



FOR3S00-000JNYM

Village of Arlington Heights Regular

REVISED GASB Statement No. 68 Employer
Reporting Accounting Schedules
December 31, 2025



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June 5, 2026

Village of Arlington Heights
Illinois Municipal Retirement Fund

Ladies and Gentlemen:

The accounting schedules submitted in this REVISED report are required under the Governmental Accounting Standards Board (GASB) Statement No. 68 "Accounting and Financial Reporting for Pensions."

Our calculations for this report were prepared for the purpose of complying with the requirements of GASB Statement No. 68. These calculations have been made on a basis that is consistent with our understanding of these accounting standards. These results are subject to review by the fund's auditor and may be revised.

Our calculation of the liability associated with the benefits described in this report was performed for the purpose of satisfying the requirements of GASB Statement No. 68. The Net Pension Liability is not an appropriate measure for measuring the sufficiency of plan assets to cover the estimated cost of settling the employer's benefit obligation. The Net Pension Liability is not an appropriate measure for assessing the need for or amount of future employer contributions. A calculation of the plan's liability for purposes other than satisfying the requirements of GASB Statement No. 68 may produce significantly different results. This report may be provided to parties other than Village of Arlington Heights only in its entirety and only with the permission of Village of Arlington Heights. GRS is not responsible for unauthorized use of this report.

This report is based upon information, furnished to us by the Illinois Municipal Retirement Fund (IMRF), concerning retirement and ancillary benefits, active members, deferred vested members, retirees and beneficiaries, and financial data. If your understanding of this information is different than ours, please let us know and do not use or distribute this report until those differences have been resolved to your satisfaction. This information was checked for internal consistency, but it was not audited.

This report complements the actuarial valuation report that was provided to the IMRF and should be considered in conjunction with that report. Please see the actuarial valuation report as of December 31, 2025 for additional discussions of the nature of actuarial calculations and more information related to participant data, economic and demographic assumptions, and benefit provisions.



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Village of Arlington Heights
Illinois Municipal Retirement Fund
June 5, 2026
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To the best of our knowledge, the information contained in this report is accurate, and fairly represents the GASB Statement No. 68 information related to Village of Arlington Heights. All calculations have been made in conformity with generally accepted actuarial principles and practices as well as with the Actuarial Standards of Practice issued by the Actuarial Standards Board. If you have reason to believe that the information provided in this report is inaccurate, or is in any way incomplete, or if you need further information in order to make an informed decision on the subject matter of this report, please contact the IMRF.

This report was prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

Mark Buis, Francois Pieterse and Bonita J. Wurst are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the Academy of Actuaries to render the actuarial opinions contained herein.

The signing actuaries are independent of the plan sponsor.

Respectfully submitted,
Gabriel, Roeder, Smith & Company

Mark Buis, FSA, EA, FCA, MAAA

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SECTION A

EXECUTIVE SUMMARY

Executive Summary as of December 31, 2025



Actuarial Valuation Date	December 31, 2025
Measurement Date of the Net Pension Liability	December 31, 2025
Fiscal Year End	April 30, 2026

Membership

Number of	
- Retirees and Beneficiaries	551
- Inactive, Non-Retired Members	295
- Active Members	379
- Total	1,225
Covered Valuation Payroll ¹	\$ 31,350,930

Net Pension Liability

Total Pension Liability/(Asset)	\$ 233,927,503
Plan Fiduciary Net Position	241,432,385
Net Pension Liability/(Asset)	\$ (7,504,882)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	103.21%
Net Pension Liability as a Percentage of Covered Valuation Payroll	(23.94)%

Development of the Single Discount Rate as of December 31, 2025

Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate ²	4.83%
Last year ending December 31 in the 2026 to 2125 projection period for which projected benefit payments are fully funded	2125
Resulting Single Discount Rate based on the above development	7.25%

Single Discount Rate calculated using December 31, 2024 Measurement Date 7.25%

Total Pension Expense/(Income) \$ 5,015,178

Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,842,705	\$ 1,668,117
Changes in assumptions	0	13,025
Net difference between projected and actual earnings on pension plan investments	9,070,464	21,708,349
Total	\$ 10,913,169	\$ 23,389,491

¹ Does not necessarily represent Covered-Employee Payroll as defined in GASB Statement No. 68.

² Source: The source is the "20-Bond GO Index", The Bond Buyer Index, general obligation, 20 years to maturity, mixed quality. In describing this index, The Bond Buyer notes that the bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The rate shown is as of December 31, 2025, the most recent date available on or before the measurement date.

Accounting Standard

For state and local government employers (as well as certain non-employers) that contribute to a Defined Benefit (DB) pension plan administered through a trust or equivalent arrangement, Governmental Accounting Standards Board (GASB) Statement No. 68 establishes standards for pension accounting and financial reporting. Under GASB Statement No. 68, the employer must account for and disclose the net pension liability, pension expense, and other information associated with providing retirement benefits to their employees (and former employees) on their basic financial statements.

The following discussion provides a summary of the information that is required to be disclosed under these accounting standards. A number of these disclosure items are provided in this report. However, certain information is not included in this report if it is not actuarial in nature, such as the notes to the financial statements regarding accounting policies and investments. As a result, the retirement fund and/or plan sponsor is responsible for preparing and disclosing the non-actuarial information needed to comply with these accounting standards.

Financial Statements

GASB Statement No. 68 requires state and local government employers that contribute to DB pension plans to recognize the net pension liability and the pension expense on their financial statements, along with the related deferred outflows of resources and deferred inflows of resources. The net pension liability is the difference between the total pension liability and the plan's fiduciary net position. In traditional actuarial terms, this is analogous to the accrued liability less the market value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement).

Paragraph 57 of GASB Statement No. 68 says, "Contributions to the pension plan from the employer subsequent to the measurement date of the collective net pension liability and before the end of the employer's reporting period should be reported as a deferred outflow of resources related to pensions." The information contained in this report does not incorporate any contributions made to the IMRF subsequent to the measurement date of December 31, 2025.

The pension expense recognized each fiscal year is equal to the change in the net pension liability from the beginning of the year to the end of the year, adjusted for deferred recognition of the certain changes in the liability and investment experience.

GASB Statement No. 68 requires the notes of the employer's financial statements to disclose the total pension expense, the pension plan's liabilities and assets, and deferred outflows of resources and inflows of resources related to pensions.

In addition, GASB Statement No. 68 requires the notes of the financial statements for the employers to include certain additional information, including (page numbers refer to page numbers from this report unless specified otherwise):

- A description of the types of benefits provided by the plan, as well as automatic or ad hoc COLAs (please see pages B-1 to B-5 of the revised December 31, 2025 Annual Actuarial Valuation report dated June 2, 2026);
- The number and classes of employees covered by the benefit terms (page 1);
- For the current year, sources of changes in the net pension liability (page 11);
- Significant assumptions and methods used to calculate the total pension liability (page 16);
- Inputs to the single discount rate (page 17);
- Certain information about mortality assumptions and the dates of experience studies (pages 14 and 16);
- The date of the valuation used to determine the total pension liability (page 1);
- Information about changes of assumptions or other inputs and benefit terms (pages 14 and 16);
- The basis for determining contributions to the plan, including a description of the plan's funding policy, as well as member and employer contribution requirements (please see page A-3, B-5 and Section D of the revised December 31, 2025 Annual Actuarial Valuation report dated June 2, 2026, as well as page 14);
- The total pension liability, fiduciary net position, net pension liability, and the pension plan's fiduciary net position as a percentage of the total pension liability (page 11);
- The net pension liability using a discount rate that is 1% higher and 1% lower than used to calculate the total pension liability and net pension liability for financial reporting purposes (page 11); and
- A description of the fund that administers the pension plan (to be provided by the IMRF).

Required Supplementary Information

The financial statements of employers also include required supplementary information showing the 10-year fiscal history of:

- Sources of changes in the net pension liability (page 12);
- Information about the components of the net pension liability and related ratios, including the pension plan's fiduciary net position as a percentage of the total pension liability, and the net pension liability as a percent of covered-employee payroll (page 12); and
- Comparison of actual employer contributions to the actuarially determined contributions based on the plan's funding policy (page 13).

These tables may be built prospectively as the information becomes available.

Timing of the Valuation

An actuarial valuation to determine the total pension liability is required to be performed at least every two years. For the employer's financial reporting purposes, the net pension liability and pension expense should be measured as of the employer's "measurement date" which may not be earlier than the fiscal year-end date, consistently applied from period to period. If the actuarial valuation used to determine the total pension liability is not calculated as of the measurement date, the total pension liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The total pension liability shown in this report is based on an actuarial valuation performed as of December 31, 2025 and a measurement date of December 31, 2025.

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects: (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits); and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%, the municipal bond rate is 4.83% (based on the weekly rate closest to but not later than the measurement date of The Bond Buyer "20-Bond GO Index" described on page 1); and the resulting Single Discount Rate is 7.25%.

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status

Given the plan's contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 7.25% on the actuarial value of assets), it is expected that:

- (1) The employer normal cost as a percentage of pay will decrease to the level of Tier 2 normal cost as time passes, as the majority of the active population will consist of Tier 2 members.
- (2) The unfunded actuarial accrued liability will increase in dollar amount for several years before it begins to decrease.
- (3) The funded status of the plan will increase gradually towards a 100% funded ratio.

This funding policy results in a crossover date in 2125 and a discount rate of 7.25%. The projections in this report are strictly for the purposes of determining the GASB discount rate and are different from a funding projection for the ongoing plan.

Limitations of Assets as a Percent of Total Pension Liability Measurements

This report includes a measure of the plan fiduciary net position as a percent of total pension liability. Unless otherwise indicated, with regard to any such measurements presented in this report:

- (1) The measurement is inappropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations.
- (2) The measurement is inappropriate for assessing the need for or amount of future employer contributions.

Limitations of Funded Status Measurements

Unless otherwise indicated, a funded ratio measurement presented in this report is based upon the actuarial accrued liability and the market value of assets. Unless otherwise indicated, with regard to any funded status measurements presented in this report:

- (1) The measurement is inappropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations; in other words, if transferring the obligations to an unrelated third party in an arm's length market value type transaction. In addition, the measurement is inappropriate for assessing benefit security for the membership.
- (2) The measurement is dependent upon the actuarial cost method which, in combination with the plan's amortization policy, affects the timing and amounts of future contributions. The amount of future contributions will most certainly differ from those assumed in this report due to future actual experience differing from assumed experience based upon actuarial assumptions. A funded ratio measurement in this report of 100% is not synonymous with no required future contributions. If the funded ratio were 100%, the plan would still require future normal cost contributions (i.e., contributions to cover the cost of the active membership accruing an additional year of service credit).



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Limitation of Project Scope

Actuarial standards do not require the actuary to evaluate the ability of the plan sponsor or other contributing entity to make required contributions to the plan when due. Such an evaluation was not within the scope of this project and is not within the actuary's domain of expertise. Consequently, the actuary performed no such evaluation.



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SECTION B

FINANCIAL STATEMENTS

Pension Expense/(Income) under GASB Statement 27 Calendar Year Ended December 31, 2025



A. Expense/(Income)

1. Service Cost	\$ 2,818,665
2. Interest on the Total Pension Liability	16,372,889
3. Current-Period Benefit Changes	0
4. Employee Contributions (made negative for addition here)	(1,442,087)
5. Projected Earnings on Plan Investments (made negative for addition here)	(15,470,001)
6. Other Changes in Plan Fiduciary Net Position	2,380,766
7. Recognition of Outflow (Inflow) of Resources due to Liabilities	1,758,563
8. Recognition of Outflow (Inflow) of Resources due to Assets	(1,403,617)
9. Total Pension Expense/(Income)	\$ 5,015,178

Recognition of Deferred Outflows and Inflows of Resources

Differences between expected and actual experience and changes in assumptions are recognized in the pension expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a retirement benefit through the pension plan (active employees and inactive employees) determined as of the beginning of the measurement period.

At the beginning of the current measurement period, the expected remaining service lives of all active employees in the plan was approximately 3,720 years. Additionally, the total plan membership (active employees and inactive employees) was 1,209. As a result, the average of the expected remaining service lives for purposes of recognizing the applicable deferred outflows and inflows of resources established in the current measurement period is 3.0769 years.

Additionally, differences between projected and actual earnings on pension plan investments should be recognized in the pension expense using a systematic and rational method over a closed five-year period. For this purpose, the deferred outflows and inflows of resources are recognized in the pension expense as a level dollar amount over the closed period identified above.

Statement of Outflows and Inflows Arisin

Current Reporting Period

Calendar Year Ended December 31, 2025



A. Outflows (Inflows) of Resources Due to Liabilities

1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	\$ (2,471,294)
2. Assumption Changes (gains) or losses	\$ 0
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years}	3.0769
4. Outflow (Inflow) of Resources to be recognized in the current pension expense for the difference between expected and actual experience of the Total Pension Liability	\$ (803,177)
5. Outflow (Inflow) of Resources to be recognized in the current pension expense for Assumption Changes	\$ 0
6. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Liabilities	<u>\$ (803,177)</u>
7. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for the difference between expected and actual experience of the Total Pension Liability	\$ (1,668,117)
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for Assumption Changes	\$ 0
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Liabilities	<u>\$ (1,668,117)</u>

B. Outflows (Inflows) of Resources Due to Assets

1. Net difference between projected and actual earnings on pension plan investments (gains) or losses	\$ (18,952,019)
2. Recognition period for Assets {in years}	5.0000
3. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Assets	\$ (3,790,404)
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets	\$ (15,161,615)

Please note that employer contributions made after the measurement date have not been reported as deferred outflows of resources. These employer contributions must be separately accounted for by the employer.

Statement of Outflows and Inflows Arising Current and Prior Reporting Periods Calendar Year Ended December 31, 2025



A. Outflows and Inflows of Resources due to Liabilities and Assets to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Due to Liabilities	\$ 2,606,057	\$ 847,494	\$ 1,758,563
2. Due to Assets	9,070,464	10,474,081	(1,403,617)
3. Total	\$ 11,676,521	\$ 11,321,575	\$ 354,946

B. Outflows and Inflows of Resources by Source to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	\$ 2,606,057	\$ 803,177	\$ 1,802,880
2. Assumption changes	0	44,317	\$ (44,317)
3. Net difference between projected and actual earnings on pension plan investments	9,070,464	10,474,081	(1,403,617)
4. Total	\$ 11,676,521	\$ 11,321,575	\$ 354,946

C. Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
1. Differences between expected and actual experience	\$ 1,842,705	\$ 1,668,117	\$ 174,588
2. Assumption changes	0	13,025	\$ (13,025)
3. Net difference between projected and actual earnings on pension plan investments	9,070,464	21,708,349	(12,637,885)
4. Total	\$ 10,913,169	\$ 23,389,491	\$ (12,476,322)

D. Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expenses

Year Ending December 31	Net Deferred Outflows of Resources
2026	\$ 3,554,579
2027	(7,192,662)
2028	(5,047,836)
2029	(3,790,403)
2030	0
Thereafter	0
Total	\$ (12,476,322)

Recognition of Deferred Outflows and Inflows c

Reporting Date - December 31, 2025



Year Established	Initial Amount	Initial Recognition Period	Current Year Recognition	Remaining Recognition	Remaining Recognition Period
Deferred Outflow (Inflow) Due to Differences between Expected and Actual Experience on Liabilities					
2014	\$ 0	1.0000	\$ 0	\$ 0	0.0000
2015	(648,919)	3.7204	0	0	0.0000
2016	1,640,544	3.6877	0	0	0.0000
2017	(92,058)	3.7101	0	0	0.0000
2018	1,256,791	3.4816	0	0	0.0000
2019	2,419,520	3.4927	0	0	0.0000
2020	2,412,173	3.4864	0	0	0.0000
2021	(337,238)	3.3566	0	0	0.0000
2022	2,645,395	3.3618	284,701	0	0.0000
2023	2,589,513	3.2939	786,154	231,051	0.2939
2024	4,682,058	3.0498	1,535,202	1,611,654	1.0498
2025	(2,471,294)	3.0769	(803,177)	(1,668,117)	2.0769
Total			\$ 1,802,880	\$ 174,588	

Deferred Outflow (Inflow) Due to Assumption Changes

2014	\$ 0	1.0000	\$ 0	\$ 0	0.0000
2015	395,156	3.7204	0	0	0.0000
2016	(611,951)	3.6877	0	0	0.0000
2017	(5,760,640)	3.7101	0	0	0.0000
2018	5,048,651	3.4816	0	0	0.0000
2019	0	3.4927	0	0	0.0000
2020	(1,775,843)	3.4864	0	0	0.0000
2021	0	3.3566	0	0	0.0000
2022	0	3.3618	0	0	0.0000
2023	(145,976)	3.2939	(44,317)	(13,025)	0.2939
2024	0	3.0498	0	0	1.0498
2025	0	3.0769	0	0	2.0769
Total			\$ (44,317)	\$ (13,025)	

Deferred Outflow (Inflow) Due to Differences between Projected and Actual Earnings on Plan Investments

2021	\$ (20,040,717)	5.0000	\$ (4,008,145)	\$ 0	0.0000
2022	45,352,320	5.0000	9,070,464	9,070,464	1.0000
2023	(7,399,316)	5.0000	(1,479,863)	(2,959,727)	2.0000
2024	(5,978,345)	5.0000	(1,195,669)	(3,587,007)	3.0000
2025	(18,952,019)	5.0000	(3,790,404)	(15,161,615)	4.0000
Total			\$ (1,403,617)	\$ (12,637,885)	

Schedule of Changes in Net Pension Liability Related Ratios Current Period Calendar Year Ended December 31, 2025



A. Total pension liability

1. Service Cost	\$ 2,818,665
2. Interest on the Total Pension Liability	16,372,889
3. Changes of benefit terms	0
4. Difference between expected and actual experience of the Total Pension Liability	(2,471,294)
5. Changes of assumptions	0
6. Benefit payments, including refunds of employee contributions	(14,432,739)
7. Net change in Total Pension Liability	\$ 2,287,521
8. Total Pension Liability – beginning	231,639,982
9. Total Pension Liability – ending	<u><u>\$ 233,927,503</u></u>

B. Plan fiduciary net position

1. Contributions – employer	\$ 2,633,486
2. Contributions – employee	1,442,087
3. Net investment income	34,422,020
4. Benefit payments, including refunds of employee contributions	(14,432,739)
5. Other (Net Transfer)	(2,380,766)
6. Net change in Plan Fiduciary Net Position	\$ 21,684,088
7. Plan Fiduciary Net Position – beginning	219,748,297
8. Plan Fiduciary Net Position – ending	<u><u>\$ 241,432,385</u></u>

C. Net pension liability/(asset)

\$ (7,504,882)

D. Plan Fiduciary Net Position as a percentage of the Total Pension Liability

103.21%

E. Covered Valuation payroll¹

\$ 31,350,930

F. Net Pension Liability as a percentage of Covered Valuation Payroll

(23.94)%

¹ Does not necessarily represent Covered-Employee Payroll as defined in GASB Statement No. 68.

Sensitivity of Net Pension Liability/(Asset) to the Single Discount Rate Assumption

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	\$ 258,909,772	\$ 233,927,503	\$ 213,794,756
Plan Fiduciary Net Position	241,432,385	241,432,385	241,432,385
Net Pension Liability/(Asset)	\$ 17,477,387	\$ (7,504,882)	\$ (27,637,629)

Schedules of Required Supplementary Information

Multiyear Schedule of Changes in Net Pension Liability and Related Ratios

Last 10 Calendar Years

Calendar year ending December 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service Cost	\$ 2,818,665	\$ 2,635,873	\$ 2,667,511	\$ 2,607,779	\$ 2,598,026	\$ 2,768,600	\$ 2,695,223	\$ 2,526,777	\$ 2,700,511	\$ 2,639,543
Interest on the Total Pension Liability	16,372,889	15,716,822	15,211,828	14,674,957	14,331,584	13,898,960	13,316,051	12,874,610	12,858,220	12,281,628
Benefit Changes	0	0	0	0	0	0	0	0	0	0
Difference between Expected and Actual Experience	(2,471,294)	4,682,058	2,589,513	2,645,395	(337,238)	2,412,173	2,419,520	1,256,791	(92,058)	1,640,544
Assumption Changes	0	0	(145,976)	0	0	(1,775,843)	0	5,048,651	(5,760,640)	(611,951)
Benefit Payments and Refunds	(14,432,739)	(13,721,175)	(12,962,064)	(12,143,697)	(11,578,443)	(10,924,301)	(9,930,417)	(9,635,282)	(9,165,978)	(8,734,040)
Net Change in Total Pension Liability	2,287,521	9,313,578	7,360,812	7,784,434	5,013,929	6,379,589	8,500,377	12,071,547	540,055	7,215,724
Total Pension Liability - Beginning	231,639,982	222,326,404	214,965,592	207,181,158	202,167,229	195,787,640	187,287,263	175,215,716	174,675,661	167,459,937
Total Pension Liability - Ending (a)	\$ 233,927,503	\$ 231,639,982	\$ 222,326,404	\$ 214,965,592	\$ 207,181,158	\$ 202,167,229	\$ 195,787,640	\$ 187,287,263	\$ 175,215,716	\$ 174,675,661
Plan Fiduciary Net Position										
Employer Contributions	\$ 2,633,486	\$ 2,355,763	\$ 3,252,836	\$ 3,574,965	\$ 3,428,023	\$ 3,502,858	\$ 2,718,454	\$ 3,355,360	\$ 3,170,250	\$ 3,257,572
Employee Contributions	1,442,087	1,441,573	1,330,042	1,281,587	1,230,154	1,314,647	1,290,982	1,222,046	1,158,454	1,145,096
Pension Plan Net Investment Income	34,422,020	20,798,358	21,200,486	(29,082,543)	34,374,924	25,886,710	29,736,794	(9,519,120)	26,872,858	9,933,011
Benefit Payments and Refunds	(14,432,739)	(13,721,175)	(12,962,064)	(12,143,697)	(11,578,443)	(10,924,301)	(9,930,417)	(9,635,282)	(9,165,978)	(8,734,040)
Other	(2,380,766)	(1,004,236)	5,012,311	719,599	(1,866,986)	1,298,122	231,905	1,425,713	(2,743,611)	555,713
Net Change in Plan Fiduciary Net Position	21,684,088	9,870,283	17,833,611	(35,650,089)	25,587,672	21,078,036	24,047,718	(13,151,283)	19,291,973	6,157,352
Plan Fiduciary Net Position - Beginning	219,748,297	209,878,014	192,044,403	227,694,492	202,106,820	181,028,784	156,981,066	170,132,349	150,840,376	144,683,024
Plan Fiduciary Net Position - Ending (b)	\$ 241,432,385	\$ 219,748,297	\$ 209,878,014	\$ 192,044,403	\$ 227,694,492	\$ 202,106,820	\$ 181,028,784	\$ 156,981,066	\$ 170,132,349	\$ 150,840,376
Net Pension Liability/(Asset) - Ending (a) - (b)	(7,504,882)	11,891,685	12,448,390	22,921,189	(20,513,334)	60,409	14,758,856	30,306,197	5,083,367	23,835,285
Plan Fiduciary Net Position as a Percentage										
of Total Pension Liability	103.21%	94.87%	94.40%	89.34%	109.90%	99.97%	92.46%	83.82%	97.10%	86.35%
Covered Valuation Payroll¹	\$ 31,350,930	\$ 30,875,005	\$ 29,526,123	\$ 28,465,522	\$ 27,336,705	\$ 27,713,351	\$ 27,157,382	\$ 26,335,298	\$ 25,690,842	\$ 24,924,034
Net Pension Liability as a Percentage										
of Covered Valuation Payroll	(23.94)%	38.52%	42.16%	80.52%	(75.04)%	0.22%	54.35%	115.08%	19.79%	95.63%

¹ Does not necessarily represent Covered-Employee Payroll as defined in GASB Statement No. 68.

Multiyear Schedule of Contributions



Last 10 Calendar Years

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2016	\$ 3,257,571	\$ 3,257,572	\$ (1)	\$ 24,924,034	13.07%
2017	3,170,250	3,170,250	(0)	25,690,842	12.34%
2018	3,349,850	3,355,360	(5,510)	26,335,298	12.74%
2019	2,718,454	2,718,454	0	27,157,382	10.01%
2020	3,502,968	3,502,858	110	27,713,351	12.64%
2021	3,428,023	3,428,023	0	27,336,705	12.54%
2022	2,960,414	3,574,965	(614,551)	28,465,522	12.56%
2023	2,297,132	3,252,836	(955,704)	29,526,123	11.02%
2024	2,355,763	2,355,763	0	30,875,005	7.63%
2025	2,511,209 ¹	2,633,486	(122,277)	31,350,930	8.40%

¹ Estimated based on contribution rate of 8.01% and Covered Valuation Payroll of \$31,350,930.
This number should be verified by the auditor.

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2025 Contribution Rate¹

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the calendar year in which contributions are reported.

Methods and Assumptions Used to Determine 2025 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Taxing or non-taxing body	
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 18-year closed period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 13 years for most employers (five employers were financed over 14 years; one employer was financed over 15 years; two employers were financed over 16 years; one employer was financed over 19 years; three employers were financed over 22 years; four employers were financed over 23 years and one employer was financed over 24 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	2.75%
Price Inflation	2.25%
Salary Increases	2.85% to 13.75% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

Other Information:

Notes There were no benefit changes during the year.

¹ Based on Valuation Assumptions used in the December 31, 2023 actuarial valuation.

Development of Market Value of Assets



Market Value of Assets as of December 31, 2025

1. Employee Contribution Reserve (MDF Assets from IMRF)	\$	28,993,660
2. Employer Contribution Reserve (EAF assets from IMRF)		61,601,661
3. Annuitant Reserve		150,036,319
4. Miscellaneous Adjustment ¹		800,745
5. Net Market Value	\$	241,432,385

¹ Includes an adjustment factor of 0.003327679 on Items 1 through 3 to ensure that Market Value of Assets for all employers balance to the total Market Value of the IMRF. Miscellaneous adjustments are due to various items such as suspended annuity reserve, disability benefit reserve, death benefit reserve, supplemental benefit reserve, employers with no assets, etc.

Schedule of Contributions

Total Contributions

1. Employer

a.) Wage Reporting	\$	2,561,599
b.) Accelerated Payments and Reserve Payments		71,887
Total Employer Contributions (a+b)	\$	2,633,486

2. Member

a.) Wage Reporting	\$	1,408,834
b.) Member Payments (i.e., ERI, Pension Payments)		33,253
Sub-total (Amount used for valuation on Schedule of Changes Page 11)	\$	1,442,087

c.) Voluntary Additional Plan	\$	483,874
Total Member Contributions (a+b+c)	\$	1,925,961

Total Employer and Member Contributions (1+2)	\$	4,559,447
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Summary of Actuarial Methods and Assumptions Used in the Calculation of the Total Pension Liability



Methods and Assumptions Used to Determine Total Pension Liability:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return ¹	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

Other Information:

Notes	There were no benefit changes during the year.
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¹ There were no changes in the discount rate used to calculate the Total Pension Liability (TPL), since the December 31, 2024 valuation.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2025 IMRF annual actuarial valuation report.



FOR3S00-000JNYM

SECTION C

CALCULATION OF THE SINGLE DISCOUNT RATE

GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Fiduciary Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects: (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits); and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 4.83%; and the resulting SDR is 7.25%.

The tables in this section provide background for the development of the SDR.

The **Projection of Contributions** table shows the development of expected contributions in future years. Normal Cost contributions for future hires are not included (nor are their liabilities).

Expected Contributions are developed based on the following:

- Member Contributions for current members
- Normal Cost contributions for current members
- Unfunded Liability contributions for current members

The **Projection of Plan Fiduciary Net Position** table shows the development of expected asset levels in future years.

The **Present Values of Projected Benefits** table shows the development of the SDR. It breaks down the benefit payments into present values for funded and unfunded portions and shows the equivalent total at the SDR.

Single Discount Rate Development Projection of Contributions



Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost Contributions	UAL Contributions	Total Contributions
2025	\$ 31,350,930				
2026	30,214,669	\$ 1,359,660	\$ 1,487,924	\$ 375,766	\$ 3,223,350
2027	28,442,567	1,279,916	1,375,208	68,541	2,723,665
2028	26,901,143	1,210,551	1,284,634	(284,778)	2,210,407
2029	25,460,502	1,145,723	1,213,306	(691,714)	1,667,315
2030	24,033,961	1,081,528	1,140,547	(1,140,547)	1,081,528
2031	22,641,355	1,018,861	1,069,958	(1,069,958)	1,018,861
2032	21,322,763	959,524	999,166	(999,166)	959,525
2033	20,096,623	904,348	935,717	(935,717)	904,348
2034	18,896,046	850,322	874,181	(874,181)	850,322
2035	17,663,542	794,859	808,382	(808,382)	794,860
2036	16,434,307	739,544	745,590	(745,590)	739,544
2037	15,263,674	686,865	683,377	(683,377)	686,865
2038	14,180,328	638,115	626,415	(626,415)	638,115
2039	13,162,691	592,321	573,610	(573,610)	592,321
2040	12,187,071	548,418	523,824	(523,824)	548,418
2041	11,258,131	506,616	477,181	(477,181)	506,616
2042	10,389,882	467,545	433,150	(433,150)	467,544
2043	9,568,536	430,584	393,201	0	823,785
2044	8,783,126	395,241	355,687	0	750,927
2045	8,051,070	362,298	321,239	0	683,537
2046	7,329,409	329,823	288,072	0	617,896
2047	6,612,703	297,572	255,959	0	553,530
2048	5,921,734	266,478	226,270	0	492,748
2049	5,258,420	236,629	198,311	0	434,940
2050	4,660,606	209,727	173,449	0	383,176
2051	4,076,072	183,423	150,074	0	333,497
2052	3,440,405	154,818	125,644	0	280,462
2053	2,833,522	127,509	102,635	0	230,144
2054	2,293,197	103,194	82,608	0	185,802
2055	1,808,826	81,397	64,800	0	146,197
2056	1,440,794	64,836	51,329	0	116,164
2057	1,188,397	53,478	42,219	0	95,697
2058	996,535	44,844	35,205	0	80,049
2059	826,128	37,176	29,103	0	66,278
2060	644,651	29,009	22,581	0	51,591
2061	469,579	21,131	16,355	0	37,486
2062	314,754	14,164	10,932	0	25,095
2063	187,132	8,421	6,518	0	14,939
2064	111,991	5,040	3,912	0	8,951
2065	65,327	2,940	2,295	0	5,235
2066	36,545	1,645	1,287	0	2,932
2067	24,946	1,123	876	0	1,999
2068	12,434	559	436	0	995
2069	3,093	139	109	0	248
2070	721	32	24	0	57
2071	180	8	6	0	14
2072	45	2	1	0	3
2073	11	0	0	0	1
2074	3	0	0	0	0
2075	1	0	0	0	0

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



Single Discount Rate Development Projection of Contributions (Concluded)



Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost Contributions	UAL Contributions	Total Contributions
2076	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2077	0	0	0	0	0
2078	0	0	0	0	0
2079	0	0	0	0	0
2080	0	0	0	0	0
2081	0	0	0	0	0
2082	0	0	0	0	0
2083	0	0	0	0	0
2084	0	0	0	0	0
2085	0	0	0	0	0
2086	0	0	0	0	0
2087	0	0	0	0	0
2088	0	0	0	0	0
2089	0	0	0	0	0
2090	0	0	0	0	0
2091	0	0	0	0	0
2092	0	0	0	0	0
2093	0	0	0	0	0
2094	0	0	0	0	0
2095	0	0	0	0	0
2096	0	0	0	0	0
2097	0	0	0	0	0
2098	0	0	0	0	0
2099	0	0	0	0	0
2100	0	0	0	0	0
2101	0	0	0	0	0
2102	0	0	0	0	0
2103	0	0	0	0	0
2104	0	0	0	0	0
2105	0	0	0	0	0
2106	0	0	0	0	0
2107	0	0	0	0	0
2108	0	0	0	0	0
2109	0	0	0	0	0
2110	0	0	0	0	0
2111	0	0	0	0	0
2112	0	0	0	0	0
2113	0	0	0	0	0
2114	0	0	0	0	0
2115	0	0	0	0	0
2116	0	0	0	0	0
2117	0	0	0	0	0
2118	0	0	0	0	0
2119	0	0	0	0	0
2120	0	0	0	0	0
2121	0	0	0	0	0
2122	0	0	0	0	0
2123	0	0	0	0	0
2124	0	0	0	0	0
2125	0	0	0	0	0

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

Single Discount Rate Development

Projection of Plan Fiduciary Net Position



Year	Projected Beginning Plan Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Investment Earnings at 7.25%	Projected Ending Plan Fiduciary Net Position
	(a)	(b)	(c)	(d)	(e)=(a)+(b)-(c)+(d)
2026	\$ 241,432,385	\$ 3,223,350	\$ 14,900,897	\$ 17,087,943	\$ 246,842,781
2027	246,842,781	2,723,665	15,378,371	17,445,395	251,633,470
2028	251,633,470	2,210,407	15,858,891	17,757,325	255,742,312
2029	255,742,312	1,667,315	16,336,355	18,018,869	259,092,140
2030	259,092,140	1,081,528	16,769,401	18,225,445	261,629,712
2031	261,629,712	1,018,861	17,253,818	18,389,934	263,784,689
2032	263,784,689	959,524	17,736,246	18,526,874	265,534,842
2033	265,534,842	904,348	18,171,088	18,636,308	266,904,410
2034	266,904,410	850,322	18,635,549	18,717,135	267,836,318
2035	267,836,318	794,859	19,125,664	18,765,268	268,270,781
2036	268,270,781	739,544	19,580,693	18,778,590	268,208,222
2037	268,208,222	686,865	19,990,265	18,757,591	267,662,413
2038	267,662,413	638,115	20,275,781	18,706,115	266,730,862
2039	266,730,862	592,321	20,558,693	18,626,870	265,391,360
2040	265,391,360	548,418	20,799,600	18,519,612	263,659,790
2041	263,659,790	506,616	20,981,885	18,386,093	261,570,614
2042	261,570,614	467,545	21,113,748	18,228,539	259,152,950
2043	259,152,950	823,785	21,175,881	18,063,734	256,864,587
2044	256,864,587	750,927	21,175,094	17,895,260	254,335,681
2045	254,335,681	683,537	21,154,717	17,710,240	251,574,741
2046	251,574,741	617,896	21,132,588	17,508,522	248,568,571
2047	248,568,571	553,530	21,054,777	17,291,054	245,358,378
2048	245,358,378	492,748	20,921,123	17,060,910	241,990,914
2049	241,990,914	434,940	20,819,189	16,818,341	238,425,005
2050	238,425,005	383,176	20,713,094	16,561,747	234,656,835
2051	234,656,835	333,497	20,628,097	16,289,813	230,652,048
2052	230,652,048	280,462	20,632,910	15,997,406	226,297,006
2053	226,297,006	230,144	20,519,340	15,683,918	221,691,727
2054	221,691,727	185,802	20,360,371	15,354,118	216,871,275
2055	216,871,275	146,197	20,196,173	15,009,072	211,830,371
2056	211,830,371	116,164	19,863,523	14,654,385	206,737,397
2057	206,737,397	95,697	19,413,574	14,300,440	201,719,960
2058	201,719,960	80,049	18,920,133	13,953,693	196,833,570
2059	196,833,570	66,278	18,424,682	13,616,585	192,091,752
2060	192,091,752	51,591	17,978,919	13,288,157	187,452,580
2061	187,452,580	37,486	17,530,341	12,967,291	182,927,016
2062	182,927,016	25,095	17,088,902	12,654,468	178,517,678
2063	178,517,678	14,939	16,616,778	12,351,245	174,267,083
2064	174,267,083	8,951	16,030,109	12,063,758	170,309,683
2065	170,309,683	5,235	15,410,455	11,798,783	166,703,245
2066	166,703,245	2,932	14,758,584	11,560,452	163,508,045
2067	163,508,045	1,999	14,076,558	11,353,057	160,786,543
2068	160,786,543	995	13,420,282	11,179,086	158,546,342
2069	158,546,342	248	12,756,216	11,040,296	156,830,670
2070	156,830,670	57	12,080,180	10,939,981	155,690,527
2071	155,690,527	14	11,410,573	10,881,168	155,161,136
2072	155,161,136	3	10,749,349	10,866,336	155,278,126
2073	155,278,126	1	10,099,058	10,897,979	156,077,047
2074	156,077,047	0	9,461,616	10,978,603	157,594,034
2075	157,594,034	0	8,838,729	11,110,769	159,866,074

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



Single Discount Rate Development

Projection of Plan Fiduciary Net Position (Concluded)



Year	Projected Beginning Plan Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Investment Earnings at 7.25%	Projected Ending Plan Fiduciary Net Position
	(a)	(b)	(c)	(d)	(e)=(a)+(b)-(c)+(d)
2076	\$ 159,866,074	\$ 0	\$ 8,232,493	\$ 11,297,084	\$ 162,930,665
2077	162,930,665	0	7,644,745	11,540,200	166,826,120
2078	166,826,120	0	7,077,025	11,842,840	171,591,935
2079	171,591,935	0	6,530,621	12,207,822	177,269,136
2080	177,269,136	0	6,006,536	12,638,085	183,900,685
2081	183,900,685	0	5,505,573	13,136,714	191,531,826
2082	191,531,826	0	5,028,296	13,706,971	200,210,500
2083	200,210,500	0	4,575,006	14,352,319	209,987,813
2084	209,987,813	0	4,145,875	15,076,458	220,918,396
2085	220,918,396	0	3,740,927	15,883,348	233,060,817
2086	233,060,817	0	3,360,062	16,777,238	246,477,993
2087	246,477,993	0	3,003,134	17,762,696	261,237,555
2088	261,237,555	0	2,669,907	18,844,632	277,412,281
2089	277,412,281	0	2,360,139	20,028,332	295,080,474
2090	295,080,474	0	2,073,576	21,319,482	314,326,381
2091	314,326,381	0	1,809,833	22,724,204	335,240,752
2092	335,240,752	0	1,568,468	24,249,092	357,921,376
2093	357,921,376	0	1,348,957	25,901,256	382,473,675
2094	382,473,675	0	1,150,660	27,688,360	409,011,376
2095	409,011,376	0	972,895	29,618,674	437,657,155
2096	437,657,155	0	814,860	31,701,122	468,543,417
2097	468,543,417	0	675,636	33,945,334	501,813,115
2098	501,813,115	0	554,207	36,361,712	537,620,621
2099	537,620,621	0	449,398	38,961,489	576,132,712
2100	576,132,712	0	359,971	41,756,801	617,529,542
2101	617,529,542	0	284,619	44,760,755	662,005,677
2102	662,005,677	0	221,947	47,987,507	709,771,237
2103	709,771,237	0	170,550	51,452,340	761,053,027
2104	761,053,027	0	129,030	55,171,749	816,095,747
2105	816,095,747	0	96,016	59,163,522	875,163,253
2106	875,163,253	0	70,216	63,446,835	938,539,871
2107	938,539,871	0	50,421	68,042,345	1,006,531,795
2108	1,006,531,795	0	35,521	72,972,290	1,079,468,564
2109	1,079,468,564	0	24,530	78,260,597	1,157,704,631
2110	1,157,704,631	0	16,591	83,932,995	1,241,621,035
2111	1,241,621,035	0	10,982	90,017,134	1,331,627,187
2112	1,331,627,187	0	7,108	96,542,718	1,428,162,797
2113	1,428,162,797	0	4,495	103,541,643	1,531,699,945
2114	1,531,699,945	0	2,774	111,048,147	1,642,745,318
2115	1,642,745,318	0	1,670	119,098,976	1,761,842,624
2116	1,761,842,624	0	979	127,733,555	1,889,575,200
2117	1,889,575,200	0	560	136,994,182	2,026,568,823
2118	2,026,568,823	0	311	146,926,229	2,173,494,740
2119	2,173,494,740	0	169	157,578,363	2,331,072,934
2120	2,331,072,934	0	89	169,002,785	2,500,075,630
2121	2,500,075,630	0	45	181,255,482	2,681,331,066
2122	2,681,331,066	0	22	194,396,501	2,875,727,545
2123	2,875,727,545	0	11	208,490,247	3,084,217,781
2124	3,084,217,781	0	5	223,605,789	3,307,823,565
2125	3,307,823,565	0	2	239,817,208	3,547,640,771

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



Single Discount Rate Development

Present Values of Projected Benefits



Year	Projected Beginning Plan Fiduciary Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^((a)-.5)	(g)=(e)*vf^((a)-.5)	(h)=(c)/(1+sdr)^((a)-.5)
2026	\$ 241,432,385	\$ 14,900,897	\$ 14,900,897	\$ 0	\$ 14,388,442	\$ 0	\$ 14,388,442
2027	246,842,781	15,378,371	15,378,371	0	13,845,683	0	13,845,683
2028	251,633,470	15,858,891	15,858,891	0	13,313,111	0	13,313,111
2029	255,742,312	16,336,355	16,336,355	0	12,786,881	0	12,786,881
2030	259,092,140	16,769,401	16,769,401	0	12,238,542	0	12,238,542
2031	261,629,712	17,253,818	17,253,818	0	11,740,864	0	11,740,864
2032	263,784,689	17,736,246	17,736,246	0	11,253,283	0	11,253,283
2033	265,534,842	18,171,088	18,171,088	0	10,749,819	0	10,749,819
2034	266,904,410	18,635,549	18,635,549	0	10,279,338	0	10,279,338
2035	267,836,318	19,125,664	19,125,664	0	9,836,535	0	9,836,535
2036	268,270,781	19,580,693	19,580,693	0	9,389,801	0	9,389,801
2037	268,208,222	19,990,265	19,990,265	0	8,938,190	0	8,938,190
2038	267,662,413	20,275,781	20,275,781	0	8,453,009	0	8,453,009
2039	266,730,862	20,558,693	20,558,693	0	7,991,567	0	7,991,567
2040	265,391,360	20,799,600	20,799,600	0	7,538,659	0	7,538,659
2041	263,659,790	20,981,885	20,981,885	0	7,090,655	0	7,090,655
2042	261,570,614	21,113,748	21,113,748	0	6,652,883	0	6,652,883
2043	259,152,950	21,175,881	21,175,881	0	6,221,408	0	6,221,408
2044	256,864,587	21,175,094	21,175,094	0	5,800,632	0	5,800,632
2045	254,335,681	21,154,717	21,154,717	0	5,403,310	0	5,403,310
2046	251,574,741	21,132,588	21,132,588	0	5,032,781	0	5,032,781
2047	248,568,571	21,054,777	21,054,777	0	4,675,291	0	4,675,291
2048	245,358,378	20,921,123	20,921,123	0	4,331,574	0	4,331,574
2049	241,990,914	20,819,189	20,819,189	0	4,019,085	0	4,019,085
2050	238,425,005	20,713,094	20,713,094	0	3,728,302	0	3,728,302
2051	234,656,835	20,628,097	20,628,097	0	3,462,007	0	3,462,007
2052	230,652,048	20,632,910	20,632,910	0	3,228,732	0	3,228,732
2053	226,297,006	20,519,340	20,519,340	0	2,993,902	0	2,993,902
2054	221,691,727	20,360,371	20,360,371	0	2,769,891	0	2,769,891
2055	216,871,275	20,196,173	20,196,173	0	2,561,821	0	2,561,821
2056	211,830,371	19,863,523	19,863,523	0	2,349,301	0	2,349,301
2057	206,737,397	19,413,574	19,413,574	0	2,140,871	0	2,140,871
2058	201,719,960	18,920,133	18,920,133	0	1,945,413	0	1,945,413
2059	196,833,570	18,424,682	18,424,682	0	1,766,406	0	1,766,406
2060	192,091,752	17,978,919	17,978,919	0	1,607,151	0	1,607,151
2061	187,452,580	17,530,341	17,530,341	0	1,461,121	0	1,461,121
2062	182,927,016	17,088,902	17,088,902	0	1,328,045	0	1,328,045
2063	178,517,678	16,616,778	16,616,778	0	1,204,060	0	1,204,060
2064	174,267,083	16,030,109	16,030,109	0	1,083,030	0	1,083,030
2065	170,309,683	15,410,455	15,410,455	0	970,783	0	970,783
2066	166,703,245	14,758,584	14,758,584	0	866,870	0	866,870
2067	163,508,045	14,076,558	14,076,558	0	770,919	0	770,919
2068	160,786,543	13,420,282	13,420,282	0	685,293	0	685,293
2069	158,546,342	12,756,216	12,756,216	0	607,350	0	607,350
2070	156,830,670	12,080,180	12,080,180	0	536,282	0	536,282
2071	155,690,527	11,410,573	11,410,573	0	472,313	0	472,313
2072	155,161,136	10,749,349	10,749,349	0	414,866	0	414,866
2073	155,278,126	10,099,058	10,099,058	0	363,420	0	363,420
2074	156,077,047	9,461,616	9,461,616	0	317,465	0	317,465
2075	157,594,034	8,838,729	8,838,729	0	276,518	0	276,518

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



Single Discount Rate Development

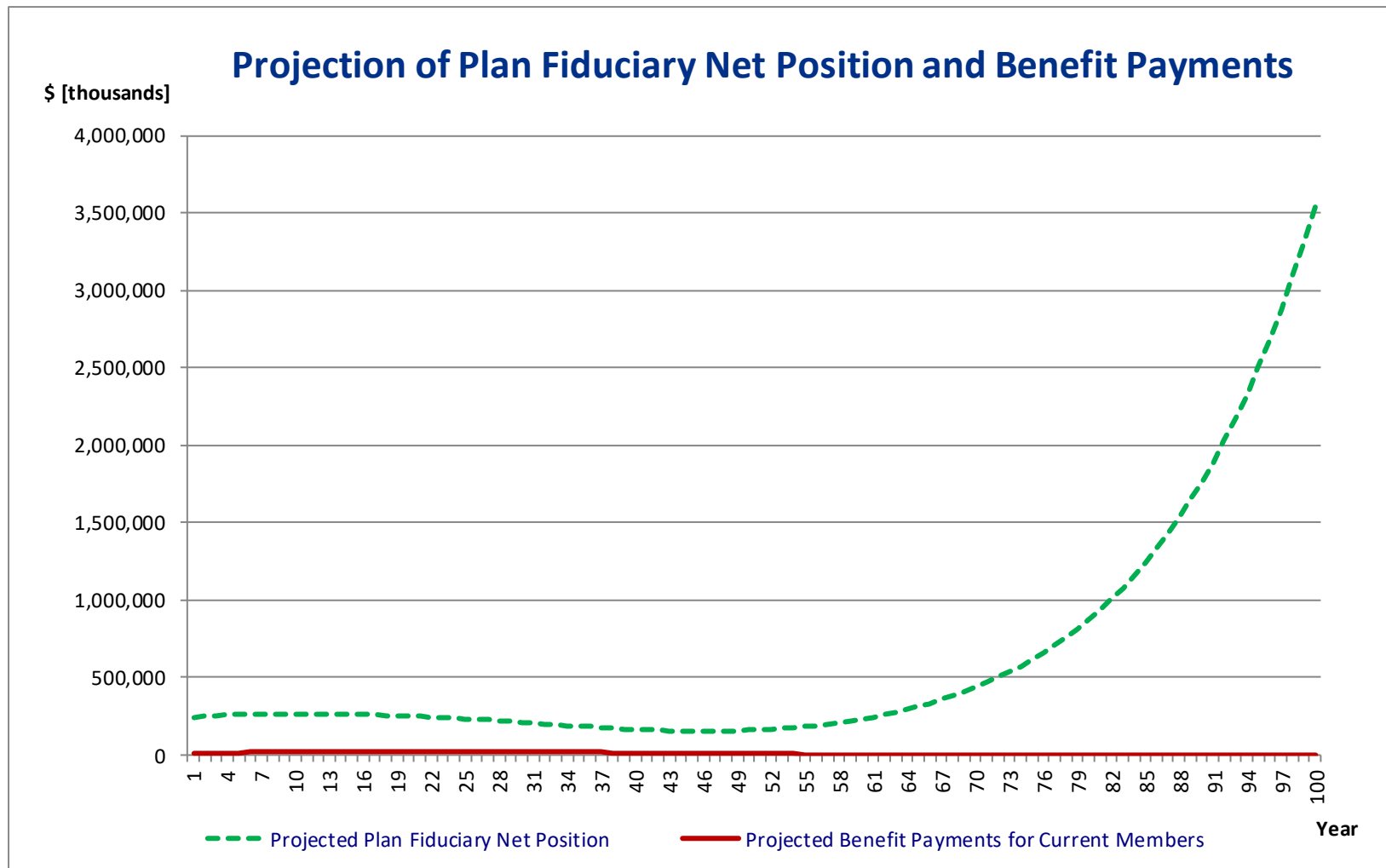
Present Values of Projected Benefits (Concluded)



Year	Projected Beginning Plan Fiduciary Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^((a)-.5)	(g)=(e)*vf^((a)-.5)	(h)=(c)/(1+sdr)^((a)-.5)
2076	\$ 159,866,074	\$ 8,232,493	\$ 8,232,493	\$ 0	\$ 240,142	\$ 0	\$ 240,142
2077	162,930,665	7,644,745	7,644,745	0	207,923	0	207,923
2078	166,826,120	7,077,025	7,077,025	0	179,470	0	179,470
2079	171,591,935	6,530,621	6,530,621	0	154,418	0	154,418
2080	177,269,136	6,006,536	6,006,536	0	132,425	0	132,425
2081	183,900,685	5,505,573	5,505,573	0	113,175	0	113,175
2082	191,531,826	5,028,296	5,028,296	0	96,377	0	96,377
2083	200,210,500	4,575,006	4,575,006	0	81,761	0	81,761
2084	209,987,813	4,145,875	4,145,875	0	69,083	0	69,083
2085	220,918,396	3,740,927	3,740,927	0	58,122	0	58,122
2086	233,060,817	3,360,062	3,360,062	0	48,676	0	48,676
2087	246,477,993	3,003,134	3,003,134	0	40,564	0	40,564
2088	261,237,555	2,669,907	2,669,907	0	33,625	0	33,625
2089	277,412,281	2,360,139	2,360,139	0	27,715	0	27,715
2090	295,080,474	2,073,576	2,073,576	0	22,704	0	22,704
2091	314,326,381	1,809,833	1,809,833	0	18,476	0	18,476
2092	335,240,752	1,568,468	1,568,468	0	14,930	0	14,930
2093	357,921,376	1,348,957	1,348,957	0	11,972	0	11,972
2094	382,473,675	1,150,660	1,150,660	0	9,522	0	9,522
2095	409,011,376	972,895	972,895	0	7,507	0	7,507
2096	437,657,155	814,860	814,860	0	5,862	0	5,862
2097	468,543,417	675,636	675,636	0	4,532	0	4,532
2098	501,813,115	554,207	554,207	0	3,466	0	3,466
2099	537,620,621	449,398	449,398	0	2,621	0	2,621
2100	576,132,712	359,971	359,971	0	1,957	0	1,957
2101	617,529,542	284,619	284,619	0	1,443	0	1,443
2102	662,005,677	221,947	221,947	0	1,049	0	1,049
2103	709,771,237	170,550	170,550	0	752	0	752
2104	761,053,027	129,030	129,030	0	530	0	530
2105	816,095,747	96,016	96,016	0	368	0	368
2106	875,163,253	70,216	70,216	0	251	0	251
2107	938,539,871	50,421	50,421	0	168	0	168
2108	1,006,531,795	35,521	35,521	0	110	0	110
2109	1,079,468,564	24,530	24,530	0	71	0	71
2110	1,157,704,631	16,591	16,591	0	45	0	45
2111	1,241,621,035	10,982	10,982	0	28	0	28
2112	1,331,627,187	7,108	7,108	0	17	0	17
2113	1,428,162,797	4,495	4,495	0	10	0	10
2114	1,531,699,945	2,774	2,774	0	6	0	6
2115	1,642,745,318	1,670	1,670	0	3	0	3
2116	1,761,842,624	979	979	0	2	0	2
2117	1,889,575,200	560	560	0	1	0	1
2118	2,026,568,823	311	311	0	0	0	0
2119	2,173,494,740	169	169	0	0	0	0
2120	2,331,072,934	89	89	0	0	0	0
2121	2,500,075,630	45	45	0	0	0	0
2122	2,681,331,066	22	22	0	0	0	0
2123	2,875,727,545	11	11	0	0	0	0
2124	3,084,217,781	5	5	0	0	0	0
2125	3,307,823,565	2	2	0	0	0	0
Totals					\$ 253,475,356	\$ -	\$ 253,475,356

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





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SECTION D

GLOSSARY OF TERMS

Glossary of Terms



Actuarial Accrued Liability (AAL)

The AAL is the difference between the actuarial present value of all benefits and the actuarial value of future normal costs. The definition comes from the fundamental equation of funding which states that the present value of all benefits is the sum of the Actuarial Accrued Liability and the present value of future normal costs. The AAL may also be referred to as “accrued liability” or “actuarial liability.”

Actuarial Assumptions

These assumptions are estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and compensation increases. Actuarial assumptions are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (compensation increases, payroll growth, inflation and investment return) consist of an underlying real rate of return plus an assumption for a long-term average rate of inflation.

Accrued Service

Service credited under the fund which was rendered before the date of the actuarial valuation.

Actuarial Equivalent

A single amount or series of amounts of equal actuarial value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.

Actuarial Cost Method

A mathematical budgeting procedure for allocating the dollar amount of the actuarial present value of the pension trust benefits between future normal cost and actuarial accrued liability. The actuarial cost method may also be referred to as the actuarial funding method.

Actuarial Gain (Loss)

The difference in liabilities between actual experience and expected experience during the period between two actuarial valuations is the gain (loss) on the accrued liabilities.

Actuarial Present Value (APV)

The amount of funds currently required to provide a payment or series of payments in the future. The present value is determined by discounting future payments at predetermined rates of interest and probabilities of payment.

Actuarial Valuation

The actuarial valuation report determines, as of the actuarial valuation date, the service cost, total pension liability, and related actuarial present value of projected benefit payments for pensions.

Actuarial Valuation Date

The date as of which an actuarial valuation is performed.

Actuarially Determined Contribution (ADC) or Annual Required Contribution (ARC)

A calculated contribution into a defined benefit pension plan for the reporting period, most often determined based on the funding policy of the plan. Typically the Actuarially Determined Contribution has a normal cost payment and an amortization payment.

Glossary of Terms (Continued)



Amortization Payment

The amortization payment is the periodic payment required to pay off an interest-discounted amount with payments of interest and principal.

Amortization Method

The method used to determine the periodic amortization payment may be a level dollar amount, or a level percent of pay amount. The period will typically be expressed in years, and the method will either be “open” (meaning, reset each year) or “closed” (the number of years remaining will decline each year).

Cost-of-Living Adjustments

Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.

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 Valuation Payroll

The earnings of covered employees for the year ended on the valuation date, which is typically only the pensionable pay and does not include pay above any pay cap. It is not necessarily the same as payroll actually paid because it excludes all pay for people who exited during the year.

Deferred Inflows and Outflows

The deferred inflows and outflows of pension resources are amounts used under GASB Statement No. 68 in developing the annual pension expense. Deferred inflows and outflows arise with differences between expected and actual experiences; changes of assumptions. The portion of these amounts not included in pension expense should be included in the deferred inflows or outflows of resources.

Discount Rate

For GASB purposes, the discount rate is the single rate of return that results in the present value of all projected benefit payments to be equal to the sum of the funded and unfunded projected benefit payments, specifically:

1. The benefit payments to be made while the pension plans' fiduciary net position is projected to be greater than the benefit payments that are projected to be made in the period; and
2. The present value of the benefit payments not in (1) above, discounted using the municipal bond rate.

Entry Age Actuarial Cost Method (EAN)

The EAN is a funding method for allocating the costs of the plan between the normal cost and the accrued liability. The actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis (either level dollar or level percent of pay) over the earnings or service of the individual between entry age and assumed exit age(s). The portion of the actuarial present value allocated to a valuation year is 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 the actuarial accrued liability. The sum of the accrued liability plus the present value of all future normal costs is the present value of all benefits.

Glossary of Terms (Continued)



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<i>GASB</i>	The Governmental Accounting Standards Board is an organization that exists in order to promulgate accounting standards for governmental entities.
<i>Fiduciary Net Position</i>	The fiduciary net position is the value of the assets of the trust.
<i>Long-Term Expected Rate of Return</i>	The long-term rate of return is the expected return to be earned over the entire trust portfolio based on the asset allocation of the portfolio.
<i>Money-Weighted Rate of Return</i>	The money-weighted rate of return is a method of calculating the returns that adjusts for the changing amounts actually invested. For purposes of GASB Statement No. 68, money-weighted rate of return is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense.
<i>Multiple-Employer Defined Benefit Pension Plan</i>	A multiple-employer plan is a defined benefit pension plan that is used to provide pensions to the employees of more than one employer.
<i>Municipal Bond Rate</i>	The Municipal Bond Rate is the discount rate to be used for those benefit payments that occur after the assets of the trust have been depleted.
<i>Net Pension Liability (NPL)</i>	The NPL is the liability of employers and non-employer contribution entities to plan members for benefits provided through a defined benefit pension plan.
<i>Non-Employer Contribution Entities</i>	Non-employer contribution entities are entities that make contributions to a pension plan that is used to provide pensions to the employees of other entities. For purposes of the GASB Accounting statement plan members are not considered non-employer contribution entities.
<i>Normal Cost</i>	The actuarial present value of the pension trust benefits allocated to the current year by the actuarial cost method.
<i>Other Postemployment Benefits (OPEB)</i>	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 post-employment benefits do not include termination benefits.
<i>Real Rate of Return</i>	The real rate of return is the rate of return on an investment after adjustment to eliminate inflation.
<i>Service Cost</i>	The service cost is the portion of the actuarial present value of projected benefit payments that is attributed to a valuation year.

Glossary of Terms (Concluded)



Total Pension Expense

The total pension expense is the sum of the following items that are recognized at the end of the employer's fiscal year:

1. Service Cost;
2. Interest on the Total Pension Liability;
3. Current-Period Benefit Changes;
4. Employee Contributions (made negative for addition here);
5. Projected Earnings on Plan Investments (made negative for addition here);
6. Pension Plan Administrative Expense;
7. Other Changes in Plan Fiduciary Net Position;
8. Recognition of Outflow (Inflow) of Resources due to Liabilities; and
9. Recognition of Outflow (Inflow) of Resources due to Assets.

Total Pension Liability (TPL)

The TPL is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service.

Unfunded Actuarial Accrued Liability (UAAL)

The UAAL is the difference between actuarial accrued liability and valuation assets.

Valuation Assets

The valuation assets are the assets used in determining the unfunded liability of the plan. For purposes of the GASB Statement No. 68, the valuation asset is equal to the market value of assets.