.

Section 3: Actuarial Assumptions and Methods and Appendices

Disability Incidence:

| Age | Rate (%) | |
|-----|---------------|--------|
| | Miscellaneous | Safety |
| 20 | 0.000 | 0.050 |
| 25 | 0.006 | 0.050 |
| 30 | 0.016 | 0.080 |
| 35 | 0.044 | 0.220 |
| 40 | 0.084 | 0.360 |
| 45 | 0.160 | 0.460 |
| 50 | 0.230 | 0.680 |
| 55 | 0.310 | 0.920 |
| 60 | 0.410 | 1.120 |
| 65 | 0.630 | 0.000 |

40% of Miscellaneous disabilities are assumed to be duty disabilities. The other 60% are assumed to be non-duty disabilities.

90% of Safety disabilities are assumed to be duty disabilities. The other 10% are assumed to be non-duty disabilities.

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Termination:

Less Than Five Years of Service

| Years of Service | Rate (%) | |
|------------------|---------------|--------|
| | Miscellaneous | Safety |
| Less than 1 | 13.00 | 5.00 |
| 1 – 2 | 8.00 | 4.50 |
| 2 – 3 | 6.50 | 4.00 |
| 3 – 4 | 5.50 | 2.50 |
| 4 – 5 | 5.25 | 2.50 |

55% of the Miscellaneous terminated members and 50% of the Safety terminated members with less than five years of service are assumed to choose a refund of contributions. The other 45% and 50% of Miscellaneous and Safety terminated members, respectively, are assumed to choose a deferred vested benefit.

Five or More Years of Service

| Age | Rate (%) | |
|-----|---------------|--------|
| | Miscellaneous | Safety |
| 20 | 5.25 | 2.00 |
| 25 | 5.25 | 2.00 |
| 30 | 5.10 | 2.00 |
| 35 | 4.40 | 1.55 |
| 40 | 3.40 | 1.10 |
| 45 | 2.70 | 1.00 |
| 50 | 2.44 | 1.00 |
| 55 | 2.34 | 1.00 |
| 60 | 2.24 | 1.00 |
| 65 | 1.48 | 0.00 |

30% of the Miscellaneous terminated members and 15% of the Safety terminated members with 5 or more years of service are assumed to choose a refund of contributions. The other 70% and 85% of Miscellaneous and Safety terminated members are assumed to choose a deferred vested benefit.

No termination is assumed after a member is assumed to retire.

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Retirement Rates:

| Age | Rate (%) | | | | |
|-----------|----------------------|-------------------------------|-----------------------------|----------------------|----------------------|
| | Miscellaneous Tier 1 | Miscellaneous Tiers 2 & 3 | | Miscellaneous Tier 4 | Miscellaneous Tier 5 |
| | | Less Than 30 Years of Service | 30 or More Years of Service | | |
| 50 | 6.00 | 2.50 | 2.50 | 2.50 | 0.00 |
| 51 | 4.50 | 1.75 | 1.75 | 1.75 | 0.00 |
| 52 | 4.50 | 2.00 | 2.00 | 2.00 | 4.00 |
| 53 | 4.50 | 2.50 | 2.50 | 1.75 | 1.25 |
| 54 | 5.50 | 3.00 | 3.00 | 2.25 | 1.75 |
| 55 | 12.00 | 4.00 | 8.00 | 3.00 | 2.50 |
| 56 | 18.00 | 5.00 | 10.00 | 4.50 | 4.00 |
| 57 | 18.00 | 8.00 | 16.00 | 6.50 | 6.00 |
| 58 | 18.00 | 9.00 | 18.00 | 7.00 | 6.50 |
| 59 | 20.00 | 9.00 | 18.00 | 7.00 | 6.50 |
| 60 | 28.00 | 9.00 | 18.00 | 7.50 | 7.00 |
| 61 | 35.00 | 15.00 | 30.00 | 12.00 | 11.00 |
| 62 | 35.00 | 18.00 | 18.00 | 13.00 | 12.00 |
| 63 | 35.00 | 18.00 | 18.00 | 12.00 | 11.00 |
| 64 | 35.00 | 20.00 | 20.00 | 13.00 | 13.00 |
| 65 | 35.00 | 35.00 | 35.00 | 25.00 | 24.00 |
| 66 | 40.00 | 35.00 | 35.00 | 18.00 | 18.00 |
| 67 | 40.00 | 35.00 | 35.00 | 18.00 | 18.00 |
| 68 | 50.00 | 35.00 | 35.00 | 21.00 | 21.00 |
| 69 | 60.00 | 35.00 | 35.00 | 23.00 | 23.00 |
| 70 & Over | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |

These retirement rates only apply to members who are eligible to retire at the age shown.

Section 3: Actuarial Assumptions and Methods and Appendices

Retirement Rates (continued):

| Age | Rate (%) | | | |
|-----------|----------------------------------|--------------------------------|---------------|---------------|
| | Safety Tiers 1 & 2 | | Safety Tier 3 | Safety Tier 4 |
| | Less Than 25 Years of Service | 25 or More Years of Service | | |
| 45 | 2.50 | 2.50 | 1.50 | 0.00 |
| 46 | 2.50 | 2.50 | 1.50 | 0.00 |
| 47 | 2.50 | 2.50 | 1.50 | 0.00 |
| 48 | 2.50 | 2.50 | 1.50 | 0.00 |
| 49 | 10.00 | 10.00 | 4.00 | 0.00 |
| 50 | 18.00 | 36.00 | 10.00 | 15.00 |
| 51 | 15.00 | 30.00 | 12.00 | 10.50 |
| 52 | 18.00 | 36.00 | 14.00 | 12.00 |
| 53 | 16.00 | 32.00 | 16.00 | 14.00 |
| 54 | 18.00 | 27.00 | 18.00 | 15.50 |
| 55 | 18.00 | 27.00 | 50.00 | 40.00 |
| 56 | 20.00 | 30.00 | 25.00 | 25.00 |
| 57 | 20.00 | 30.00 | 25.00 | 25.00 |
| 58 | 20.00 | 30.00 | 25.00 | 25.00 |
| 59 | 30.00 | 30.00 | 30.00 | 25.00 |
| 60 | 45.00 | 45.00 | 45.00 | 45.00 |
| 61 | 55.00 | 55.00 | 55.00 | 55.00 |
| 62 | 70.00 | 70.00 | 70.00 | 70.00 |
| 63 | 70.00 | 70.00 | 70.00 | 70.00 |
| 64 | 70.00 | 70.00 | 70.00 | 70.00 |
| 65 & Over | 100.00 | 100.00 | 100.00 | 100.00 |

These retirement rates only apply to members who are eligible to retire at the age shown.

Retirement Age and Benefit for Deferred Vested Members:

Miscellaneous Retirement Age: 59

Safety Retirement Age: 52

Current and future deferred vested non-reciprocal members who terminate with less than five years of service and are not vested are assumed to retire at age 70 for both Miscellaneous and Safety if they decide to leave their contributions on deposit.

30% of future Miscellaneous and 40% of future Safety deferred vested members are assumed to continue to work for a reciprocal employer. For reciprocals, 4.25% and 5.50% compensation increases are assumed per annum for Miscellaneous and Safety, respectively.

Future Benefit Accruals:

1.0 year of service per year for the full-time employees. Continuation of current partial service accrual for part-time employees.

Section 3: Actuarial Assumptions and Methods and Appendices

| Unknown Data for Members: | Same as those exhibited by members with similar known characteristics. If not specified, members are assumed to be male. | | | | | | | | | | |
|---|---|-----------------------|--|--------------------|-----------------------|----------------------|-------|-------|---------------|-------|-------|
| Definition of Active Members: | All active members of SCERS as of the valuation date. | | | | | | | | | | |
| Form of Payment: | All active and inactive members are assumed to elect the unmodified option at retirement. | | | | | | | | | | |
| Percent Married: | For all active and inactive members, 80% of male members and 55% of female members are assumed to be married at pre-retirement death or retirement. | | | | | | | | | | |
| Age and Gender of Spouse: | For all active and inactive members, male members are assumed to have a female spouse who is 3 years younger than the member and female members are assumed to have a male spouse who is 2 years older than the member. | | | | | | | | | | |
| Service from Unused Sick Leave Conversion: | <p>The following assumptions for service converted from unused sick leave as a percentage of service at retirement are used:</p> <table border="1" data-bbox="766 630 1900 771"> <thead> <tr> <th></th> <th>Service Retirement</th> <th>Disability Retirement</th> </tr> </thead> <tbody> <tr> <td>Miscellaneous</td> <td>1.50%</td> <td>0.25%</td> </tr> <tr> <td>Safety</td> <td>2.25%</td> <td>0.25%</td> </tr> </tbody> </table> <p>Pursuant to Section 31641.01, the cost of this benefit will be charged only to employers and will not affect member contribution rates.</p> | | | Service Retirement | Disability Retirement | Miscellaneous | 1.50% | 0.25% | Safety | 2.25% | 0.25% |
| | Service Retirement | Disability Retirement | | | | | | | | | |
| Miscellaneous | 1.50% | 0.25% | | | | | | | | | |
| Safety | 2.25% | 0.25% | | | | | | | | | |
| <u>Actuarial Methods</u> | | | | | | | | | | | |
| Actuarial Cost Method: | Entry Age Actuarial Cost Method. Entry Age is calculated as age on the valuation date minus years of service. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are based on costs allocated as a level percentage of compensation. | | | | | | | | | | |
| Expected Remaining Service Lives: | <p>The average of the expected service lives of all employees is determined by:</p> <ul style="list-style-type: none"> Calculating each active employee's expected remaining service life as the present value of \$1 per year of future service at zero percent interest Setting the remaining service life to zero for each nonactive or retired member. <p>Dividing the sum of the above amounts by the total number of active employee, nonactive and retired members.</p> | | | | | | | | | | |
| Changed Actuarial Assumptions and Methods: | There have been no changes in actuarial assumptions or methods since the last valuation. | | | | | | | | | | |

Section 3: Actuarial Assumptions and Methods and Appendices

Appendix A: Projection of Plan Fiduciary Net Position for use in the Calculation of Discount Rate as of June 30, 2022 (\$ in millions)

| Year Beginning July 1, | Projected Beginning Plan Fiduciary Net Position (a) | Projected Total Contributions (b) | Projected Benefit Payments (c) | Projected Administrative Expenses (d) | Projected Investment Earnings (e) | Projected Ending Plan Fiduciary Net Position (f) = (a) + (b) - (c) - (d) + (e) |
|------------------------|---|-----------------------------------|--------------------------------|---------------------------------------|-----------------------------------|--|
| 2022 | \$11,830 | \$465 | \$697 | \$8 | \$788 | \$12,378 |
| 2023 | 12,378 | 456 | 719 | 9 | 824 | 12,930 |
| 2024 | 12,930 | 451 | 754 | 9 | 860 | 13,477 |
| 2025 | 13,477 | 449 | 789 | 10 | 895 | 14,022 |
| 2026 | 14,022 | 446 | 826 | 10 | 930 | 14,563 |
| 2027 | 14,563 | 439 | 863 | 10 | 965 | 15,093 |
| 2028 | 15,093 | 452 | 901 | 11 | 1,000 | 15,634 |
| 2029 | 15,634 | 451 | 940 | 11 | 1,035 | 16,170 |
| 2030 | 16,170 | 450 | 979 | 12 | 1,070 | 16,699 |
| 2031 | 16,699 | 448 | 1,018 | 12 | 1,104 | 17,222 |
| 2047 | 19,995 | 107 | 1,443 | 14 | 1,299 | 19,943 |
| 2048 | 19,943 | 74 * | 1,454 | 14 | 1,294 | 19,843 |
| 2049 | 19,843 | 69 * | 1,463 | 14 | 1,287 | 19,722 |
| 2050 | 19,722 | 64 * | 1,470 | 14 | 1,278 | 19,580 |
| 2051 | 19,580 | 59 * | 1,474 | 14 | 1,268 | 19,420 |
| 2106 | 89,543 | 65 * | 6 | 64 | 6,044 | 95,582 |
| 2107 | 95,582 | 69 * | 4 | 68 | 6,452 | 102,031 |
| 2108 | 102,031 | 73 * | 3 | 73 | 6,887 | 108,916 |
| 2109 | 108,916 | 78 * | 2 | 78 | 7,352 | 116,266 |
| 2110 | 116,266 | 83 * | 1 | 83 | 7,848 | 124,113 |
| 2136 | 635,341 | 454 * | 0 ** | 454 | 42,886 | 678,227 |
| 2137 | 678,227 | | | | | |
| 2137 | Discounted Value: 371 *** | | | | | |

* Mainly attributable to employer contributions to fund each year's annual administrative expenses.

** Less than \$1 million when rounded.

*** \$678,227 million when discounted with interest at the rate of 6.75% per annum has a value of \$371 million (or 3.13% of the Plan Fiduciary Net Position) as of June 30, 2022.

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Notes:

1. Amounts may not total exactly due to rounding.
2. Various years have been omitted from this table.
3. Column (a): Except for the "discounted value" shown for 2137, none of the projected beginning Plan Fiduciary Net Position amounts shown have been adjusted for the time value of money.
4. Column (b): Projected total contributions include employee and employer Normal Cost contributions based on closed group projections (based on covered active members as of June 30, 2022), plus employer contributions to the Unfunded Actuarial Accrued Liability, based on the Plan's funding policy. Contributions are assumed to occur halfway through the year, on average.
5. Column (c): Projected benefit payments have been determined in accordance with paragraph 39 of GASB Statement No. 67, and are based on the closed group of active, inactive vested, retired members, and beneficiaries as of June 30, 2022. The projected benefit payments reflect the cost of living increase assumptions used in the June 30, 2022 valuation report.
6. Column (d): Projected administrative expenses are calculated as approximately 0.07% of the projected beginning Plan Fiduciary Net Position amount. The 0.07% proportion was based on the actual fiscal year 2021-2022 administrative expenses as a percentage of the beginning Plan Fiduciary Net Position amount as of July 1, 2021. Administrative expenses are assumed to occur halfway through the year, on average.
7. Column (e): Projected investment earnings are based on the assumed investment rate of return of 6.75% per annum.
8. As illustrated in this Appendix, the Plan Fiduciary Net Position was projected to be available to make all projected future benefit payments for current Plan members. In other words, there is no projected "cross-over date" when projected benefits are not covered by projected assets. Therefore, the long-term expected rate of return on Plan investments of 6.75% per annum was applied to all periods of projected benefit payments to determine the Total Pension Liability as of June 30, 2022 shown earlier in this report, pursuant to paragraph 44 of GASB Statement No. 67.
9. This projection is based on a model developed by our Actuarial Technology and Systems unit, comprised of both actuaries and programmers. The model allows the client team, under the supervision of the responsible actuary, control over the entry of future expected contribution income, benefit payments and administrative expenses. The projection of fiduciary net position and the discounting of benefits is part of the model.

Section 3: Actuarial Assumptions and Methods and Appendices

Appendix B: Definition of Terms

Definitions of certain terms as they are used in Statement 68. The terms may have different meanings in other contexts.

| | |
|--|--|
| Active Employees | Individuals employed at the end of the reporting or measurement period, as applicable. |
| Actual Contributions | Cash contributions recognized as additions to a Pension Plan Fiduciary Net Position. |
| Actuarial Present Value of Projected Benefit Payments: | Projected benefit payments discounted to reflect the expected effects of the time value (present value) of money and the probabilities of payment. |
| Actuarial Valuation: | The determination, as of a point in time (the actuarial valuation date), of the service cost, Total Pension Liability, and related actuarial present value of projected benefit payments for pensions performed in conformity with Actuarial Standards of Practice unless otherwise specified by the GASB. |
| Actuarial Valuation Date: | The date as of which an actuarial valuation is performed. |
| Actuarially Determined Contribution: | A target or recommended contribution to a defined benefit pension plan for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted. |
| Ad Hoc Cost-of-Living Adjustments (Ad Hoc COLAs): | Cost-of-living adjustments that require a decision to grant by the authority responsible for making such decisions. |
| Ad Hoc Postemployment Benefit Changes: | Postemployment benefit changes that require a decision to grant by the authority responsible for making such decisions. |
| Automatic Cost-of-Living Adjustments (Automatic COLAs): | Cost-of-living adjustments that occur without a requirement for a decision to grant by a responsible authority, including those for which the amounts are determined by reference to a specified experience factor (such as the earnings experience of the pension plan) or to another variable (such as an increase in the consumer price index). |
| Automatic Postemployment Benefit Changes: | Postemployment benefit changes that occur without a requirement for a decision to grant by a responsible authority, including those for which the amounts are determined by reference to a specified experience factor (such as the earnings experience of the pension plan) or to another variable (such as an increase in the consumer price index). |
| Closed Period | A specific number of years that is counted from one date and declines to zero with the passage of time. For example, if the recognition period initially is five years on a closed basis, four years remain after the first year, three years after the second year, and so forth. |
| Collective Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions | Deferred outflows of resources and deferred inflows of resources related to pensions arising from certain changes in the collective Net Pension Liability. |

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| | |
|---|---|
| Collective Net Pension Liability | The Net Pension Liability for benefits provided through (1) a cost-sharing pension plan or (2) a single-employer or agent pension plan in circumstances in which there is a special funding situation. |
| Collective Pension Expense | Pension expense arising from certain changes in the collective Net Pension Liability. |
| Contributions | Additions to a Pension Plan Fiduciary Net Position for amounts from employers, non-employer contributing entities (for example, state government contributions to a local government pension plan), or employees. Contributions can result from cash receipts by the pension plan or from recognition by the pension plan of a receivable from one of these sources. |
| Cost-of-Living Adjustments: | Postemployment benefit changes intended to adjust benefit payments for the effects of inflation. |
| Cost-Sharing Employer | An employer whose employees are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan. |
| Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Cost-Sharing Pension Plan): | A multiple-employer defined benefit pension plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan. |
| Covered Payroll: | Payroll on which contributions to the pension plan are based. |
| Defined Benefit Pension Plans: | Pension plans that are used to provide defined benefit pensions. |
| Defined Benefit Pensions: | Pensions for which the income or other benefits that the employee will receive at or after separation from employment are defined by the benefit terms. The pensions may be stated as a specified dollar amount or as an amount that is calculated based on one or more factors such as age, years of service, and compensation. (A pension that does not meet the criteria of a defined contribution pension is classified as a defined benefit pension for purposes of Statement 68.) |
| Defined Contribution Pension Plans: | Pension plans that are used to provide defined contribution pensions. |
| Defined Contribution Pensions: | Pensions having terms that (1) provide an individual account for each employee; (2) define the contributions that an employer is required to make (or the credits that it is required to provide) to an active employee's account for periods in which that employee renders service; and (3) provide that the pensions an employee will receive will depend only on the contributions (or credits) to the employee's account, actual earnings on investments of those contributions (or credits), and the effects of forfeitures of contributions (or credits) made for other employees, as well as pension plan administrative costs, that are allocated to the employee's account. |

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| | |
|--|--|
| Discount Rate: | <p>The single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the total of the following:</p> <ol style="list-style-type: none"> 1. The actuarial present value of benefit payments projected to be made in future periods in which (a) the amount of the pension Plan Fiduciary Net Position is projected (under the requirements of Statement 68) to be greater than the benefit payments that are projected to be made in that period and (b) pension plan assets up to that point are expected to be invested using a strategy to achieve the long-term expected rate of return, calculated using the long-term expected rate of return on pension plan investments. 2. The actuarial present value of projected benefit payments not included in (1), calculated using the municipal bond rate. |
| Entry Age Actuarial Cost Method: | <p>A method under which the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age(s). The portion of this actuarial present value allocated to a valuation year is called the normal cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is called the actuarial accrued liability.</p> |
| Inactive Employees: | <p>Terminated individuals that have accumulated benefits but are not yet receiving them, and retirees or their beneficiaries currently receiving benefits.</p> |
| Measurement Period | <p>The period between the prior and the current measurement dates.</p> |
| Multiple-Employer Defined Benefit Pension Plan: | <p>A defined benefit pension plan that is used to provide pensions to the employees of more than one employer.</p> |
| Net Pension Liability (NPL): | <p>The liability of employers and non-employer contributing entities to employees for benefits provided through a defined benefit pension plan.</p> |
| Other Postemployment Benefits: | <p>All postemployment benefits other than retirement income (such as death benefits, life insurance, disability, and long-term care) that are provided separately from a pension plan, as well as postemployment healthcare benefits, regardless of the manner in which they are provided. Other postemployment benefits do not include termination benefits.</p> |
| Pension Plans: | <p>Arrangements through which pensions are determined, assets dedicated for pensions are accumulated and managed and benefits are paid as they come due.</p> |
| Pensions: | <p>Retirement income and, if provided through a pension plan, postemployment benefits other than retirement income (such as death benefits, life insurance, and disability benefits). Pensions do not include postemployment healthcare benefits and termination benefits.</p> |
| Plan Members: | <p>Individuals that are covered under the terms of a pension plan. Plan members generally include (1) employees in active service (active plan members) and (2) terminated employees who have accumulated benefits but are not yet receiving them and retirees or their beneficiaries currently receiving benefits (inactive plan members).</p> |

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| | |
|---|---|
| Postemployment: | The period after employment. |
| Postemployment Benefit Changes: | Adjustments to the pension of an inactive employee. |
| Postemployment Healthcare Benefits: | Medical, dental, vision, and other health-related benefits paid subsequent to the termination of employment. |
| Projected Benefit Payments: | All benefits estimated to be payable through the pension plan to current active and inactive employees as a result of their past service and their expected future service. |
| Public Employee Retirement System: | A special-purpose government that administers one or more pension plans; also may administer other types of employee benefit plans, including postemployment healthcare plans and deferred compensation plans. |
| Real Rate of Return: | The rate of return on an investment after adjustment to eliminate inflation. |
| Service Costs: | The portions of the actuarial present value of projected benefit payments that are attributed to valuation years. |
| Single Employer | An employer whose employees are provided with pensions through a single-employer defined benefit pension plan. |
| Single-Employer Defined Benefit Pension Plan (Single-Employer Pension Plan): | A defined benefit pension plan that is used to provide pensions to employees of only one employer. |
| Termination Benefits: | Inducements offered by employers to active employees to hasten the termination of services, or payments made in consequence of the early termination of services. Termination benefits include early-retirement incentives, severance benefits, and other termination-related benefits. |
| Total Pension Liability (TPL): | The portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service in conformity with the requirements of Statement 68. |

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