

Projection of Contribution Rates and Funded Ratios As of June 30, 2025

Fiscal Year Ending June 30	Total Payroll (\$Thousands)	DC Payroll (\$Thousands)			Fiscal Year Market Rate of Return	Pension Rate Floor	Member Contribution Rate	Employer Normal Cost	Class T-E & T-F Members Shared Risk		Class T-G & T-H Members Shared Risk		Employer Unfunded Liability Rate	Preliminary Employer Pension Rate	Health Care Contribution	Employer DC Contribution Rate				Total Employer Contribution Rate	Projected Total Employer Contribution (\$Thousands)	Funded Ratio	Unfunded Accrued Liability (\$Thousands)	Actuarial Value of Assets (\$Millions)	Market Value of Assets (\$Millions)
		Class TG	Class TH	Class DC Participants					Projected Payroll (\$Thousands)	Additional Member Contribution	Projected Payroll (\$Thousands)	Additional Member Contribution				Class T-G DC	2.25% DC	Class T-H 2.00% DC	Class DC Participants 2.00% DC						
2024	\$ 15,260,000	\$ 1,809,609	\$ 13,949	\$ 23,614	8.14 %	5.66 %	7.44 %	5.66 %	\$ 2,882,453	0.50 %	1,823,556	0.75 %	27.23 %	33.09 %	0.64 %	0.27 %	0.00 %	0.00 %	34.00 %	\$ 4,911,680	64.8 %	\$ 41,981.8	\$ 77,318.2	\$ 76,629.4	\$ 82,764.1
2025	15,590,000	2,428,480	17,462	38,974	9.67	5.68	7.37	5.68	2,907,388	0.00	2,445,941	0.00	27.24	32.92	0.63	0.35	0.00	0.00	33.90	\$ 5,491,680	66.6 %	\$ 40,910.2	\$ 81,458.1	\$ 82,764.1	\$ 86,793.0
2026	16,152,000	3,047,265	21,982	37,573	7.00	5.45	7.29	5.45	2,998,290	0.00	3,069,247	0.00	27.51	32.96	0.62	0.42	0.00	0.00	34.00	\$ 6,071,680	68.7 %	\$ 39,047.2	\$ 85,671.7	\$ 86,793.0	\$ 86,793.0
2027	16,862,000	3,722,030	27,411	42,720	7.00	5.21	7.22	5.21	3,112,353	0.00	3,749,441	0.00	27.31	32.52	0.56	0.50	0.00	0.01	33.59	\$ 5,663,946	70.9	\$ 36,968.9	\$ 90,190.0	\$ 76,629.4	\$ 82,764.1
2028	16,971,452	4,210,020	33,614	47,186	7.00	5.01	7.15	5.01	3,052,063	0.00	4,023,434	0.00	27.90	32.91	0.64	0.56	0.00	0.01	34.12	5,789,899	73.2	\$ 34,665.1	\$ 94,873.4	\$ 77,781.3	\$ 82,764.1
2029	17,082,633	4,689,415	39,648	51,610	7.00	4.83	7.09	4.83	3,028,087	0.00	4,729,063	0.00	28.53	33.36	0.64	0.62	0.00	0.01	34.63	5,915,783	75.7	\$ 31,993.3	\$ 95,822.7	\$ 100,666.2	\$ 105,547.6
2030	17,200,341	5,160,346	45,677	55,971	7.00	4.64	7.04	4.64	3,037,304	0.00	5,206,024	0.00	29.19	33.83	0.64	0.68	0.01	0.01	35.17	6,049,769	78.6	\$ 28,638.0	\$ 105,348.7	\$ 105,547.6	\$ 105,547.6
2031	17,322,547	5,647,310	51,628	60,419	7.00	4.46	6.98	4.46	3,054,969	0.00	5,698,937	0.00	29.84	34.30	0.64	0.73	0.01	0.01	35.69	6,181,979	81.0	\$ 25,910.3	\$ 110,130.9	\$ 110,130.9	\$ 110,130.9
2032	17,447,248	6,151,394	57,656	64,954	7.00	4.26	6.93	4.26	3,074,128	0.00	6,209,050	0.00	30.36	34.62	0.63	0.79	0.01	0.01	36.06	6,291,068	83.8	\$ 22,360.5	\$ 115,587.9	\$ 116,241.7	\$ 121,998.2
2033	17,573,038	6,676,914	63,586	69,672	7.00	4.07	6.87	4.07	3,093,118	0.00	6,740,500	0.00	31.29	35.36	0.64	0.85	0.01	0.01	36.87	6,479,721	87.0	\$ 18,139.0	\$ 121,586.1	\$ 121,586.1	\$ 121,586.1
2034	17,700,277	7,225,801	69,537	74,526	7.00	3.86	6.81	3.86	3,110,401	0.00	7,295,338	0.00	32.05	35.91	0.63	0.92	0.01	0.01	37.48	6,634,456	90.5	\$ 13,496.7	\$ 127,864.2	\$ 128,066.2	\$ 128,066.2

Notes & Disclaimers

The projection model was prepared using the same data, methods, actuarial assumptions, and applicable ASOPs and disclosures that have been used for the June 30, 2025 actuarial valuation, found in the December 11, 2025 Board Presentation, including the following assumptions for future valuations:

1. The active workforce size is assumed to remain constant over the projection period;

2. Future new employees have similar characteristics (age/gender/salary) to new employees for the period July 1, 2022 through June 30, 2025. Among new school employees hired on or after July 1, 2025, 98% will become Class T-G members, 1% will elect Class T-H membership, and 1% will elect Class DC participation.

The resulting contributions for each fiscal year may be different from actual results that will be determined in future actuarial valuations due to demographic and financial experience different than assumed. In addition, it is outside the scope of this assignment to determine if the assumptions used in the June 30, 2025 actuarial valuation are reasonable for future valuations. Accordingly, these results should not be used for any purpose other than providing the user with an estimate of future employee pension cost obligations based on the parameters defined by the user.

Where present, references to "funded ratio" and "untaxed accrued liability" are to measurements made on the basis of the actuarial value of assets. It should be noted that the same measurements made using the market value of assets would result in different funded ratios and untaxed accrued liabilities. Moreover, the funded ratios presented are appropriate for evaluating the need for and level of future contributions but provide no indication of the funded status of the plan if the plan were to settle (i.e., purchase annuities to cover) a portion or all of its liabilities.

This projection model was prepared in accordance with the principles of practice prescribed by the Actuarial Standards Board and generally accepted actuarial procedures and methods. The calculations are based on the current provisions of the System, and on assumptions that are individually and in the aggregate internally consistent and reasonable based on the actual experience of the System.