

# Montgomery County Employees' Retirement System

Actuarial Valuation as of July 1, 2025



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September 26, 2025

Mr. David Crow  
Acting Executive Director  
Montgomery County Employees' Retirement System  
101 Monroe Street, 6<sup>th</sup> Floor  
Rockville, Maryland 20850

Dear Mr. Crow:

We are pleased to provide our formal annual Actuarial Valuation Report as of July 1, 2025 for the Montgomery County Employees' Retirement System ("System"). The actuarial valuation was performed at the request of Montgomery County ("County") and is intended for use by the County and the System and those designated by the County and the System. This report may be provided to parties other than the County and System only in its entirety and only with the permission of the County and the System. GRS is not responsible for unauthorized use of this report.

The purposes of the actuarial valuation are to measure the funding progress of the System and to determine the recommended annual contribution to the System for the Plan Year commencing July 1, 2026 and ending on June 30, 2027. Information required by GASB Statement Nos. 67 and 68 is provided in a separate report. This report should not be relied on for any purpose other than the purposes described herein. Determinations of financial results, associated with the benefits described in this report, for purposes other than those identified above may be significantly different.

The recommended annual contribution in this report is determined using the actuarial assumptions and methods disclosed in Section C of this report. This report includes risk metrics on pages A-4 and A-5 but does not include a more robust assessment of the risks of future experience not meeting the actuarial assumptions. Additional assessment of risks was outside the scope of this assignment.

We have assessed that the contribution calculated under the current funding policy is a reasonable Actuarially Determined Employer Contribution (ADEC) and it is consistent with the plan accumulating adequate assets to make benefit payments when due.

This actuarial valuation assumed the continuing ability of the plan sponsor to make the contributions necessary to fund this plan. A determination regarding whether or not the plan sponsor is actually able to do so is outside the scope of this assignment and was not performed.

The actuarial valuation was based upon information furnished by the County Staff, concerning benefits provided by the Montgomery County Employees' Retirement System, financial transactions, plan provisions and census data for active members, terminated members, retirees and beneficiaries as of July 1, 2025. We checked for internal and year-to-year consistency, but did not audit the data. We are not responsible for the accuracy or completeness of the information provided by the County Staff.

This report was prepared using actuarial assumptions adopted by the Chief Administrative Officer as authorized under Montgomery County Code. All actuarial assumptions used in this report are reasonable for the purposes of this actuarial valuation and meet the parameters set forth in the Actuarial Standards of Practice issued by the Actuarial Standards Board. Additional information about the actuarial assumptions is included in the Section C of this report. The actuarial assumptions used in this actuarial valuation are based on the phase 1 and phase 2 experience study reports covering the period July 1, 2018 through July 1, 2023. We recommend a decrease to the investment return assumption of 7.50%.

The following plan changes have been reflected in this actuarial valuation. All other plan provisions have remained unchanged since the last valuation, performed as of July 1, 2025.

- Groups E, F, G, J
  - A deferred vested benefit will be payable at age 73 (increased from age 72) for participants who do not meet retirement eligibility conditions upon vested termination (are not age 55 with 15 or more years of service).

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. We are relying on the GRS actuaries and Internal Software, Training and Processes Team who developed and maintain the model.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge, the information contained in this report is accurate, and fairly presents the actuarial position of the Montgomery County Employees' Retirement System as of the actuarial valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

Amy Williams and Alex Rivera are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.



The signing actuaries are independent of the plan sponsor.

We will be pleased to review this report with you at your convenience.

Respectfully submitted,  
Gabriel, Roeder, Smith & Company



Amy Williams, ASA, EA, MAAA, FCA  
Senior Consultant



Alex Rivera, FSA, EA, MAAA, FCA  
Senior Consultant

## SECTION A

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### ACTUARIAL VALUATION RESULTS

# Comments on the Actuarial Valuation

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At your request, we have performed an actuarial valuation of the Montgomery County Employees' Retirement System as of July 1, 2025.

The purposes of this actuarial valuation are as follows:

- To determine the funding status of the System as of the actuarial valuation date;
- To determine the recommended contribution for the fiscal year beginning July 1, 2026; and
- To provide other data required by the System.

Accounting information required under Governmental Accounting Standards Board ("GASB") Statement Nos. 67 and 68 is presented in a separate report.

We received the data from the Montgomery County Employees' Retirement System Staff. We performed certain checks for reasonableness and found the data to be complete and reliable for actuarial valuation purposes. However, we did not audit the data.

A total of 7,125 active members (excluding DRSP and DROP) were included in the actuarial valuation as of July 1, 2025. Between the 2024 and 2025 actuarial valuations, the number of active employees increased by 444 members. The average annual actuarial valuation pay (excluding DRSP and DROP) increased by 2.8%, from \$96,494 to \$99,221 between the 2024 and 2025 actuarial valuation. The number of benefit recipients (including DRSP and DROP) increased from 6,972 to 7,013, or 0.6%, since the last actuarial valuation. The average monthly benefit increased by 2.8%, from \$3,965 to \$4,077. Section B summarizes the membership data.

There is a group of retirees who have benefits that are insured by Aetna. The total benefit amount reported for each of these members in the actuarial valuation report includes the insured benefit amount. However, the actuarial liabilities exclude the value of the insured benefits. The actuarial liabilities included in the actuarial valuation for these members are for benefits in excess of the insured benefit and represent cost of living adjustments provided by the Montgomery County Employees' Retirement System.

## Actuarial Assumptions and Methods

Section C outlines the actuarial assumptions and methods used in the actuarial valuation. The actuarial assumptions used in this actuarial valuation are the same as those used in the last actuarial valuation as of July 1, 2024, and are based on an experience review covering the period July 1, 2018 through July 1, 2023. We recommend a decrease to the investment return assumption of 7.50%.

The assumption for administrative expenses is equal to 105% of the average of the prior three years' administrative expenses. This amount has increased from \$3,560,000 to \$4,051,200.

## Plan Changes

Section D outlines the principal benefit provisions of the System. The following plan changes have been reflected in this actuarial valuation. All other plan provisions have remained unchanged since the last valuation, performed as of July 1, 2024.



## Comments on the Actuarial Valuation (Continued)

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A deferred vested benefit will be payable at age 73 (increased from age 72) for participants of Groups E, F, G and J who do not meet retirement eligibility conditions upon vested termination (are not age 55 with 15 or more years of service).

### Plan Experience

During the plan year ending June 30, 2025, the unfunded liability (the actuarial accrued liability minus the actuarial value of assets) of \$197,749,027 as of July 1, 2024 increased to \$242,974,928 as of July 1, 2025, which is an increase in the unfunded actuarial accrued liability of \$45,225,901. The key factors contributing to the increase in the unfunded actuarial accrued liability were (1) unfavorable demographic experience and (2) higher salary increases than expected by the actuarial assumptions. These increases were partially offset by decreases due to (1) lower than expected COLA increases for retired members and (2) favorable asset experience based on the actuarial value of assets. (The COLA increase was 1.867% compared to an assumed COLA increase of 2.50% or 2.45%, respectively, for benefits attributable to service prior to July 1, 2011, and 1.867% compared to an assumed COLA increase of 2.20% for benefits attributable to service on or after July 1, 2011. For members who receive an increase based on 60% of CPI, the actual increase was 1.120% compared to an assumed COLA increase of 1.50%.)

The fiscal year 2025 employee contributions include contributions from ECC employees from RSP who transferred to and purchased service in Groups E or J, contributions for other service purchases and contributions from RSP participants who annuitized their balances and are included as GRIP retirees in the actuarial valuation. The service purchase contributions are \$1,864,282 for Group J, \$6,413,209 for Group E, \$81,017 for Group F, and \$69,755 for GRIP.

On a market value basis, the Plan assets had an investment return of approximately 8.87%<sup>1</sup> (net of investment expenses). Recognition of the fiscal year end 2021, 2024, and 2025 investment gains were partially offset by recognition of the fiscal year end 2022 and 2023 investment losses. The net investment gains resulted in an estimated net asset rate of return of 7.62% on an actuarial value of assets basis, which compares to the assumed rate of return of 7.50%.

The funded ratio (ratio of assets to liabilities) decreased from 96.3% to 95.6% on an actuarial value of assets basis, and increased from 92.9% to 93.2% on a market value of assets basis between the 2024 and 2025 actuarial valuations.

The funded ratio and unfunded actuarial accrued liability are useful for assessing the need for and the amount of future unfunded liability contributions (excludes normal cost contributions). They are not appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the System's benefit obligations.

### Recommended County Contributions

The total contribution rate is equal to the normal cost rate plus amortization of the unfunded liability as a level percentage of payroll. The combined unfunded liability as of July 1, 2023 (and in each future year) for Groups A, H and GRIP (Groups A and H are closed to new members) was amortized over a 20-year closed amortization period as a level percentage of payroll and subsequent unfunded liability over separate 20-year closed amortization periods as a level percentage of payroll.

<sup>1</sup> As provided by Montgomery County ERS.





## Comments on the Actuarial Valuation (Concluded)

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The unfunded liability as of July 1, 2015, for the Public Safety groups (Groups E, F, G and J) was amortized over a closed period of 20 years (10 years remaining at the actuarial valuation as of July 1, 2025) and the unfunded liability bases established in each subsequent year are amortized over separate 20-year closed periods as a level percentage of payroll.

The single equivalent amortization period for the System in total as of July 1, 2025 is 16.0 years. The single equivalent amortization period is 21.1 years for Groups A, H, and GRIP and 15.6 years for the non-GRIP open groups (Public Safety groups) as of July 1, 2025. There is currently an unfunded liability for all groups except Group J, and therefore, the amortization period relates to amortizing the surplus for Group J.

The total contribution rate minus the average employee contribution rate equals the County contribution rate. The actuarial valuation as of July 1, 2024 established the County contribution rate for fiscal year beginning July 1, 2025 and ending June 30, 2026. This actuarial valuation as of July 1, 2025 establishes the County contribution rate for fiscal year beginning July 1, 2026 and ending June 30, 2027.

Outside agencies are separately amortizing their portion of the non-GRIP unfunded liability as a level dollar amount over a 20-year closed period as of July 1, 2015 (10-year closed period for Strathmore Hall and Washington Suburban Transit Commission). In determining the unfunded actuarial accrued liability base and amortization of unfunded liability contribution rate for Groups A, H, and GRIP, the non-GRIP outside agencies' unfunded liability was deducted along with excluding the non-GRIP outside agencies' contribution basis payroll for amortization of the unfunded actuarial accrued liability.

The County contribution rates for Groups A, H and GRIP are equal to the separate County normal cost rates for each group plus the pooled unfunded liability contribution rate of 0.37% that was calculated on a combined basis for all three groups. The County contribution rates for fiscal year 2027 increased for Public Safety Groups E, F and G, for non-Public Safety (combined Groups A, H and GRIP) and Group J from the fiscal year 2026 County contribution rate. The increases in the County contribution rates were mainly attributable to higher than expected salary increases and unfavorable demographic experience.

The actuarial value of assets is currently approximately 103% of the market value of assets. There are \$129,726,656 in net asset losses currently being deferred that will be phased into the actuarial value of assets over the next four years. Assuming all future assumptions are realized, there is projected to be an increase in the recommended County contribution as the remaining deferred asset losses are recognized. Without an offsetting asset gain, a significant deferred net asset loss of about \$145 million is projected to be recognized in the July 1, 2026 actuarial valuation, which will result in an increase in the fiscal year 2028 County contribution requirement.

A separate contribution rate is calculated for the Public Safety agency (CP) than for the Non-Public Safety agencies (CC, CM, CN, CZ). The same unfunded liability contribution rate and rate for expenses of administration plus the separate Public Safety/Non-Public Safety County normal cost rate (for benefits) was used to calculate the separate GRIP contribution rates.



### **RISKS ASSOCIATED WITH MEASURING THE ACCRUED LIABILITY AND ACTUARIALLY DETERMINED CONTRIBUTION**

The determination of the accrued liability and the actuarially determined contribution requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in the accrued liability and the actuarially determined contribution that result from the differences between actual experience and the actuarial assumptions.

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 due to changing conditions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period, or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Examples of risk that may reasonably be anticipated to significantly affect the plan's future financial condition include:

1. Investment Risk – actual investment returns may differ from the expected returns;
2. Asset/Liability Mismatch – changes in asset values may not match changes in liabilities, thereby altering the gap between the accrued liability and assets and consequently altering the funded status and contribution requirements;
3. Contribution Risk – actual contributions may differ from expected future contributions. For example, actual contributions may not be made in accordance with the plan's funding policy or material changes may occur in the anticipated number of covered employees, covered payroll or other relevant contribution base;
4. Salary and Payroll Risk – actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and contributions differing from expected;
5. Longevity Risk – members may live longer or shorter than expected and receive pensions for a period of time other than assumed; and
6. Other Demographic Risks – members may terminate, retire or become disabled at times or with benefits other than assumed resulting in actual future accrued liability and contributions differing from expected.

The effects of certain trends in experience can generally be anticipated. For example, if the investment return since the most recent actuarial valuation is less (or more) than the assumed rate, the cost of the plan can be expected to increase (or decrease). Likewise, if longevity is improving (or worsening), increases (or decreases) in cost can be anticipated.

The County contribution rates shown on page A-8 may be considered as a minimum contribution rate that complies with the County's funding policy. The timely receipt of the actuarially determined contributions is critical to support the financial health of the plan. Users of this report should be aware that contributions made at the actuarially determined rate do not necessarily guarantee benefit security.

## Risk Measures

### PLAN MATURITY MEASURES

Risks facing a pension plan evolve over time. A young plan with virtually no investments and paying few benefits may experience little investment risk. An older plan with a large number of members in pay status and a significant trust may be much more exposed to investment risk. Generally accepted plan maturity measures include the following:

	2020	2021	2022	2023	2024	2025
Ratio of the market value of assets to total payroll	8.60	10.46	9.47	8.46	7.62	7.23
Ratio of actuarial accrued liability to payroll	8.79	9.01	9.45	8.98	8.20	7.75
Ratio of actives to retirees and beneficiaries <sup>1</sup>	0.91	0.91	0.86	0.89	0.96	1.02
Ratio of net cash flow to market value of assets	-0.04	-0.03	-0.04	-0.05	-0.05	-0.05

<sup>1</sup> DRSP/DROP participants included in the count of retirees and beneficiaries.

### RATIO OF MARKET VALUE OF ASSETS TO PAYROLL

The relationship between assets and payroll is a useful indicator of the potential volatility of contributions. For example, if the market value of assets is 2.0 times the payroll, a return on assets 5% different than assumed would equal 10% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in plan sponsor contributions as a percentage of payroll.

### RATIO OF ACTUARIAL ACCRUED LIABILITY TO PAYROLL

The relationship between actuarial accrued liability and payroll is a useful indicator of the potential volatility of contributions for a fully funded plan. A funding policy that targets a funded ratio of 100% is expected to result in the ratio of assets to payroll and the ratio of liability to payroll converging over time. The ratio of liability to payroll may also be used as a measure of sensitivity of the liability itself. For example, if the actuarial accrued liability is 2.5 times the payroll, a change in liability 2% other than assumed would equal 5% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in liability (and also plan sponsor contributions) as a percentage of payroll.

### RATIO OF ACTIVES TO RETIREES AND BENEFICIARIES

A young plan with many active members and few retirees will have a high ratio of actives to retirees. A mature open plan may have close to the same number of actives to retirees resulting in a ratio near 1.0. A super-mature or closed plan may have significantly more retirees than actives resulting in a ratio below 1.0.

### RATIO OF NET CASH FLOW TO MARKET VALUE OF ASSETS

A positive net cash flow means contributions exceed benefits and expenses. A negative cash flow means existing funds are being used to make payments. A certain amount of negative net cash flow is generally expected to occur when benefits are prefunded through a qualified trust. Large negative net cash flows as a percent of assets may indicate a super-mature plan or a need for additional contributions.

### ADDITIONAL RISK ASSESSMENT

Additional risk assessment is outside the scope of the annual actuarial valuation. Additional assessment may include scenario tests, sensitivity tests, stochastic modeling, stress tests and a comparison of the present value of accrued benefits at low-risk discount rates with the actuarial accrued liability.



# Low-Default-Risk Obligation Measure

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## INTRODUCTION

In December 2021, the Actuarial Standards Board (ASB) adopted a revision to Actuarial Standard of Practice (ASOP) No. 4, Measuring Pension Obligations and Determining Pension Plan Costs or Contributions. The revised ASOP No. 4 requires the calculation and disclosure of a liability referred to by the ASOP as the “Low-Default-Risk Obligation Measure” (LDROM).

### What is the LDROM?

The LDROM is a particular measure of the benefits earned (or costs accrued if appropriate under the actuarial cost method used for this purpose) as of the measurement date.

### How is the LDROM Calculated?

The LDROM is calculated using an immediate gain actuarial cost method, one in which gains and losses become part of the unfunded actuarial accrued liabilities. Examples would be Entry Age Normal Cost, Projected Unit Credit, and Traditional Unit Credit. It is based upon a discount rate or discount rates derived from low-default-risk fixed income securities whose cash flows are reasonably consistent with the pattern of benefits expected to be paid in the future.

### What Does the LDROM Tell Me?

The LDROM gives an approximate measure of the cost as of the measurement date of securing benefits by constructing a Low Default Risk Bond portfolio whose cash flows match the pattern of benefits expected to be paid in the future. The LDROM is very dependent upon market interest rates at the time of the LDROM measurement. The lower the market interest rates, the higher the LDROM, and vice versa.

### Is the LDROM the “Right” Liability that Should Be Reported?

No single number, including the LDROM can provide all of the information necessary to understand the financial condition of a pension plan. The rationale that the ASB cited for the calculation and disclosure of the LDROM was included in the Transmittal Memorandum of ASOP No. 4 and is presented below:

The ASB believes that the calculation and disclosure of this measure provides appropriate, useful information for the intended user regarding the funded status of a pension plan. The calculation and disclosure of this additional measure is not intended to suggest that this is the “right” liability measure for a pension plan. However, the ASB does believe that this additional disclosure provides a more complete assessment of a plan’s funded status and provides additional information regarding the security of benefits that members have earned as of the measurement date.

## COMPARING THE ACCRUED LIABILITIES AND THE LDROM

The LDROM results presented in this report are based on the Entry Age Normal (EAN) actuarial cost method and discount rates based upon the June 2025 (end of month) FTSE Pension Discount Curve (PDC). The PDC is calculated based on a universe of AA rated corporate bonds from the FTSE US Broad Investment-Grade Bond Index (USBIG®) of varying maturities and the yields of the Treasury model curve.

The 1-, 5-, 10-, 20- and 30-year rates follow: 4.32%, 4.28%, 4.98%, 5.79% and 5.74%.



## Low-Default-Risk Obligation Measure

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The funding actuarial accrued liability is based on the EAN actuarial cost method and discount rate (the expected long-term rate of return on assets) of 7.50%.

Presented below is a comparison of the funding actuarial accrued liability and the LDROM as of July 1, 2025 for the Montgomery County Employees' Retirement System:

Funding Valuation Actuarial Accrued Liability	\$ 5,482,389,076
LDROM	<u>6,734,602,184</u>
Difference	\$ (1,252,213,108)

The difference between the funding actuarial accrued liability and the LDROM (\$1,252,213,108) is one illustration of the potential savings in contributions (on a present value basis) due to the additional investment earnings that the System anticipates from taking on the risk in its well-diversified portfolio (which would not be earned by investing in low-default-risk fixed income securities).

Since plan assets are not invested in a portfolio of low-default-risk fixed income securities, LDROM does not provide relevant information on the funded status or statutory contribution requirements. (The funded status and statutory contributions are based on the funding valuation actuarial accrued liability using a discount rate of 7.50%.) Benefit security for members of the plan relies on a combination of the current assets in the plan, the future investment returns generated on those assets, and the promise of future contributions from the plan sponsor.

The LDROM liability contained in this report was provided solely to comply with the requirements of ASOP No. 4 Section 3.11 and should not be used for any other purpose. This measure is not be appropriate for assessing the need for or amount of future contributions. This measure is not be appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligation.

# Summary of Actuarial Valuation Results

		July 1, 2024	July 1, 2025
		Results	Results
<b>Membership Data</b>			
	Active Members	6,681	7,125
	DRSP/DROP	114	143
	Deferred Vested	860	796
	Retirees and Beneficiaries	6,858	6,870
	<b>TOTAL</b>	<b>14,513</b>	<b>14,934</b>
<b>Plan Liabilities</b>			
	Actuarial Accrued Liability:		
	Active Members	\$ 1,713,018,379	\$ 1,799,118,294
	DRSP/DROP	138,417,913	181,885,434
	Deferred Vested	75,364,531	79,941,940
	Retirees and Beneficiaries	3,362,050,506	3,421,443,408
	<b>TOTAL</b>	<b>\$ 5,288,851,329</b>	<b>\$ 5,482,389,076</b>
	Actuarial Value of Assets at Valuation Date	\$ 5,091,102,302	\$ 5,239,414,148
	Unfunded (Overfunded) Actuarial Accrued Liability	\$ 197,749,027	\$ 242,974,928
	<b>Funded Position of Plan's Actuarial Accrued Liability <sup>1</sup></b>	<b>96.3 %</b>	<b>95.6 %</b>
<b>Recommended Annual Contribution Requirements <sup>2</sup></b>			
		<b>Fiscal Year 2026</b>	<b>Fiscal Year 2027</b>
	Annual Normal Cost	\$ 105,809,217	\$ 113,580,688
	Normal Cost Expense Load	3,560,000	4,051,200
	Amortization Payment	15,781,425	19,801,319
	Total Annual Required Contribution	125,150,642	137,433,207
	Expected Employee Contributions	34,490,782	37,120,946
	County Contribution Requirement	\$ 90,659,860	\$ 100,312,261
	Contribution Basis Payroll:		
	For Normal Cost	\$ 615,054,098	\$ 674,863,759
	For Amortization of Unfunded Liability	\$ 643,158,581	\$ 705,464,571
	County Contribution % of Payroll		
	Public Safety (Groups E, F, G)	23.78%	24.77%
	Non-Public Safety (Groups A, H)	5.36%	5.57%
	GRIP	6.82%	7.02%
	Public Safety (Group J)	8.97%	10.32%

<sup>1</sup> Equals the ratio of the actuarial value of assets to the total actuarial accrued liability.

<sup>2</sup> Includes the Retirement Incentive cost. Excludes the non-GRIP outside agency unfunded liability contribution of \$1,171,634. Includes the GRIP outside agency estimated normal cost and unfunded liability contribution and the non-GRIP estimated normal cost contribution of \$602,261 for fiscal year 2026 and \$709,053 for fiscal year 2027. County estimated contribution is \$90,057,599 for fiscal year 2026 and \$99,603,208 for fiscal year 2027.



# Contribution Rate Summary

## All Plans

	Valuation as of July 1, 2025									July 1, 2024		
	Non-Public Safety			Public Safety						Total	Total Agency	Total
	Group A	Group H	Total Non PS	Group J	Group E	Group F	Group G	Group E, F, G	GRIP			
<b>County Contribution Requirement (\$)</b>												
Non-GRIP	\$ 2,044,631	\$ 1,198,881	\$ 3,243,512	\$ 1,306,991	\$ 9,263,256	\$ 23,733,961	\$ 40,708,720	\$ 73,705,937	\$ -	\$ 78,256,440	\$ 1,236,148	\$ 72,961,260
GRIP	-	-	-	-	-	-	-	-	23,227,455	23,227,455	644,539	18,944,369
Total All Plans	\$ 2,044,631	\$ 1,198,881	\$ 3,243,512	\$ 1,306,991	\$ 9,263,256	\$ 23,733,961	\$ 40,708,720	\$ 73,705,937	\$ 23,227,455	\$ 101,483,895	\$ 1,880,687	\$ 91,905,629
<b>County Normal Cost Contribution Requirement (% of Payroll)</b>												
Non-GRIP	5.18%	5.22%	5.20%	12.83%	14.63%	17.79%	21.15%	18.66%	-	17.00%	5.18%	16.74%
GRIP	-	-	-	-	-	-	-	-	6.65%	6.65%	6.65%	6.62%
Total All Plans	5.18%	5.22%	5.20%	12.83%	14.63%	17.79%	21.15%	18.66%	6.65%	11.93%	-	12.17%
<b>County UAL Contribution Requirement (% of Payroll)</b>												
Non-GRIP	0.37%	0.37%	0.37%	-2.51%	2.99%	2.34%	10.97%	6.11%	-	5.14%	NA	4.31%
GRIP	-	-	-	-	-	-	-	-	0.37%	0.37%	0.37%	0.20%
Total All Plans	0.37%	0.37%	0.37%	-2.51%	2.99%	2.34%	10.97%	6.11%	0.37%	2.81%	NA	2.45%
<b>Total County Contribution Requirement (% of Payroll)</b>												
Non-GRIP	5.55%	5.59%	5.57%	10.32%	17.62%	20.13%	32.12%	24.77%	-	22.14%	NA	21.05%
GRIP	-	-	-	-	-	-	-	-	7.02%	7.02%	7.02%	6.82%
Total All Plans	5.55%	5.59%	5.57%	10.32%	17.62%	20.13%	32.12%	24.77%	7.02%	14.74%	NA	14.62%
	Valuation as of July 1, 2024									July 1, 2023		
	Non-Public Safety			Public Safety						Total	Total Agency	Total
	Group A	Group H	Total Non PS	Group J	Group E	Group F	Group G	Group E, F, G	GRIP			
<b>County Contribution Requirement (\$)</b>												
Non-GRIP	\$ 2,180,680	\$ 1,174,811	\$ 3,355,491	\$ 1,098,267	\$ 8,067,436	\$ 21,915,279	\$ 38,524,787	\$ 68,507,502	\$ -	\$ 72,961,260	\$ 1,311,665	\$ 61,338,413
GRIP	-	-	-	-	-	-	-	-	18,944,369	18,944,369	536,365	13,875,776
Total All Plans	\$ 2,180,680	\$ 1,174,811	\$ 3,355,491	\$ 1,098,267	\$ 8,067,436	\$ 21,915,279	\$ 38,524,787	\$ 68,507,502	\$ 18,944,369	\$ 91,905,629	\$ 1,848,030	\$ 75,214,189
<b>County Normal Cost Contribution Requirement (% of Payroll)</b>												
Non-GRIP	5.14%	5.17%	5.16%	12.76%	14.78%	17.44%	21.05%	18.52%	-	16.74%	5.14%	17.12%
GRIP	-	-	-	-	-	-	-	-	6.62%	6.62%	6.62%	6.66%
Total All Plans	5.14%	5.17%	5.16%	12.76%	14.78%	17.44%	21.05%	18.52%	6.62%	12.17%	-	12.56%
<b>County UAL Contribution Requirement (% of Payroll)</b>												
Non-GRIP	0.20%	0.20%	0.20%	-3.79%	1.63%	1.47%	10.39%	5.26%	-	4.31%	NA	2.59%
GRIP	-	-	-	-	-	-	-	-	0.20%	0.20%	0.20%	-0.72%
Total All Plans	0.20%	0.20%	0.20%	-3.79%	1.63%	1.47%	10.39%	5.26%	0.20%	2.45%	NA	1.12%
<b>Total County Contribution Requirement (% of Payroll)</b>												
Non-GRIP	5.34%	5.37%	5.36%	8.97%	16.41%	18.91%	31.44%	23.78%	-	21.05%	NA	19.71%
GRIP	-	-	-	-	-	-	-	-	6.82%	6.82%	6.82%	5.94%
Total All Plans	5.34%	5.37%	5.36%	8.97%	16.41%	18.91%	31.44%	23.78%	6.82%	14.62%	NA	13.68%

Beginning in fiscal year 2017 for non-GRIP members, outside agencies will make normal cost contributions for their active employees (based on payroll) plus a level dollar amortization payment. The level dollar amortization payment will be made for 20 years (10 years for Strathmore Hall and Washington Suburban Transit Commission) and is not based on payroll. There are 10 years remaining in the 20-year closed amortization period, and 0 years remaining in the 10-year closed amortization period, as of July 1, 2025.

The unfunded liability for the non-Public Safety groups A, H, and GRIP was amortized over a 20-year closed period beginning July 1, 2023. The unfunded liability for the Public Safety groups (Groups E, F, G and J) was amortized over separate 20-year closed periods beginning July 1, 2015.





# Actuarial Valuation Results

## All Plans

	Combined Groups A, H, GRIP	Valuation as of July 1, 2025								% of Payroll	July 1, 2024	
		Non-Public Safety		Public Safety				GRIP	Total		Total	% of Payroll
		Group A	Group H	Group J	Group E	Group F	Group G					
Total All Plans												
Active Members												
Number	4,102	126	224	119	608	1,048	1,248	3,752	7,125		6,681	
Average Age	49.1	60.8	61.2	49.3	41.2	40.5	38.7	48.0	45.4		45.5	
Average Credited Service	9.6	31.5	30.1	13.8	8.9	14.7	12.5	7.6	10.8		11.3	
Total Base Payroll	\$ 386,600,332	\$ 17,447,793	\$ 23,892,647	\$ 13,893,619	\$ 55,010,616	\$ 121,661,822	\$ 129,786,052	\$ 345,259,892	\$ 706,952,441		\$ 644,679,684	
Contribution Basis Payroll:												
For Normal Cost	\$ 367,307,810	\$ 15,731,032	\$ 21,250,225	\$ 12,914,786	\$ 52,106,535	\$ 117,379,954	\$ 125,154,674	\$ 330,326,553	\$ 674,863,759		\$ 615,054,098	
For Amortization of Unfunded Liability*	385,112,462	15,959,923	23,892,647	13,893,619	55,010,616	121,661,822	129,786,052	345,259,892	705,464,571		643,158,581	
DRSP/DROP Members												
Number					24	53	66		143		114	
Total Base Payroll					\$ 2,976,849	\$ 7,691,513	\$ 9,446,557		\$ 20,114,919		\$ 15,719,851	
Total Benefits					1,511,901	5,118,231	5,648,304		12,278,436		9,181,069	
Terminated Vested Members												
Number	708	12	14	4	26	39	19	682	796		860	
Total Benefits (non-GRIP)	\$ 293,402	\$ 191,634	\$ 101,768	\$ 31,335	\$ 225,128	\$ 498,268	\$ 205,732		\$ 1,253,865		\$ 1,352,593	
Retired Members and Beneficiaries												
Number								21	6,870		6,858	
Total Benefits								\$ 474,401	\$ 330,830,406		\$ 322,571,322	
Total Membership								4,455	14,934		14,513	
Actuarial Accrued Liability												
Active Members	\$ 485,818,444	\$ 80,018,085	\$ 96,557,437	\$ 50,563,481	\$ 165,186,647	\$ 565,562,013	\$ 531,987,709	\$ 309,242,922	\$ 1,799,118,294		\$ 1,713,018,379	
DRSP/DROP Members					21,566,004	74,770,889	85,548,541		181,885,434		138,417,913	
Terminated Vested Members	74,343,925	1,913,665	965,022	144,566	1,367,130	2,931,144	1,155,175	71,465,238	79,941,940		75,364,531	
Retired Members and Beneficiaries	1,392,647,559	813,766,793	574,476,524	32,500,165	331,688,629	904,330,585	760,276,470	4,404,242	3,421,443,408		3,362,050,506	
Total	1,952,809,928	895,698,543	671,998,983	83,208,212	519,808,410	1,547,594,631	1,378,967,895	385,112,402	5,482,389,076		5,288,851,329	
Actuarial Value of Assets												
Active Members	\$ 1,923,914,093			\$ 86,548,414	\$ 495,659,316	\$ 1,497,874,082	\$ 1,235,418,243		\$ 5,239,414,148		\$ 5,091,102,302	
Unfunded Actuarial Accrued Liability	\$ 28,895,835			\$ (3,340,202)	\$ 24,149,094	\$ 49,720,549	\$ 143,549,652		\$ 242,974,928		\$ 197,749,027	
Outside Agency Non-GRIP Unfunded Liability	8,645,355			-	-	-	-		8,645,355		9,287,959	
Net Unfunded Actuarial Accrued Liability	20,250,480			(3,340,202)	24,149,094	49,720,549	143,549,652		234,329,573		188,461,068	
Funded Ratio (Actuarial Value of Assets)	98.5%			104.0%	95.4%	96.8%	89.6%		95.6%		96.3%	
Annual Gross Normal Cost												
Benefits	\$ 38,295,605	\$ 1,590,467	\$ 2,171,335	\$ 2,415,656	\$ 10,766,015	\$ 27,559,673	\$ 34,543,739	\$ 34,533,803	\$ 113,580,688	16.83%	\$ 105,809,217	17.20%
Expenses of Administration	1,093,951	180,182	217,425	113,857	371,962	1,273,516	1,197,914	696,344	4,051,200	0.60%	3,560,000	0.58%
Total	39,389,556	1,770,649	2,388,760	2,529,513	11,137,977	28,833,189	35,741,653	35,230,147	117,631,888	17.43%	109,369,217	17.78%
Amortization of Unfunded Liability <sup>1</sup>												
County Portion	\$ 1,424,634	\$ 59,040	\$ 88,385	\$ (349,162)	\$ 1,643,384	\$ 2,847,560	\$ 14,234,903	\$ 1,277,209	\$ 19,801,319	2.81%	\$ 15,781,425	2.45%
Annual Contribution Requirement:												
County Portion	\$ 25,299,333	\$ 872,997	\$ 1,198,881	\$ 1,306,991	\$ 9,263,256	\$ 23,733,961	\$ 40,708,720	\$ 23,227,455	\$ 100,312,261	14.74%	\$ 90,659,860	14.62%
Employee Portion	15,514,857	956,692	1,278,264	873,360	3,518,105	7,946,788	9,267,836	13,279,901	37,120,946	5.50%	34,490,782	5.61%
Total	40,814,190	1,829,689	2,477,145	2,180,351	12,781,361	31,680,749	49,976,556	36,507,356	137,433,207	20.24%	125,150,642	20.23%
Non-Public Safety/Public Safety/GRIP County Portion			\$ 2,071,878					\$ 75,012,928	\$ 23,227,455			
*Excludes Non-GRIP Payroll from Outside Agencies												
Outside Agency UAL Payroll		\$ 1,487,870										

<sup>1</sup> Amortization bases established prior to the July 1, 2015 actuarial valuation were recombined into a single amortization base equal to the total unfunded liability as of July 1, 2015. Beginning July 1, 2023, the amortization of the current and future unfunded liability for the non-Public Safety groups A, H, and GRIP was amortized over a 20-year closed period. Beginning July 1, 2015, amortization of the current and future unfunded liability will occur over separate closed 20-year amortization periods for each of the Public Safety groups (Groups E, F, G and J).





# Actuarial Valuation Results Outside Agencies

Valuation as of July 1, 2025												
Non-GRIP	Assessment and Taxation	Circuit Court	CRU 92 Credit Union	District Court	Housing Opportunities Commission	Revenue Authority	Strathmore Hall	Town of Chevy Chase	Washington Suburban Transit Commission	Total Agency (Excluding GRIP)	Total County Non-Agency (Excluding GRIP)	Total ERS (Excluding GRIP)
Actuarial Accrued Liability												
Active Members (Non-GRIP)	\$ -	\$ -	\$ -	\$ -	\$ 4,811,624	\$ 320,687	\$ 1,945,853	\$ -	\$ -	\$ 7,078,164	\$ 1,482,797,208	\$ 1,489,875,372
DRSP/DROP Members	-	-	-	-	-	-	-	-	-	-	181,885,434	181,885,434
Terminated Vested Members	-	-	-	-	-	-	-	-	-	-	8,476,702	8,476,702
Retired Members and Beneficiaries	10,326,103	908,404	3,669,782	1,222,701	33,890,281	2,242,994	2,403,684	922,987	238,089	55,825,025	3,361,214,141	3,417,039,166
Total	\$ 10,326,103	\$ 908,404	\$ 3,669,782	\$ 1,222,701	\$ 38,701,905	\$ 2,563,681	\$ 4,349,537	\$ 922,987	\$ 238,089	\$ 62,903,189	\$ 5,034,373,485	\$ 5,097,276,674
Actuarial Accrued Liability by Group												
Group A	\$ 10,326,103	\$ 908,404	\$ 3,669,782	\$ 1,222,701	\$ 38,701,905	\$ 2,563,681	\$ 4,349,537	\$ 922,987	\$ 238,089	\$ 62,903,189		
Remaining Unfunded Actuarial Accrued Liability												
Non-GRIP	\$ 1,556,111	\$ 56,928	\$ 515,578	\$ 273,137	\$ 5,565,474	\$ 678,127	\$ -	\$ -	\$ -	\$ 8,645,355		
Closed Level Dollar Amortization of Unfunded Actuarial Accrued Liability <sup>1</sup>												
Non-GRIP	\$ 210,887	\$ 7,715	\$ 69,872	\$ 37,016	\$ 754,243	\$ 91,901	\$ -	\$ -	\$ -	\$ 1,171,634		
Contribution Basis Payroll:												
For Normal Cost (Non-GRIP)	\$ -	\$ -	\$ -	\$ -	\$ 904,973	\$ 57,865	\$ 282,606	\$ -	\$ -	\$ 1,245,444	\$ 343,291,762	\$ 344,537,206
Normal Cost Contribution Requirement (% of Payroll)	5.18%	5.18%	5.18%	5.18%	5.18%	5.18%	5.18%	5.18%	5.18%	5.18%		
Estimated Normal Cost \$ Contribution Requirement	\$ -	\$ -	\$ -	\$ -	\$ 46,878	\$ 2,997	\$ 14,639	\$ -	\$ -	\$ 64,514	\$ 58,496,182	\$ 58,560,696
Actual \$ UAL Contribution Requirement	210,887	7,715	69,872	37,016	754,243	91,901	-	-	-	1,171,634	18,524,110	19,695,744
Estimated Total \$ Contribution Requirement	\$ 210,887	\$ 7,715	\$ 69,872	\$ 37,016	\$ 801,121	\$ 94,898	\$ 14,639	\$ -	\$ -	\$ 1,236,148	\$ 77,020,292	\$ 78,256,440

<sup>1</sup> Strathmore Hall, the Town of Chevy Chase, and Washington Suburban Transit Commission paid off their remaining unfunded liability and therefore have no remaining balance as of July 1, 2025, July 1, 2018, and July 1, 2021, respectively. For all other agencies, the remaining amortization period is 10 years as of July 1, 2025.

Beginning in fiscal year 2017 for non-GRIP members, outside agencies will make normal cost contributions for their active employees (based on payroll) plus the level dollar amortization payment shown above. The level dollar amortization payment will be made for 20 years (10 years for Strathmore Hall and Washington Suburban Transit Commission) and is not based on payroll. Contributions for GRIP members will continue to be made based on the contribution rates determined in the actuarial valuations and actual payroll. Contribution basis payroll for normal cost that is shown is the fiscal year 2026 amount. Actual projected payroll for non-GRIP for fiscal year 2027 may be lower than the amount shown (or \$0 if there are no remaining active members).



# Actuarial Valuation Results Outside Agencies

Valuation as of July 1, 2025

	Assessment and Taxation	Circuit Court	CRU 92 Credit Union	District Court	Housing Opportunities Commission	Revenue Authority	Strathmore Hall	Town of Chevy Chase	Washington Suburban Transit Commission	Total Agency (GRIP)	Total County Non-Agency (GRIP)	Total ERS (GRIP)
<b>GRIP</b>												
Actuarial Accrued Liability												
Active Members (GRIP)	\$ -	\$ -	\$ 58,870	\$ -	\$ 8,476,253	\$ 322,118	\$ 682,051	\$ 432,333	\$ -	\$ 9,971,625	\$ 299,271,297	\$ 309,242,922
Terminated Vested Members	-	-	170,102	-	5,399,289	102,168	753,532	-	-	6,425,092	65,040,146	71,465,238
Retired Members and Beneficiaries	-	-	-	-	-	-	-	-	-	-	4,404,242	4,404,242
Total	\$ -	\$ -	\$ 228,972	\$ -	\$ 13,875,542	\$ 424,286	\$ 1,435,583	\$ 432,333	\$ -	\$ 16,396,717	\$ 368,715,685	\$ 385,112,402
Unfunded Actuarial Accrued Liability (GRIP)	\$ -	\$ -	\$ 3,435	\$ -	\$ 208,133	\$ 6,364	\$ 21,534	\$ 6,485	\$ -	\$ 245,951		
Contribution Basis Payroll:												
For Normal Cost (GRIP)	\$ -	\$ -	\$ 50,076	\$ -	\$ 7,009,680	\$ 481,513	\$ 1,581,667	\$ 36,111	\$ -	\$ 9,159,047	\$ 321,167,506	\$ 330,326,553
For Amortization of Unfunded Liability (GRIP)	\$ -	\$ -	\$ 53,646	\$ -	\$ 7,354,456	\$ 497,680	\$ 1,642,044	\$ 36,674	\$ -	\$ 9,584,500	\$ 335,675,392	\$ 345,259,892
Normal Cost Contribution Requirement (% of Payroll)	6.65%	6.65%	6.65%	6.65%	6.65%	6.65%	6.65%	6.65%	6.65%			
UAL Contribution Requirement (% of Payroll)	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%			
Estimated Normal Cost \$ Contribution Requirement	\$ -	\$ -	\$ 3,330	\$ -	\$ 466,144	\$ 32,021	\$ 105,181	\$ 2,401	\$ -	\$ 609,077	\$ 21,341,169	\$ 21,950,246
Estimated \$ UAL Contribution Requirement	-	-	198	-	27,211	1,841	6,076	136	-	35,463	1,241,746	1,277,209
Estimated Total \$ Contribution Requirement	\$ -	\$ -	\$ 3,529	\$ -	\$ 493,355	\$ 33,862	\$ 111,256	\$ 2,537	\$ -	\$ 644,539	\$ 22,582,916	\$ 23,227,455
<b>Total Non-GRIP and GRIP</b>										<b>Total Agency</b>	<b>Total Non-Agency</b>	<b>Total ERS</b>
Fixed Closed Level Dollar Amortization Payment	\$ 210,887	\$ 7,715	\$ 69,872	\$ 37,016	\$ 754,243	\$ 91,901	\$ -	\$ -	\$ -	\$ 1,171,634		
Estimated \$ Contribution for Payroll Based Contribution	-	-	3,529	-	540,233	36,859	125,895	2,537	-	709,053		
Total Estimated Contribution	\$ 210,887	\$ 7,715	\$ 73,401	\$ 37,016	\$ 1,294,476	\$ 128,760	\$ 125,895	\$ 2,537	\$ -	\$ 1,880,687	\$ 99,603,208	\$ 101,483,895
Unfunded Actuarial Accrued Liability (Based on Actuarial Value of Assets)												
Non-GRIP	\$ 1,556,111	\$ 56,928	\$ 515,578	\$ 273,137	\$ 5,565,474	\$ 678,127	\$ -	\$ -	\$ -	\$ 8,645,355		
GRIP	-	-	3,435	-	208,133	6,364	21,534	6,485	-	245,951		
Total	\$ 1,556,111	\$ 56,928	\$ 519,013	\$ 273,137	\$ 5,773,607	\$ 684,491	\$ 21,534	\$ 6,485	\$ -	\$ 8,891,306	\$ 234,083,622	\$ 242,974,928

Beginning in fiscal year 2017 for non-GRIP members, outside agencies will make normal cost contributions for their active employees (based on payroll) plus the level dollar amortization payment shown above. The level dollar amortization payment will be made for 20 years (10 years for Strathmore Hall and Washington Suburban Transit Commission) and is not based on payroll. Contributions for GRIP members will continue to be made based on the contribution rates determined in the actuarial valuations and actual payroll. Contribution basis payroll for normal cost that is shown is the fiscal year 2026 amount. Actual projected payroll for non-GRIP for fiscal year 2027 may be lower than the amount shown (or \$0 if there are no remaining active members).



# Actuarial Valuation Results

## Guaranteed Retirement Income Plan (GRIP)

	Valuation as of July 1, 2025						July 1, 2024	
	Agency					% of Payroll	Total	% of Payroll
	CC	CM	CN	CP	CZ			
<b>Total All Plans</b>								
Active Members								
Number	1	3,019	727	2	3	3,752	3,260	
Average Age	67.3	47.4	50.6	55.1	68.8	48.0	48.5	
Average Credited Service	9.5	6.9	10.5	5.2	10.6	7.6	7.8	
Total Base Payroll	\$ 53,646	\$ 251,924,293	\$ 92,380,212	\$ 311,297	\$ 590,444	\$ 345,259,892	\$ 290,130,576	
Contribution Basis Payroll:								
For Normal Cost	\$ 50,076	\$ 240,920,775	\$ 88,668,562	\$ 300,894	\$ 386,246	\$ 330,326,553	\$ 277,596,692	
For Amortization of Unfunded Liability	53,646	251,924,293	92,380,212	311,297	590,444	345,259,892	290,130,576	
Terminated Members								
Number	2	441	233	4	2	682	737	
Retired Members and Beneficiaries								
Number		17	4			21	16	
Total Benefits	\$	408,247	\$ 66,154			\$ 474,401	\$ 291,703	
Total Membership	3	3,477	964	6	5	4,455	4,013	
Actuarial Accrued Liability								
Active Members	\$ 58,870	\$ 185,952,228	\$ 122,246,926	\$ 163,797	\$ 821,101	\$ 309,242,922	\$ 262,849,025	
Terminated Vested Members	170,102	29,343,307	38,513,316	2,632,827	805,685	71,465,238	67,255,126	
Retired Members and Beneficiaries	-	3,926,365	477,877	-	-	4,404,242	2,769,521	
Total	228,972	219,221,900	161,238,119	2,796,624	1,626,786	385,112,402	332,873,672	
Annual Gross Normal Cost								
Benefits	\$ 5,282	\$ 25,158,625	\$ 9,294,216	\$ 34,103	\$ 41,577	\$ 34,533,803	\$ 28,990,200	10.44%
Expenses of Administration <sup>1</sup>	106	507,872	186,918	634	814	696,344	546,254	0.20%
Total	5,388	25,666,497	9,481,134	34,737	42,391	35,230,147	29,536,454	10.64%
Amortization of Unfunded Liability <sup>2</sup>	\$ 198	\$ 931,935	\$ 341,739	\$ 1,152	\$ 2,184	\$ 1,277,208	\$ 571,718	0.20%
Annual Contribution Requirement:								
County Portion	\$ 3,583	\$ 16,961,601	\$ 6,206,702	\$ 26,738	\$ 28,830	\$ 23,227,454	\$ 18,944,369	6.82%
Employee Portion	2,003	9,636,831	3,616,171	9,151	15,745	13,279,901	11,163,803	4.02%
Total	5,586	26,598,432	9,822,873	35,889	44,575	36,507,355	30,108,172	10.84%
Non-Public Safety County Portion						\$ 23,200,716	\$ 18,919,551	6.81%
Public Safety County Portion (Agency CP)						\$ 26,738	\$ 24,818	8.72%

<sup>1</sup> The normal cost rate for expenses of administration is set to 0.22% of payroll for each agency.

<sup>2</sup> The contribution for the amortization of the unfunded liability for each agency is equal to 0.37% based on the updated funding policy to combine Groups A, H and GRIP for funding purposes.



# Actuarial Valuation Results

## Amortization of Unfunded Actuarial Accrued Liability and Amortization Payments By Group

### Combined Groups A, H and GRIP

Base Year	Description	Unfunded Liability Base <sup>1</sup>		Remaining	Amortization Factor	Amortization Payment				
		Combined Groups A, H and GRIP		Financing Period		Group A	Group H	GRIP	Combined Groups A, H and GRIP	
2023	Unfunded Liability (Surplus) Before FY 2023 Changes	\$	(9,745,469)	18 yrs.	12.824851				\$	(759,889)
2023	FY 2023 Assumption and Method Changes		(17,586,594)	18	12.824851					(1,371,290)
2023	FY 2023 Plan Changes		0	18	12.824851					0
2024	FY 2024 Plan Experience		37,991,025	19	13.287997					2,859,048
2024	FY 2024 Assumption and Method Changes		(898,474)	19	13.287997					(67,615)
2024	FY 2024 Plan Changes		188,506	19	13.287997					14,186
2025	FY 2025 Plan Experience		10,301,486	20	13.731755					750,194
2025	FY 2025 Plan Changes		0	20	13.731755					0
Unfunded Liability		\$	20,250,480	21.1 yrs.	14.214514	\$ 59,040	\$ 88,385	\$ 1,277,209	\$	1,424,634
					Payroll for Unfunded Liability	\$ 15,959,923	\$ 23,892,647	\$ 345,259,892	\$	385,112,462
					Unfunded Liability Contribution Rate	0.37%	0.37%	0.37%		0.37%

<sup>1</sup> Unfunded liability excludes Outside Agency Non-GRIP unfunded liability of \$8,645,355. The unfunded liability contribution rate for Groups A, H and GRIP is equal to amortization of the combined unfunded liability for all three groups beginning as of July 1, 2023. The unfunded liability as of July 1, 2023, and new unfunded liability after July 1, 2023 is amortized over separate 20-year closed periods as a level percent of the combined payroll.



# Actuarial Valuation Results

## Amortization of Unfunded Actuarial Accrued Liability and Amortization Payments By Group

### Open Groups

Base Year	Description	Unfunded Liability Base					Remaining Financing Period	Amortization Factor	Amortization Payment				
		Group J	Group E	Group F	Group G	Total			Group J	Group E	Group F	Group G	Total
2015	Pre FY 2015 Retirement Incentive	\$ 0	\$ 864,399	\$ 0	\$ 0	\$ 864,399	10 yrs.	8.311898	\$ 0	\$ 103,995	\$ 0	\$ 0	\$ 103,995
2015	Pre FY 2015 Plan Experience	0	31,454,848	92,411,641	93,722,297	217,588,786	10	8.311898	0	3,784,316	11,117,995	11,275,679	26,177,990
2015	Pre FY 2015 Plan Changes	0	2,809,851	(1,357,194)	58,167,057	59,619,714	10	8.311898	0	338,052	(163,283)	6,998,047	7,172,816
2015	Pre FY 2015 Cost Method Changes	0	172,686	291,511	1,102,309	1,566,506	10	8.311898	0	20,776	35,072	132,618	188,466
2015	FY 2015 Plan Experience	0	(18,904,611)	(49,269,961)	(33,434,868)	(101,609,440)	10	8.311898	0	(2,274,404)	(5,927,642)	(4,022,531)	(12,224,577)
2015	FY 2015 Assumption and Method Changes	0	(6,650,623)	(15,206,301)	(6,740,444)	(28,597,368)	10	8.311898	0	(800,133)	(1,829,462)	(810,939)	(3,440,534)
2015	FY 2015 Plan Changes	0	3,759,389	0	0	3,759,389	10	8.311898	0	452,290	0	0	452,290
2016	FY 2016 Plan Experience	0	(6,397,336)	(21,448,396)	(17,913,088)	(45,758,820)	11	8.963958	0	(713,673)	(2,392,737)	(1,998,346)	(5,104,756)
2017	FY 2017 Plan Experience	(186,329)	(9,649,710)	(20,508,272)	(18,992,465)	(49,336,776)	12	9.588723	(19,432)	(1,006,360)	(2,138,791)	(1,980,708)	(5,145,291)
2018	FY 2018 Plan Experience	(370,726)	(5,006,689)	(12,971,963)	1,031,678	(17,317,700)	13	10.187335	(36,391)	(491,462)	(1,273,342)	101,271	(1,699,924)
2019	FY 2019 Plan Experience	(252,858)	53,030	(5,875,999)	(9,169,382)	(15,245,209)	14	10.760888	(23,498)	4,928	(546,051)	(852,103)	(1,416,724)
2019	FY 2019 Assumption and Method Changes	(576,974)	(3,831,753)	(12,034,055)	(10,373,758)	(26,816,540)	14	10.760888	(53,618)	(356,081)	(1,118,314)	(964,024)	(2,492,037)
2020	FY 2020 Plan Experience	628,289	(1,238,712)	966,288	2,993,591	3,349,456	15	11.310432	55,550	(109,519)	85,433	264,675	296,139
2021	FY 2021 Plan Experience	(3,262,678)	(15,002,529)	(42,157,255)	(41,485,402)	(101,907,864)	16	11.836972	(275,635)	(1,267,430)	(3,561,490)	(3,504,731)	(8,609,286)
2022	FY 2022 Plan Experience	(8,602,700)	9,656,312	9,585,039	11,929,050	22,567,701	17	12.341471	(697,056)	782,428	776,653	966,582	1,828,607
2022	FY 2022 Plan Change	0	0	5,929,468	0	5,929,468	17	12.341471	0	0	480,451	0	480,451
2023	FY 2023 Plan Experience	1,516,126	5,228,816	42,016,515	25,400,697	74,162,154	18	12.824851	118,218	407,710	3,276,179	1,980,584	5,782,691
2023	FY 2023 Assumption and Method Changes	(349,761)	(3,490,066)	(9,073,912)	(7,112,226)	(20,025,965)	18	12.824851	(27,272)	(272,133)	(707,526)	(554,566)	(1,561,497)
2023	FY 2023 Plan Changes	1,936,444	11,550,756	41,929,783	45,963,413	101,380,396	18	12.824851	150,992	900,654	3,269,417	3,583,933	7,904,996
2024	FY 2024 Plan Experience	3,966,750	13,152,604	36,803,735	31,936,626	85,859,715	19	13.287997	298,521	989,811	2,769,698	2,403,419	6,461,449
2024	FY 2024 Assumption and Method Changes	(313,637)	5,057,763	(4,256,958)	(7,166,371)	(6,679,203)	19	13.287997	(23,603)	380,626	(320,361)	(539,312)	(502,650)
2024	FY 2024 Plan Changes	(11,035)	(31,738)	(597)	12,372,193	12,328,823	19	13.287997	(830)	(2,388)	(45)	931,080	927,817
2025	FY 2025 Plan Experience	2,543,698	10,602,231	13,947,597	11,319,001	38,412,527	20	13.731755	185,242	772,096	1,015,718	824,294	2,797,350
2025	FY 2025 Plan Changes	(4,811)	(9,824)	(165)	(256)	(15,056)	20	13.731755	(350)	(715)	(12)	(19)	(1,096)
<b>Unfunded Liability</b>		\$ (3,340,202)	\$ 24,149,094	\$ 49,720,549	\$ 143,549,652	\$ 214,079,093	15.6 yrs.	11.649495	\$ (349,162)	\$ 1,643,384	\$ 2,847,560	\$ 14,234,903	\$ 18,376,685
<b>Payroll for Unfunded Liability</b>									\$ 13,893,619	\$ 55,010,616	\$ 121,661,822	\$ 129,786,052	\$ 320,352,109
<b>Unfunded Liability Contribution Rate</b>									-2.51%	2.99%	2.34%	10.97%	5.74%
<b>Single Equivalent Amortization Period (Years)</b>									12.0	22.3	30.7	12.8	15.6

For illustrative purposes, we have illustrated the amortization payment based on combining the outstanding amortization bases and amortizing the (surplus)/unfunded liability over 20 years.

Unfunded Liability Base					Financing Period	Amortization Factor	Amortization Payment				
Group J	Group E	Group F	Group G	Total			Group J	Group E	Group F	Group G	Total
\$ (3,340,202)	\$ 24,149,094	\$ 49,720,549	\$ 143,549,652	\$ 214,079,093	20 yrs.	13.731755	\$ (243,247)	\$ 1,758,631	\$ 3,620,844	\$ 10,453,846	\$ 15,590,075



# Actuarial Valuation Results

## Amortization of Unfunded Actuarial Accrued Liability and Amortization Payments By Group

### Total

Base Year	Description	Combined Groups A, H, and GRIP	Unfunded Liability Base <sup>1</sup>				
			Open Groups				
			Group J	Group E	Group F	Group G	Total
2015	Pre FY 2015 Retirement Incentive		\$ 0	\$ 864,399	\$ 0	\$ 0	\$ 864,399
2015	Pre FY 2015 Plan Experience		0	31,454,848	92,411,641	93,722,297	217,588,786
2015	Pre FY 2015 Plan Changes		0	2,809,851	(1,357,194)	58,167,057	59,619,714
2015	Pre FY 2015 Cost Method Changes		0	172,686	291,511	1,102,309	1,566,506
2015	FY 2015 Plan Experience		0	(18,904,611)	(49,269,961)	(33,434,868)	(101,609,440)
2015	FY 2015 Assumption and Method Changes		0	(6,650,623)	(15,206,301)	(6,740,444)	(28,597,368)
2015	FY 2015 Plan Changes		0	3,759,389	0	0	3,759,389
2016	FY 2016 Plan Experience		0	(6,397,336)	(21,448,396)	(17,913,088)	(45,758,820)
2017	FY 2017 Plan Experience		(186,329)	(9,649,710)	(20,508,272)	(18,992,465)	(49,336,776)
2018	FY 2018 Plan Experience		(370,726)	(5,006,689)	(12,971,963)	1,031,678	(17,317,700)
2019	FY 2019 Plan Experience		(252,858)	53,030	(5,875,999)	(9,169,382)	(15,245,209)
2019	FY 2019 Assumption and Method Changes		(576,974)	(3,831,753)	(12,034,055)	(10,373,758)	(26,816,540)
2020	FY 2020 Plan Experience		628,289	(1,238,712)	966,288	2,993,591	3,349,456
2021	FY 2021 Plan Experience		(3,262,678)	(15,002,529)	(42,157,255)	(41,485,402)	(101,907,864)
2022	FY 2022 Plan Experience		(8,602,700)	9,656,312	9,585,039	11,929,050	22,567,701
2022	FY 2022 Plan Change		0	0	5,929,468	0	5,929,468
2023	FY 2023 Plan Experience	\$ (9,745,469)	1,516,126	5,228,816	42,016,515	25,400,697	64,416,685
2023	FY 2023 Assumption and Method Changes	(17,586,594)	(349,761)	(3,490,066)	(9,073,912)	(7,112,226)	(37,612,559)
2023	FY 2023 Plan Changes	0	1,936,444	11,550,756	41,929,783	45,963,413	101,380,396
2024	FY 2024 Plan Experience	37,991,025	3,966,750	13,152,604	36,803,735	31,936,626	123,850,740
2024	FY 2024 Assumption and Method Changes	(898,474)	(313,637)	5,057,763	(4,256,958)	(7,166,371)	(7,577,677)
2024	FY 2024 Plan Changes	188,506	(11,035)	(31,738)	(597)	12,372,193	12,517,329
2025	FY 2025 Plan Experience	10,301,486	2,543,698	10,602,231	13,947,597	11,319,001	48,714,013
2025	FY 2025 Plan Changes	0	(4,811)	(9,824)	(165)	(256)	(15,056)
<b>Unfunded Liability</b>		\$ 20,250,480	\$ (3,340,202)	\$ 24,149,094	\$ 49,720,549	\$ 143,549,652	\$ 234,329,573

<sup>1</sup> Unfunded liability for Group A excludes Outside Agency Non-GRIP unfunded liability of \$8,645,355.



# Actuarial Valuation Results

## Amortization of Unfunded Actuarial Accrued Liability and Amortization Payments By Group

Base Year	Description	Remaining Financing Period	Amortization Factor	Combined Groups A, H, and GRIP	Amortization of Unfunded Liability Base				
					Open Groups				Total
					Group J	Group E	Group F	Group G	
2015	Pre FY 2015 Retirement Incentive	10.0 yrs.	8.311898		\$ 0	\$ 103,995	\$ 0	\$ 0	\$ 103,995
2015	Pre FY 2015 Plan Experience	10.0	8.311898		0	3,784,316	11,117,995	11,275,679	26,177,990
2015	Pre FY 2015 Plan Changes	10.0	8.311898		0	338,052	(163,283)	6,998,047	7,172,816
2015	Pre FY 2015 Cost Method Changes	10.0	8.311898		0	20,776	35,072	132,618	188,466
2015	FY 2015 Plan Experience	10.0	8.311898		0	(2,274,404)	(5,927,642)	(4,022,531)	(12,224,577)
2015	FY 2015 Assumption and Method Changes	10.0	8.311898		0	(800,133)	(1,829,462)	(810,939)	(3,440,534)
2015	FY 2015 Plan Changes	10.0	8.311898		0	452,290	0	0	452,290
2016	FY 2016 Plan Experience	11.0	8.963958		0	(713,673)	(2,392,737)	(1,998,346)	(5,104,756)
2017	FY 2017 Plan Experience	12.0	9.588723		(19,432)	(1,006,360)	(2,138,791)	(1,980,708)	(5,145,291)
2018	FY 2018 Plan Experience	13.0	10.187335		(36,391)	(491,462)	(1,273,342)	101,271	(1,699,924)
2019	FY 2019 Plan Experience	14.0	10.760888		(23,498)	4,928	(546,051)	(852,103)	(1,416,724)
2019	FY 2019 Assumption and Method Changes	14.0	10.760888		(53,618)	(356,081)	(1,118,314)	(964,024)	(2,492,037)
2020	FY 2020 Plan Experience	15.0	11.310432		55,550	(109,519)	85,433	264,675	296,139
2021	FY 2021 Plan Experience	16.0	11.836972		(275,635)	(1,267,430)	(3,561,490)	(3,504,731)	(8,609,286)
2022	FY 2022 Plan Experience	17.0	12.341471		(697,056)	782,428	776,653	966,582	1,828,607
2022	FY 2022 Plan Change	17.0	12.341471		0	0	480,451	0	480,451
2023	FY 2023 Plan Experience	18.0	12.824851	\$ (759,889)	118,218	407,710	3,276,179	1,980,584	5,022,802
2023	FY 2023 Assumption and Method Changes	18.0	12.824851	(1,371,290)	(27,272)	(272,133)	(707,526)	(554,566)	(2,932,787)
2023	FY 2023 Plan Changes	18.0	12.824851	0	150,992	900,654	3,269,417	3,583,933	7,904,996
2024	FY 2024 Plan Experience	19.0	13.287997	2,859,048	298,521	989,811	2,769,698	2,403,419	9,320,497
2024	FY 2024 Assumption and Method Changes	19.0	13.287997	(67,615)	(23,603)	380,626	(320,361)	(539,312)	(570,265)
2024	FY 2024 Plan Changes	19.0	13.287997	14,186	(830)	(2,388)	(45)	931,080	942,003
2025	FY 2025 Plan Experience	20.0	13.731755	750,194	185,242	772,096	1,015,718	824,294	3,547,544
2025	FY 2025 Plan Changes	20.0	13.731755	0	(350)	(715)	(12)	(19)	(1,096)
<b>Amortization Payments</b>		16.0 yrs.	11.834039	\$ 1,424,634	\$ (349,162)	\$ 1,643,384	\$ 2,847,560	\$ 14,234,903	\$ 19,801,319
<b>Unfunded Liability</b>				\$ 20,250,480	\$ (3,340,202)	\$ 24,149,094	\$ 49,720,549	\$ 143,549,652	\$ 234,329,573
<b>Single Equivalent Amortization Period (Years)</b>				21.1	12.0	22.3	30.7	12.8	16.0
<b>Payroll for Unfunded Liability</b>				\$ 385,112,462	\$ 13,893,619	\$ 55,010,616	\$ 121,661,822	\$ 129,786,052	\$ 705,464,571
<b>Unfunded Liability Contribution Rate</b>				0.37%	-2.51%	2.99%	2.34%	10.97%	2.81%

For illustrative purposes, we have illustrated the amortization payment based on combining the outstanding amortization bases and amortizing the (surplus)/unfunded liability over 20 years.

Remaining Financing Period	Amortization Factor	Amortization of Unfunded Liability Base						
		Combined Groups A, H, and GRIP	Open Groups				Total	
			Group J	Group E	Group F	Group G		
20 yrs.	13.731755	\$ 1,474,719	\$ (243,247)	\$ 1,758,631	\$ 3,620,844	\$ 10,453,846	\$ 17,064,793	



# Actuarial Valuation Results

## Gain/Loss Analysis

	Group J	Groups A, H, GRIP	Groups E, F, G	Total
Unfunded liability at previous valuation	\$ (5,987,418)	\$ 19,197,631	\$ 184,538,814	\$ 197,749,027
Expected unfunded liability at current valuation				
Normal cost for plan year	2,473,750	33,935,491	72,959,976	109,369,217
Interest on unfunded liability and normal cost	(357,968)	2,689,397	16,526,948	18,858,377
Contributions with interest to current valuation date <sup>1</sup>	2,007,452	35,888,971	92,465,027	130,361,450
Total expected change in unfunded liability at current valuation	108,330	735,917	(2,978,103)	(2,133,856)
Total expected unfunded liability at current valuation	(5,879,088)	19,933,548	181,560,711	195,615,171
Change due to:				
Recognition of asset (gains)/losses	(96,388)	(2,235,023)	(3,686,712)	(6,018,123)
Salary increases	676,093	6,143,231	11,596,635	18,415,959
COLA increases	(127,411)	(7,600,581)	(10,933,520)	(18,661,512)
Amount and timing of contributions <sup>2</sup>	287,252	(2,957,510)	8,207,598	5,537,340
Demographic experience and other	1,804,151	15,612,170	30,684,828	48,101,149
Change in actuarial assumptions	-	-	-	-
Plan changes	(4,811)	-	(10,245)	(15,056)
Total change	2,538,886	8,962,287	35,858,584	47,359,757
Unfunded liability at current valuation	\$ (3,340,202)	\$ 28,895,835	\$ 217,419,295	\$ 242,974,928

	County Contribution			Funded Status
	Group J	Groups A, H, GRIP	Groups E, F, G	Total
FY 2026 County Contribution/July 1, 2024 Funded Ratio	8.97%	6.64%	23.78%	96.3%
Expected FY 2027 County Contribution/Expected July 1, 2025 Funded Ratio	8.85%	6.62%	23.86%	96.4%
Change due to:				
Recognition of asset (gains)/losses	-0.05%	-0.04%	-0.09%	0.1%
Salary increases	0.41%	0.11%	0.19%	-0.3%
COLA increases	-0.07%	-0.14%	-0.26%	0.3%
Amount and timing of contributions	0.15%	-0.06%	0.20%	0.1%
Demographic experience and other	1.05%	0.38%	0.87%	-1.0%
Change in actuarial assumptions	0.00%	0.00%	0.00%	0.0%
Plan changes	-0.02%	0.00%	0.00%	0.0%
Total change	1.47%	0.25%	0.91%	-0.8%
FY 2027 County Contribution/July 1, 2025 Funded Ratio	10.32%	6.87%	24.77%	95.6%

*Demographic Experience and Other includes changes due to retirement, mortality, disability and termination experience that varied from the actuarial assumptions, and data changes.*

*The combined FY 2027 County contribution rate for the Public Safety groups (Group E, F, G and J) is 24.16%.*

<sup>1</sup> Based on the normal cost and amortization payments from the actuarial valuation as of July 1, 2024.

<sup>2</sup> Reflects differences in unfunded liability contributions between when the contribution rate was calculated (actuarial valuation date) and when the contributions were made (fiscal year).





# Actuarial Valuation Results

## Gain/Loss Analysis

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### Reconciliation of County Contribution Requirement

FY 2026 County contribution	\$ 90,659,860
Change in normal cost (plan experience)	5,637,234
Expected increase in amortization payment	<u>473,443</u>
Expected FY 2027 County contribution	\$ 96,770,537
Change in normal cost due to:	
Change in normal cost (assumptions)	\$ -
Change in normal cost (plan changes)	<u>(4,728)</u>
Sum of changes	(4,728)
Change in amortization payment due to:	
Recognition of asset (gains)/losses	\$ (438,263)
Salary increases	1,341,122
COLA increases	(1,359,004)
Amount and timing of contributions	403,251
Demographic experience	3,600,443
Change in actuarial assumptions	-
Plan changes	<u>(1,096)</u>
Sum of changes	3,546,452
FY 2027 County contribution	\$ 100,312,261

*Includes the Retirement Incentive cost. Excludes the non-GRIP outside agency unfunded liability contribution of \$1,171,634. Includes the GRIP outside agency estimated normal cost and unfunded liability contribution and the non-GRIP estimated normal cost contribution of \$602,261 for fiscal year 2026 and \$709,053 for fiscal year 2027. County estimated contribution is \$90,057,599 for fiscal year 2026 and \$99,603,208 for fiscal year 2027.*

# Actuarial Valuation Results

## Gain/Loss Analysis

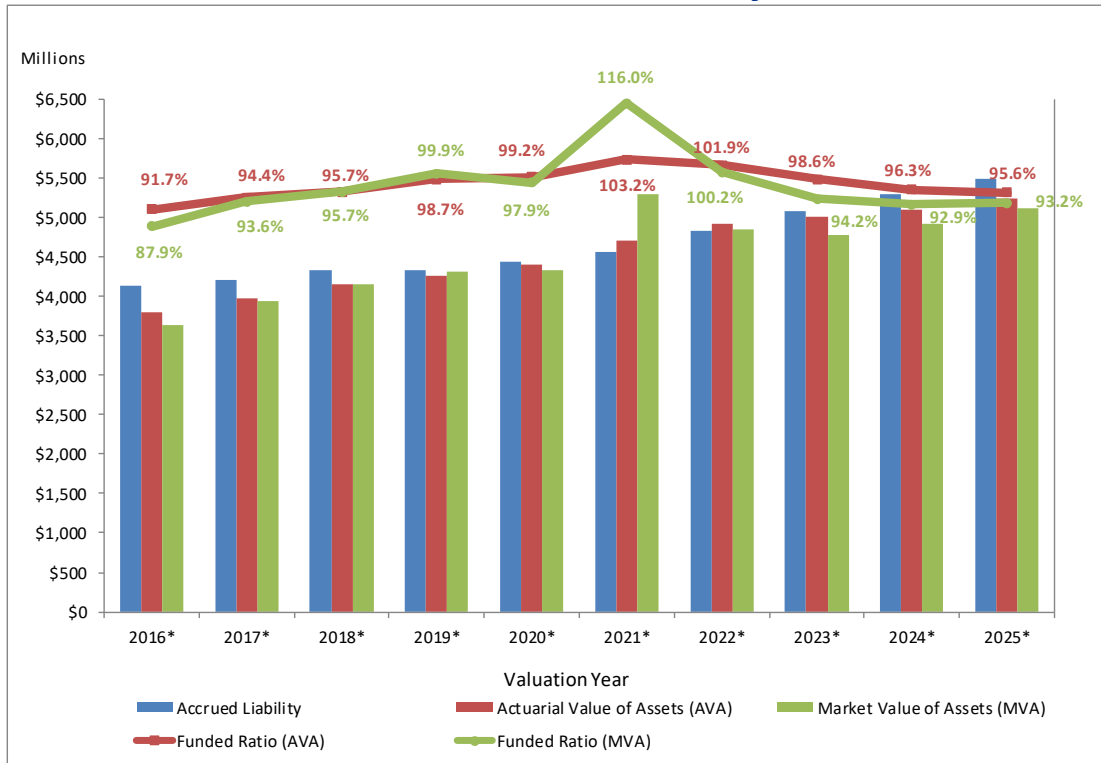
	Valuation as of July 1, 2025							
	Non-Public Safety			Public Safety				Total
	Group A	Group H	Group J	Group E	Group F	Group G	GRIP	
<b>Actuarial Accrued Liability</b>								
Baseline	\$ 895,698,543	\$ 671,998,983	\$ 83,213,023	\$ 519,818,234	\$ 1,547,594,796	\$ 1,378,968,151	\$ 385,112,402	\$ 5,482,404,132
Change due to:								
Assumptions and Methods	-	-	-	-	-	-	-	-
Benefit Provisions								
Group J - Deferred Age Increase to 73 <sup>1</sup>			(4,811)					(4,811)
Group E - Deferred Age Increase to 73 <sup>1</sup>				(9,824)				(9,824)
Group F - Deferred Age Increase to 73 <sup>1</sup>					(165)			(165)
Group G - Deferred Age Increase to 73 <sup>1</sup>						(256)		(256)
Total due to plan changes	-	-	(4,811)	(9,824)	(165)	(256)	-	(15,056)
<b>Final Actuarial Accrued Liability</b>	\$ 895,698,543	\$ 671,998,983	\$ 83,208,212	\$ 519,808,410	\$ 1,547,594,631	\$ 1,378,967,895	\$ 385,112,402	\$ 5,482,389,076
<b>Annual Contribution Requirement</b>								
Baseline	\$ 872,997	\$ 1,198,881	\$ 1,309,161	\$ 9,266,585	\$ 23,734,070	\$ 40,708,935	\$ 23,227,455	\$ 100,318,084
Change due to:								
Assumptions and Methods	-	-	-	-	-	-	-	-
Benefit Provisions								
Group J - Deferred Age Increase to 73 <sup>1</sup>			(2,170)					(2,170)
Group E - Deferred Age Increase to 73 <sup>1</sup>				(3,329)				(3,329)
Group F - Deferred Age Increase to 73 <sup>1</sup>					(109)			(109)
Group G - Deferred Age Increase to 73 <sup>1</sup>						(215)		(215)
Total due to plan changes	-	-	(2,170)	(3,329)	(109)	(215)	-	(5,823)
<b>Final Annual Contribution Requirement</b>	\$ 872,997	\$ 1,198,881	\$ 1,306,991	\$ 9,263,256	\$ 23,733,961	\$ 40,708,720	\$ 23,227,455	\$ 100,312,261

<sup>1</sup> A deferred vested benefit will be payable at age 73 (increased from age 72) for participants who do not meet retirement eligibility conditions upon vested termination (are not age 55 with 15 or more years of service).

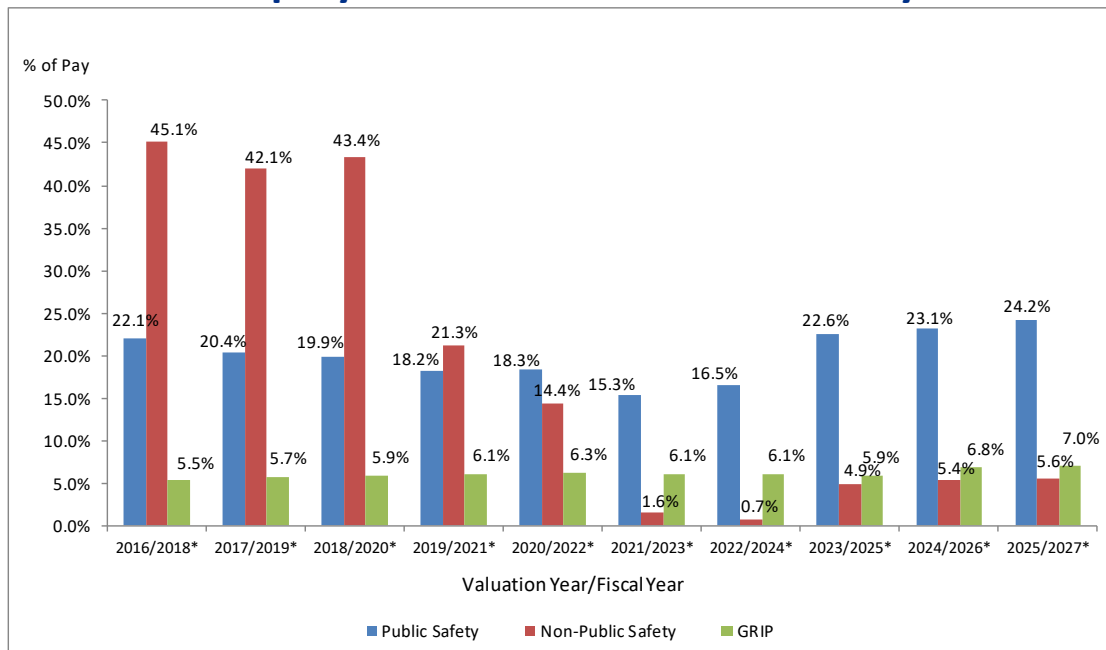


# Historical Trends of Funded Ratio and Employer Contributions

## Funded Ratio History



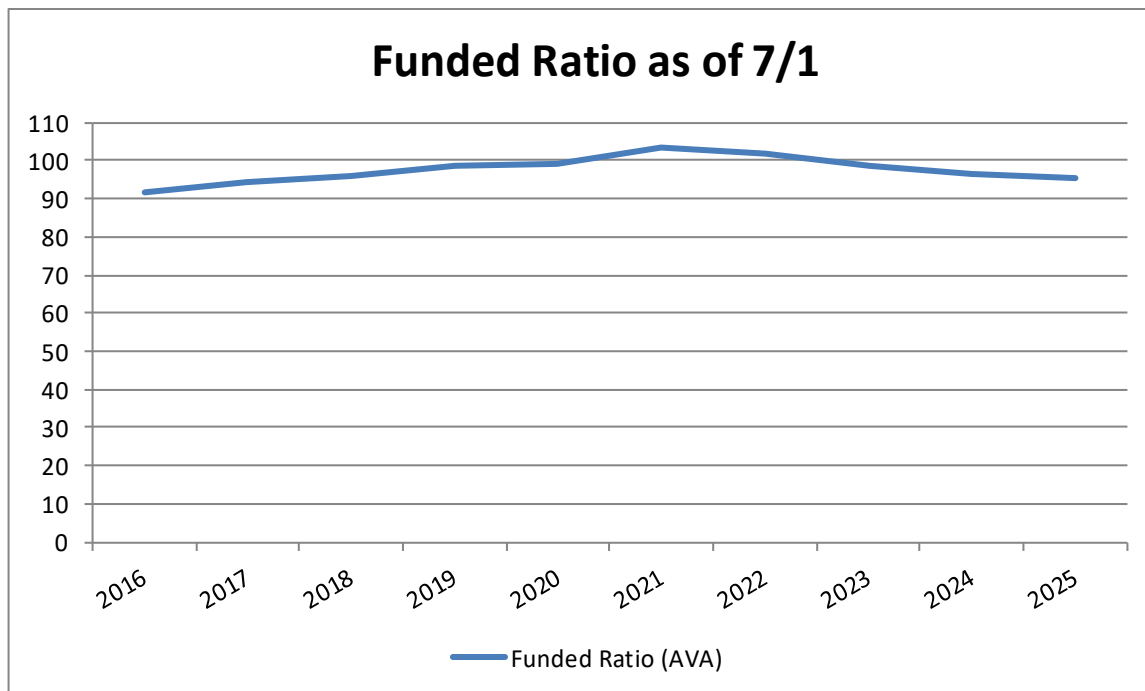
## Employer Contribution Rate History



\* Results beginning with the 2019 valuation (FY 2021) include changes to the actuarial assumptions used in the valuation, based on the key findings from an experience review of the System for the period from July 1, 2014 to July 1, 2018. Results beginning with the 2024 valuation (FY 2026) include changes to the actuarial assumptions used in the valuation, based on the key findings from an experience review of the System for the period from July 1, 2018 to July 1, 2023.

## Funded Ratio History

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (AVA) (a / b)
7/1/2016	\$3,798,555,275	\$4,141,060,968	\$342,505,693	91.7 %
7/1/2017	3,968,497,692	4,202,633,142	234,135,450	94.4
7/1/2018	4,149,354,330	4,334,296,798	184,942,468	95.7
7/1/2019	4,261,996,413	4,320,161,072	58,164,659	98.7
7/1/2020	4,393,054,415	4,428,048,342	34,993,927	99.2
7/1/2021	4,709,827,390	4,564,967,315	(144,860,075)	103.2
7/1/2022	4,915,636,212	4,824,808,944	(90,827,268)	101.9
7/1/2023	5,003,872,329	5,075,056,637	71,184,308	98.6
7/1/2024	5,091,102,302	5,288,851,329	197,749,027	96.3
7/1/2025	5,239,414,148	5,482,389,076	242,974,928	95.6



## Actuarial Valuation Results Solvency Test

Valuation Date 7/1	Total Actuarial Accrued Liability	(1)	(2)	(3)	Actuarial Value of Assets	Portion (%) of Present Value Covered		
		Active Member Contributions	Retirees, Term Vested and Beneficiaries	Active Members (Employer Financed Portion)		By Assets		
						(1)	(2)	(3)
2016	\$4,141,060,968	\$297,715,372	\$ 2,747,575,831	\$ 1,095,769,765	\$3,798,555,275	100%	100%	69%
2017	4,202,633,142	314,707,102	2,789,167,599	1,098,758,441	3,968,497,692	100%	100%	79%
2018	4,334,296,798	327,611,097	2,900,824,622	1,105,861,079	4,149,354,330	100%	100%	83%
2019	4,320,161,072	333,645,308	2,927,345,196	1,059,170,568	4,261,996,413	100%	100%	95%
2020	4,428,048,342	350,094,770	3,003,483,784	1,074,469,788	4,393,054,415	100%	100%	97%
2021	4,564,967,315	357,460,046	3,175,042,247	1,032,465,022	4,709,827,390	100%	100%	100%
2022	4,824,808,944	357,178,578	3,443,545,983	1,024,084,383	4,915,636,212	100%	100%	100%
2023	5,075,056,637	376,109,982	3,505,400,338	1,193,546,318	5,003,872,329	100%	100%	94%
2024	5,288,851,329	401,039,080	3,575,832,950	1,311,979,299	5,091,102,302	100%	100%	85%
2025	5,482,389,076	430,974,896	3,683,270,781	1,368,143,399	5,239,414,148	100%	100%	82%

*DRSP and DROP member liability included in item (2) with retirees.*

## Statement of Fiduciary Net Position

	Fiscal Year Ending	
	June 30, 2024	June 30, 2025
<b>Assets</b>		
Equity in County's pooled cash and investments	\$ 1,454,673	\$ 330,844
Investments:		
Government and agency obligations	103,736,433	837,346
Municipal/Provincial obligations	3,730,249	-
Corporate bonds	327,673,033	188,327,835
Commercial mortgage-backed securities	1,136,675	-
Common and preferred stock	993,464,495	827,270,789
Mutual and commingled funds	1,571,705,022	2,168,973,022
Short-term investments	218,199,003	156,903,131
Cash collateral received under securities lending agreements	81,601,717	71,987,763
Private real assets	518,870,577	550,750,252
Private equity/debt	1,164,000,733	1,214,067,199
Total Investments	4,984,117,937	5,179,117,337
Dividend, interest and other receivables	12,307,363	6,768,823
Contributions receivable	4,357,110	5,984,514
Total assets	5,002,237,083	5,192,201,518
<b>Liabilities</b>		
Payable for collateral received under securities lending agreements	81,601,717	71,987,763
Benefit payable and other liabilities	5,297,276	10,526,263
Total liabilities	86,898,993	82,514,026
<b>Net position restricted for pensions</b>	<u>\$ 4,915,338,090</u>	<u>\$ 5,109,687,492</u>



## Statement of Changes in Fiduciary Net Position Total Employees' Retirement System (ERS)

	Fiscal Year Ending	
	June 30, 2024	June 30, 2025
<b>Additions:</b>		
Contributions:		
Employer	\$ 64,878,147	\$ 81,001,432
Members	37,411,080	47,817,892
Total contributions	102,289,227	128,819,324
Total income from investment activities	393,293,595	437,545,403
Less investment expenses	17,512,452	12,718,890
Net income (loss) from investment activities	375,781,143	424,826,513
Income from securities lending	7,203,767	3,840,855
Less securities lending expenses	6,355,641	3,272,708
Net income from securities lending	848,126	568,147
Total additions (deductions)	478,918,496	554,213,984
<b>Deductions:</b>		
Retiree benefits	252,974,673	265,262,998
Disability benefits	61,121,142	62,692,971
Survivor benefits	12,719,539	13,663,283
Refunds and distributions	11,238,312	13,696,376
Administrative expenses	3,795,631	4,535,575
Total deductions	341,849,297	359,851,203
Net increase in net position	137,069,199	194,362,781
<b>Net position restricted for pensions</b>		
Beginning of year	4,778,268,891	4,915,338,090
Restatements (per GASB 101)	-	(13,379)
End of year	<u>\$ 4,915,338,090</u>	<u>\$ 5,109,687,492</u>



## Development of Actuarial Value of Assets (Total ERS)

Fiscal Year Ending	2024	2025	2026	2027	2028	2029
Beginning of Year:						
(1) Market Value of Assets	\$ 4,778,268,891	\$ 4,915,338,090				
(1a) Restatements (per GASB 101)	-	(13,379)				
(2) Actuarial Value of Assets	5,003,872,329	5,091,102,302				
(2a) Restatements (per GASB 101)	-	(13,379)				
End of Year:						
(3) Market Value of Assets	4,915,338,090	5,109,687,492				
(4a) Contributions	102,289,227	128,819,324				
(4b) Net Disbursements	341,849,297	359,851,203				
(5) Total Investment Income						
=(3)-(1)-(1a)-(4a)+(4b)	376,629,269	425,394,660				
(6) Projected Rate of Return	7.50%	7.50%				
(7) Projected Investment Income						
=([(1)+(1a)]x(6))+([(1)+(6)]^0.5-1)x(4a-4b)	349,549,070	360,142,282				
(8) Asset Adjustment	-	-				
(9) Investment Income in						
Excess of Projected Income	27,080,199	65,252,378				
(10) Excess Investment Income Recognized						
This Year (5-year recognition)						
(10a) From This Year	\$ 5,416,040	\$ 13,050,476				
(10b) From One Year Ago	(34,402,195)	5,416,040	\$ 13,050,476			
(10c) From Two Years Ago	(129,372,288)	(34,402,195)	5,416,040	\$ 13,050,476		
(10d) From Three Years Ago	164,522,789	(129,372,288)	(34,402,195)	5,416,040	\$ 13,050,476	
(10e) From Four Years Ago	(28,923,373)	164,522,789	(129,372,289)	(34,402,193)	5,416,039	\$ 13,050,474
(10f) Total Recognized Investment Gain/(Loss)	(22,759,027)	19,214,822	(145,307,968)	(15,935,677)	18,466,515	13,050,474
(11) Change in Actuarial Value of Assets						
=(4a)-(4b)+(7)+(8)+(10f)	87,229,973	148,325,225				
End of Year:						
<b>(3) Market Value of Assets</b>	<b>\$ 4,915,338,090</b>	<b>\$ 5,109,687,492</b>				
<b>(12) Final Actuarial Value of Assets as of 6/30 = (2)+(2a)+(11)</b>	<b>\$ 5,091,102,302</b>	<b>\$ 5,239,414,148</b>				
(13) Difference between Market & Actuarial Values	(175,764,212)	(129,726,656)				
(14) Estimated Market Value Rate of Return on Total Plan Assets	8.08%	8.86%				
(15) Estimated Market Value Return on Invested Plan Assets <sup>1</sup>	8.78%	8.87%				
(16) Actuarial Value Rate of Return	6.69%	7.62%				
(17) Ratio of Actuarial Value to Market Value	104%	103%				

<sup>1</sup> Rate calculated and provided by the County.





## Allocation of Actuarial Value of Assets by Group

	Valuation as of July 1, 2025						July 1, 2024
	Non-Public Safety	Public Safety					
	Groups A, H, GRIP	Group J	Group E	Group F	Group G	Total	Total
Beginning of Year:							
(1) Actuarial Value of Assets <sup>1</sup>	\$ 1,911,115,352	\$ 79,092,764	\$ 475,668,805	\$ 1,448,980,429	\$ 1,176,244,952	\$ 5,091,102,302	\$ 5,003,872,329
End of Year:							
(2a) County Contributions	\$ 21,953,475	\$ 684,332	\$ 6,101,800	\$ 18,707,339	\$ 33,554,487	\$ 81,001,432	\$ 64,878,147
(2b) Employee Contributions	15,583,153	2,839,058	10,172,763	8,985,272	10,237,646	47,817,892	37,411,080
(2c) Transfers	(3,041,225)	576,742	2,336,828	(37,720)	165,375	0	0
(2d) Total Contributions <sup>2</sup>	\$ 34,495,403	\$ 4,100,132	\$ 18,611,391	\$ 27,654,891	\$ 43,957,508	\$ 128,819,324	\$ 102,289,227
(3a) Benefit Payments and Refunds	\$ 161,483,976	\$ 2,579,552	\$ 33,811,778	\$ 85,501,361	\$ 71,938,961	\$ 355,315,628	\$ 338,053,666
(3b) Administrative Expenses	1,066,122	143,965	472,867	1,465,976	1,386,645	4,535,575	3,795,631
(3c) Total Deductions <sup>3</sup>	\$ 162,550,098	\$ 2,723,517	\$ 34,284,645	\$ 86,967,337	\$ 73,325,606	\$ 359,851,203	\$ 341,849,297
(4) Investment Return (AVA Basis)	\$ 140,853,436	\$ 6,079,035	\$ 35,663,765	\$ 108,206,099	\$ 88,541,389	\$ 379,343,725	\$ 326,790,043
(5) Actuarial Value of Assets	\$ 1,923,914,093	\$ 86,548,414	\$ 495,659,316	\$ 1,497,874,082	\$ 1,235,418,243	\$ 5,239,414,148	\$ 5,091,102,302
(6) AVA Rate of Return	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	6.69%

<sup>1</sup> Actuarial value of assets by group is from the actuarial valuation as of July 1, 2024.

<sup>2</sup> After allocation of service purchase balances, contributions by group were allocated based on fiscal year 2025 contribution rates and expected fiscal year 2025 payroll from the prior actuarial valuation as of July 1, 2024.

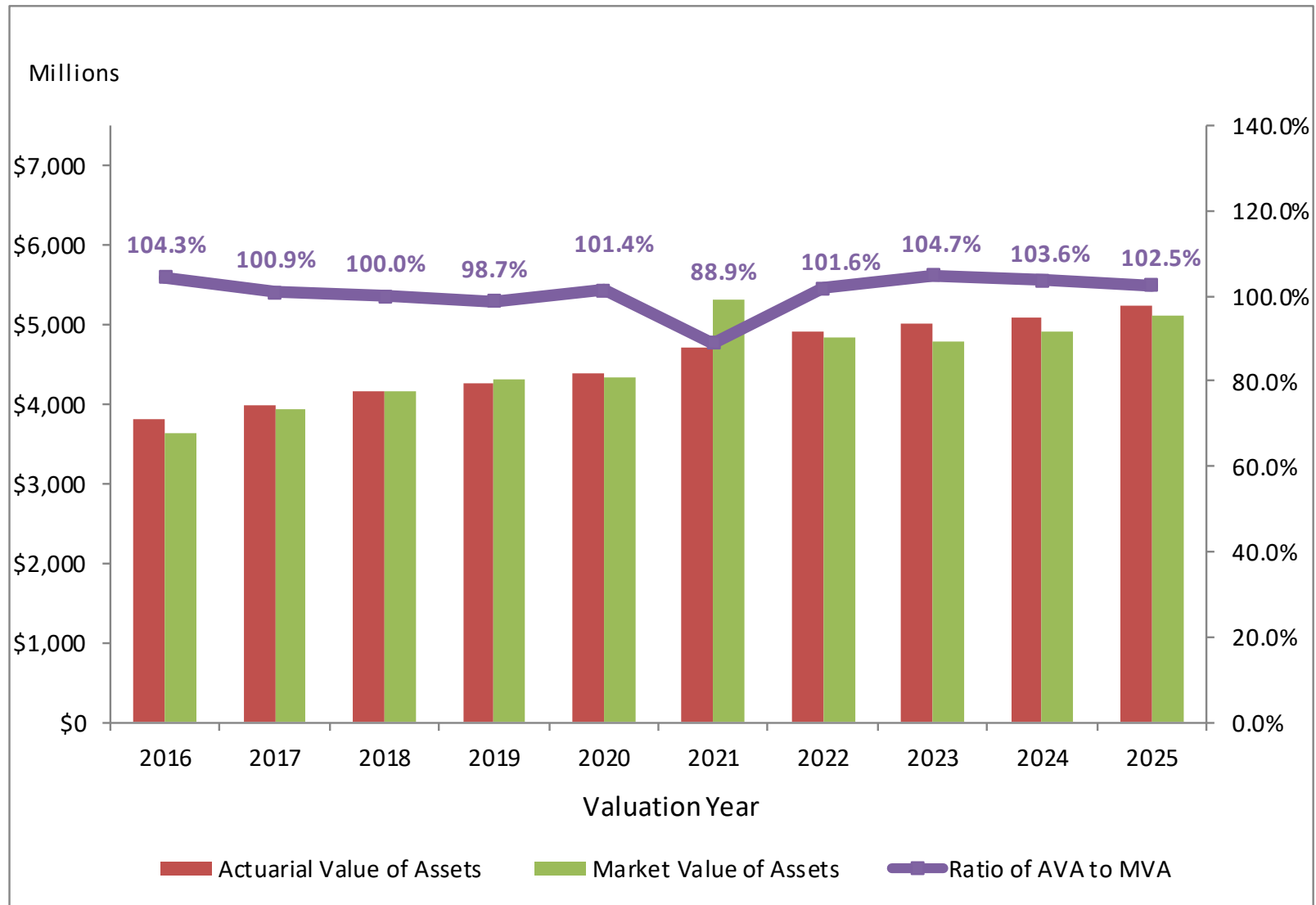
<sup>3</sup> Deductions by group allocated based on amounts projected by group from the prior actuarial valuation as of July 1, 2024.

The fiscal year 2025 employee contributions include contributions from ECC employees from RSP who transferred to and purchased service in Groups E or J, contributions for other service purchases and contributions from RSP participants who annuitized their balances and are included as GRIP retirees in the actuarial valuation. The service purchase contributions are \$1,864,282 for Group J, \$6,413,209 for Group E, \$81,017 for Group F, and \$69,755 for GRIP.

Transfer amounts are attributable to employees who changed groups, including ECC employees from GRIP who transferred to and purchased service in Groups E or J.



## Historical Comparison of Actuarial Value of Assets to Market Value of Assets (Total ERS)



## SECTION B

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### ACTUARIAL VALUATION DATA

# Summary of Participant Data (July 1, 2025 and July 1, 2024)

	Valuation as of July 1, 2025							
	Non-Public Safety		Public Safety					
	Group A	Group H	Group J	Group E	Group F	Group G	GRIP	Total
Total All Plans								
Active Members								
Number	126	224	119	608	1,048	1,248	3,752	7,125
Average Age	60.8	61.2	49.3	41.2	40.5	38.7	48.0	45.4
Average Service	31.5	30.1	13.8	8.9	14.7	12.5	7.6	10.8
Total Base Payroll	\$ 17,447,793	\$ 23,892,647	\$ 13,893,619	\$ 55,010,616	\$ 121,661,822	\$ 129,786,052	\$ 345,259,892	\$ 706,952,441
Contribution Basis Payroll:								
For Normal Cost	\$ 15,731,032	\$ 21,250,225	\$ 12,914,786	\$ 52,106,535	\$ 117,379,954	\$ 125,154,674	\$ 330,326,553	\$ 674,863,759
For Amortization of Unfunded Liability*	15,959,923	23,892,647	13,893,619	55,010,616	121,661,822	129,786,052	345,259,892	705,464,571
DRSP/DROP Members								
Number				24	53	66		143
Total Base Payroll				\$ 2,976,849	\$ 7,691,513	\$ 9,446,557		\$ 20,114,919
Total Benefits				1,511,901	5,118,231	5,648,304		12,278,436
Terminated Vested Members								
Number	12	14	4	26	39	19	682	796
Total Benefits	\$ 191,634	\$ 101,768	\$ 31,335	\$ 225,128	\$ 498,268	\$ 205,732		\$ 1,253,865
Retired Members and Beneficiaries								
Number							21	6,870
Total Benefits							\$ 474,401	\$ 330,830,406
Total Membership							4,455	14,934

	Valuation as of July 1, 2024							
	Non-Public Safety		Public Safety					
	Group A	Group H	Group J	Group E	Group F	Group G	GRIP	Total
Total All Plans								
Active Members								
Number	148	239	124	586	1,069	1,255	3,260	6,681
Average Age	60.2	60.9	49.0	41.9	40.6	38.7	48.5	45.5
Average Service	30.7	29.9	12.6	8.9	14.8	12.5	7.8	11.3
Total Base Payroll	\$ 19,302,001	\$ 24,378,396	\$ 13,682,761	\$ 51,821,329	\$ 119,911,162	\$ 125,453,459	\$ 290,130,576	\$ 644,679,684
Contribution Basis Payroll:								
For Normal Cost	\$ 17,494,478	\$ 21,802,623	\$ 12,674,432	\$ 48,858,352	\$ 115,492,201	\$ 121,135,320	\$ 277,596,692	\$ 615,054,098
For Amortization of Unfunded Liability*	17,780,898	24,378,396	13,682,761	51,821,329	119,911,162	125,453,459	290,130,576	643,158,581
DRSP/DROP Members								
Number				18	40	56		114
Total Base Payroll				\$ 2,279,182	\$ 5,510,726	\$ 7,929,943		\$ 15,719,851
Total Benefits				1,131,584	3,420,422	4,629,063		9,181,069
Terminated Vested Members								
Number	15	17	4	26	43	18	737	860
Total Benefits	\$ 253,015	\$ 133,000	\$ 31,964	\$ 222,831	\$ 525,170	\$ 186,612		\$ 1,352,592
Retired Members and Beneficiaries								
Number							16	6,858
Total Benefits							\$ 291,703	\$ 322,571,322
Total Membership							4,013	14,513

\*Excludes Non-GRIP UAL Payroll from Outside Agencies. As of July 1, 2025, this amount is \$1,487,870, and as of July 1, 2024, this amount is \$1,521,103.



# Summary of Active Participant Data by Plan

Valuation as of July 1, 2025 Including DROP/DRSP Actives								
	Non-Public Safety		Group J	Public Safety			GRIP	Total
	Group A	Group H		Group E	Group F	Group G		
<u>Optional Non-Integrated</u>								
Number	-	2	-	-	-	-		2
Total Base Payroll	\$ -	\$ 246,759	\$ -	\$ -	\$ -	\$ -		\$ 246,759
<u>Optional Integrated</u>								
Number	2	-	-	-	-	-		2
Total Base Payroll	\$ 246,760	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 246,760
<u>Mandatory Integrated</u>								
Number	124	222	119	632	1,101	1,314		3,512
Total Base Payroll	\$ 17,201,033	\$ 23,645,888	\$ 13,893,619	\$ 57,987,465	\$ 129,353,335	\$ 139,232,610		\$ 381,313,950
<u>GRIP</u>								
Number							3,752	3,752
Total Base Payroll							\$ 345,259,892	\$ 345,259,892
<u>Total All Plans</u>								
Number	126	224	119	632	1,101	1,314	3,752	7,268
Total Base Payroll	\$ 17,447,793	\$ 23,892,647	\$ 13,893,619	\$ 57,987,465	\$ 129,353,335	\$ 139,232,610	\$ 345,259,892	\$ 727,067,361
Valuation as of July 1, 2025 Excluding DROP/DRSP Actives								
	Non-Public Safety		Group J	Public Safety			GRIP	Total
	Group A	Group H		Group E	Group F	Group G		
<u>Optional Non-Integrated</u>								
Number	-	2	-	-	-	-		2
Total Base Payroll	\$ -	\$ 246,759	\$ -	\$ -	\$ -	\$ -		\$ 246,759
<u>Optional Integrated</u>								
Number	2	-	-	-	-	-		2
Total Base Payroll	\$ 246,760	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 246,760
<u>Mandatory Integrated</u>								
Number	124	222	119	608	1,048	1,248		3,369
Total Base Payroll	\$ 17,201,033	\$ 23,645,888	\$ 13,893,619	\$ 55,010,616	\$ 121,661,822	\$ 129,786,052		\$ 361,199,030
<u>GRIP</u>								
Number							3,752	3,752
Total Base Payroll							\$ 345,259,892	\$ 345,259,892
<u>Total All Plans</u>								
Number	126	224	119	608	1,048	1,248	3,752	7,125
Total Base Payroll	\$ 17,447,793	\$ 23,892,647	\$ 13,893,619	\$ 55,010,616	\$ 121,661,822	\$ 129,786,052	\$ 345,259,892	\$ 706,952,441



# Summary of Active Participant Data by Outside Agencies

Valuation as of July 1, 2025

	Assessment and Taxation	Circuit Court	CRU 92 Credit Union	District Court	Housing Opportunities Commission	Revenue Authority	Strathmore Hall	Town of Chevy Chase	Washington Suburban Transit Commission	Total Agency	Total Non- Agency	Total ERS
<u>Non-GRIP Membership</u>												
Active Members												
Number	-	-	-	-	10	1	1	-	-	12	3,361	3,373
Average Age	-	-	-	-	67.3	60.4	57.9	-	-	65.9	42.3	42.4
Average Service	-	-	-	-	35.9	36.2	30.8	-	-	35.5	14.4	14.5
Total Base Payroll	\$ -	\$ -	\$ -	\$ -	1,117,985	\$ 63,899	\$ 305,986	\$ -	\$ -	\$ 1,487,870	\$ 360,204,679	\$ 361,692,549
DRSP/DROP Members												
Number											143	143
Total Base Payroll											\$ 20,114,919	\$ 20,114,919
Total Benefits											\$ 12,278,436	\$ 12,278,436
Terminated Vested Members												
Number	-	-	-	-	-	-	-	-	-	-	114	114
Total Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,253,865	\$ 1,253,865
Retired Members and Beneficiaries												
Number	15	4	7	5	121	15	5	3	1	176	6,673	6,849
Total Benefits	\$1,245,162	\$86,678	\$327,587	\$178,004	\$3,779,129	\$299,062	\$217,810	\$110,910	\$18,515	\$6,262,858	\$ 324,093,147	\$ 330,356,005
Total Non-GRIP Membership	15	4	7	5	131	16	6	3	1	188	10,291	10,479
<u>GRIP Membership</u>												
Active Members												
Number	-	-	1	-	80	7	22	1	-	111	3,641	3,752
Average Age	-	-	67.3	-	53.4	48.9	39.4	47.1	-	50.4	47.9	48.0
Average Service	-	-	9.5	-	9.7	5.5	3.6	14.5	-	8.3	7.6	7.6
Total Base Payroll	\$ -	\$ -	\$ 53,646	\$ -	\$ 7,354,456	\$ 497,680	\$ 1,642,044	\$ 36,674	\$ -	\$ 9,584,500	\$ 335,675,392	\$ 345,259,892
Terminated GRIP Members	-	-	2	-	55	3	11	-	-	71	611	682
Retired GRIP Members											21	21
Total GRIP Membership	-	-	3	-	135	10	33	1	-	182	4,273	4,455
Total GRIP and Non-GRIP Membership	15	4	10	5	266	26	39	4	1	370	14,564	14,934



## Age/Service by Group as of July 1, 2025\*

### Group A

Current Age	Under 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 and Over	Totals	Valuation Payroll
Under 25	-	-	-	-	-	-	-	-	-	0	\$ -
25-29	-	-	-	-	-	-	-	-	-	0	-
30-34	-	1	-	-	-	-	-	-	-	1	77,110
35-39	-	-	1	1	-	-	-	-	-	2	224,223
40-44	1	-	-	1	-	-	-	-	-	2	215,388
45-49	-	2	-	4	3	-	-	-	-	9	1,071,025
50-54	-	2	-	1	2	2	3	1	-	11	1,223,799
55-59	-	-	1	3	-	3	16	7	-	30	4,302,728
60-64	-	-	-	-	-	4	11	13	2	30	4,396,231
65-69	-	-	-	-	-	-	8	14	5	27	3,983,255
70-74	-	-	-	-	-	1	4	2	3	10	1,461,963
75 and Over	-	-	-	-	-	-	2	-	2	4	492,071
<b>Total</b>	<b>1</b>	<b>5</b>	<b>2</b>	<b>10</b>	<b>5</b>	<b>10</b>	<b>44</b>	<b>37</b>	<b>12</b>	<b>126</b>	<b>\$ 17,447,793</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Current Valuation		Previous Valuation	
Average Age	60.8	Average Age	60.2
Average Service	31.5	Average Service	30.7
Average Annual Pay	\$ 138,475	Average Annual Pay	\$ 130,419
Vested Participants	125	Vested Participants	145
Nonvested Participants	1	Nonvested Participants	3
Total Participants	126	Total Participants	148

### Group H

Current Age	Under 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 and Over	Totals	Valuation Payroll
Under 25	1	-	-	-	-	-	-	-	-	1	\$ 74,434
25-29	1	-	-	-	-	-	-	-	-	1	72,794
30-34	2	1	2	-	-	-	-	-	-	5	383,092
35-39	-	-	-	2	-	-	-	-	-	2	213,268
40-44	2	2	1	2	2	-	-	-	-	9	886,426
45-49	-	2	1	-	3	-	-	-	-	6	678,746
50-54	-	1	-	1	2	5	6	-	-	15	1,773,121
55-59	1	3	-	1	7	8	17	15	-	52	5,461,349
60-64	-	1	1	-	3	9	21	16	3	54	5,836,757
65-69	-	-	-	-	-	3	12	16	5	36	3,890,039
70-74	-	-	-	-	3	3	9	16	4	35	3,665,134
75 and Over	-	-	-	-	-	-	2	3	3	8	957,487
<b>Total</b>	<b>7</b>	<b>10</b>	<b>5</b>	<b>6</b>	<b>20</b>	<b>28</b>	<b>67</b>	<b>66</b>	<b>15</b>	<b>224</b>	<b>\$ 23,892,647</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Current Valuation		Previous Valuation	
Average Age	61.2	Average Age	60.9
Average Service	30.1	Average Service	29.9
Average Annual Pay	\$ 106,664	Average Annual Pay	\$ 102,002
Vested Participants	217	Vested Participants	233
Nonvested Participants	7	Nonvested Participants	6
Total Participants	224	Total Participants	239

\*The age/service exhibits use credited service.



## Age/Service by Group as of July 1, 2025\*

### Group J

Current Age	Under 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 and Over	Totals	Valuation Payroll
Under 25	-	-	-	-	-	-	-	-	-	0	\$ -
25-29	1	-	-	-	-	-	-	-	-	1	91,318
30-34	2	4	-	-	-	-	-	-	-	6	643,903
35-39	7	5	1	1	-	-	-	-	-	14	1,399,180
40-44	8	3	5	9	1	-	-	-	-	26	2,892,586
45-49	2	1	4	3	5	1	-	-	-	16	1,977,597
50-54	6	1	3	1	4	6	1	-	-	22	2,866,314
55-59	4	1	2	2	3	3	1	-	-	16	1,978,985
60-64	-	-	1	2	6	1	-	1	-	11	1,234,335
65-69	-	2	1	-	-	-	1	-	-	4	482,564
70-74	-	-	-	-	1	1	-	-	-	2	222,640
75 and Over	-	-	1	-	-	-	-	-	-	1	104,197
<b>Total</b>	<b>30</b>	<b>17</b>	<b>18</b>	<b>18</b>	<b>20</b>	<b>12</b>	<b>3</b>	<b>1</b>	<b>-</b>	<b>119</b>	<b>\$ 13,893,619</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Current Valuation		Previous Valuation	
Average Age	49.3	Average Age	49.0
Average Service	13.8	Average Service	12.6
Average Annual Pay	\$ 116,753	Average Annual Pay	\$ 110,345
Vested Participants	89	Vested Participants	82
Nonvested Participants	30	Nonvested Participants	42
Total Participants	119	Total Participants	124

### Group E

Current Age	Under 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 and Over	Totals	Valuation Payroll
Under 25	27	-	-	-	-	-	-	-	-	27	\$ 1,650,918
25-29	44	11	-	-	-	-	-	-	-	55	3,878,629
30-34	56	40	7	-	-	-	-	-	-	103	8,153,828
35-39	39	39	16	8	-	-	-	-	-	102	8,832,470
40-44	30	22	26	11	10	-	-	-	-	99	9,376,751
45-49	30	8	7	12	23	2	-	-	-	82	8,234,509
50-54	18	13	8	15	25	9	1	-	-	89	9,352,713
55-59	8	5	2	8	8	2	2	-	-	35	3,654,623
60-64	2	-	3	1	2	1	1	-	-	10	1,121,253
65-69	-	-	-	1	1	2	-	-	-	4	535,247
70-74	-	-	-	-	-	2	-	-	-	2	219,675
75 and Over	-	-	-	-	-	-	-	-	-	0	-
<b>Total</b>	<b>254</b>	<b>138</b>	<b>69</b>	<b>56</b>	<b>69</b>	<b>18</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>608</b>	<b>\$ 55,010,616</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Current Valuation		Previous Valuation	
Average Age	41.2	Average Age	41.9
Average Service	8.9	Average Service	8.9
Average Annual Pay	\$ 90,478	Average Annual Pay	\$ 88,432
Vested Participants	356	Vested Participants	318
Nonvested Participants	252	Nonvested Participants	268
Total Participants	608	Total Participants	586

\*The age/service exhibits use credited service.





## Age/Service by Group as of July 1, 2025\*

### Group F

Current Age	Under 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 and Over	Totals	Valuation Payroll
Under 25	37	-	-	-	-	-	-	-	-	37	\$ 2,536,126
25-29	66	34	-	-	-	-	-	-	-	100	8,100,578
30-34	25	79	60	-	-	-	-	-	-	164	15,973,019
35-39	13	35	132	26	-	-	-	-	-	206	22,673,045
40-44	7	5	42	105	46	-	-	-	-	205	26,056,777
45-49	-	4	11	33	109	16	-	-	-	173	23,708,500
50-54	-	-	9	9	36	41	4	-	-	99	13,547,399
55-59	1	-	-	6	9	18	20	2	-	56	7,928,270
60-64	-	-	-	1	1	1	1	1	-	5	767,387
65-69	-	-	1	-	1	-	-	-	1	3	370,723
70-74	-	-	-	-	-	-	-	-	-	0	-
75 and Over	-	-	-	-	-	-	-	-	-	0	-
<b>Total</b>	<b>149</b>	<b>157</b>	<b>255</b>	<b>180</b>	<b>202</b>	<b>76</b>	<b>25</b>	<b>3</b>	<b>1</b>	<b>1,048</b>	<b>\$ 121,661,822</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Current Valuation		Previous Valuation	
Average Age	40.5	Average Age	40.6
Average Service	14.7	Average Service	14.8
Average Annual Pay	\$ 116,090	Average Annual Pay	\$ 112,171
Vested Participants	910	Vested Participants	924
Nonvested Participants	138	Nonvested Participants	145
Total Participants	1,048	Total Participants	1,069

### Group G

Current Age	Under 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 and Over	Totals	Valuation Payroll
Under 25	116	-	-	-	-	-	-	-	-	116	\$ 7,496,066
25-29	90	34	2	-	-	-	-	-	-	126	9,369,585
30-34	57	99	59	-	-	-	-	-	-	215	19,269,543
35-39	19	64	108	52	1	-	-	-	-	244	25,505,763
40-44	7	20	50	95	48	1	-	-	-	221	26,161,174
45-49	2	8	21	47	58	22	-	-	-	158	19,914,402
50-54	1	7	6	19	32	39	11	-	-	115	15,161,840
55-59	1	2	2	8	8	13	9	3	-	46	5,970,268
60-64	-	-	2	-	-	1	-	1	-	4	534,514
65-69	-	-	-	1	-	-	-	-	2	3	402,897
70-74	-	-	-	-	-	-	-	-	-	0	-
75 and Over	-	-	-	-	-	-	-	-	-	0	-
<b>Total</b>	<b>293</b>	<b>234</b>	<b>250</b>	<b>222</b>	<b>147</b>	<b>76</b>	<b>20</b>	<b>4</b>	<b>2</b>	<b>1,248</b>	<b>\$ 129,786,052</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Current Valuation		Previous Valuation	
Average Age	38.7	Average Age	38.7
Average Service	12.5	Average Service	12.5
Average Annual Pay	\$ 103,995	Average Annual Pay	\$ 99,963
Vested Participants	955	Vested Participants	959
Nonvested Participants	293	Nonvested Participants	296
Total Participants	1,248	Total Participants	1,255

\*The age/service exhibits use credited service.



## Age/Service by Group as of July 1, 2025\*

### GRIP

Current Age	Under 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 and Over	Totals	Valuation Payroll
Under 25	56	5	-	-	-	-	-	-	-	61	\$ 2,856,827
25-29	173	21	4	-	-	-	-	-	-	198	13,428,176
30-34	236	108	19	2	1	-	-	-	-	366	30,045,206
35-39	260	173	53	7	1	-	-	-	-	494	43,525,804
40-44	197	181	54	19	4	-	-	-	-	455	43,367,164
45-49	217	181	76	27	14	1	-	-	-	516	50,139,013
50-54	170	174	66	27	24	13	-	-	-	474	46,509,484
55-59	148	149	76	41	34	18	5	-	-	471	45,432,433
60-64	95	125	70	44	35	32	1	-	-	402	39,710,076
65-69	34	61	40	27	25	22	6	-	-	215	20,325,907
70-74	10	19	10	9	6	11	3	-	-	68	6,991,440
75 and Over	4	6	4	8	6	3	1	-	-	32	2,928,361
<b>Total</b>	<b>1,600</b>	<b>1,203</b>	<b>472</b>	<b>211</b>	<b>150</b>	<b>100</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>3,752</b>	<b>\$ 345,259,892</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Current Valuation		Previous Valuation	
Average Age:	48.0	Average Age	48.5
Average Service:	7.6	Average Service	7.8
Average Annual Pay:	\$ 92,020	Average Annual Pay	\$ 88,997
Vested Participants	2,554	Vested Participants	2,309
Nonvested Participants	1,198	Nonvested Participants	951
Total Participants	3,752	Total Participants	3,260

### Total All Groups

Current Age	Under 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 and Over	Totals	Valuation Payroll
Under 25	237	5	-	-	-	-	-	-	-	242	\$ 14,614,371
25-29	375	100	6	-	-	-	-	-	-	481	34,941,080
30-34	378	332	147	2	1	-	-	-	-	860	74,545,702
35-39	338	316	311	97	2	-	-	-	-	1,064	102,373,753
40-44	252	233	178	242	111	1	-	-	-	1,017	108,956,265
45-49	251	206	120	126	215	42	-	-	-	960	105,723,792
50-54	195	198	92	73	125	115	26	1	-	825	90,434,670
55-59	163	160	83	69	69	65	70	27	-	706	74,728,655
60-64	97	126	77	48	47	49	35	32	5	516	53,600,552
65-69	34	63	42	29	27	27	27	30	13	292	29,990,631
70-74	10	19	10	9	10	18	16	18	7	117	12,560,852
75 and Over	4	6	5	8	6	3	5	3	5	45	4,482,116
<b>Total</b>	<b>2,334</b>	<b>1,764</b>	<b>1,071</b>	<b>703</b>	<b>613</b>	<b>320</b>	<b>179</b>	<b>111</b>	<b>30</b>	<b>7,125</b>	<b>\$ 706,952,441</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Current Valuation		Previous Valuation	
Average Age	45.4	Average Age	45.5
Average Service	10.8	Average Service	11.3
Average Annual Pay	\$ 99,221	Average Annual Pay	\$ 96,494
Vested Participants	5,206	Vested Participants	4,970
Nonvested Participants	1,919	Nonvested Participants	1,711
Total Participants	7,125	Total Participants	6,681

\*The age/service exhibits use credited service.



## Schedule of Active Member Data as of July 1, 2025

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Valuation Date 7/1	Number	Annual Payroll	Average Annual Pay	% Increase in Avg Pay
2016	5,513	\$427,622,475	\$77,566	2.64%
2017	5,738	444,274,516	77,427	-0.18%
2018	6,004	467,974,450	77,944	0.67%
2019	6,003	476,619,112	79,397	1.86%
2020	6,204	503,656,510	81,183	2.25%
2021	6,214	506,377,759	81,490	0.38%
2022	5,956	510,692,954	85,744	5.22%
2023	6,229	564,939,277	90,695	5.77%
2024	6,681	644,679,684	96,494	6.39%
2025	7,125	706,952,441	99,221	2.83%

## Schedule of Members in Pay Status as of July 1, 2025

Valuation Date 7/1	Annuitants	Survivors	Disableds	Total Number	Total Annual Benefits	Total Average Annual Benefit
2016	4,882	445	1,126	6,453	\$240,863,796	\$37,326
2017	4,947	453	1,116	6,516	245,139,028	37,621
2018	5,031	465	1,119	6,615	255,539,421	38,630
2019	5,128	471	1,132	6,731	266,179,533	39,545
2020	5,190	466	1,127	6,783	269,846,761	39,783
2021	5,273	461	1,109	6,843	286,012,038	41,796
2022	5,383	466	1,117	6,966	312,419,906	44,849
2023	5,410	465	1,111	6,986	322,882,562	46,219
2024	5,375	493	1,104	6,972	331,752,391	47,584
2025	5,417 <sup>1</sup>	505 <sup>2</sup>	1,091	7,013	343,108,842	48,925

*Counts for annuitants and annual benefit amounts include DRSP and DROP members. Annual benefit amounts include total benefit amount for insured retirees (including the benefit amount that is paid by Aetna).*

<sup>1</sup> Count includes 56 insured retirees with Total Annual Benefits of \$2,503,878.

<sup>2</sup> Count includes 74 insured survivors with Total Annual Benefits of \$1,878,350.

## SECTION C

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### **ACTUARIAL VALUATION METHODS AND ASSUMPTIONS**

## Actuarial Cost Method

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**Normal cost and the allocation of benefit values** between service rendered before and after the valuation date were determined using the **Individual Entry-Age Normal actuarial cost method** having the following characteristics:

- The normal cost for each individual active member, payable from the date of employment to the date of retirement, is sufficient to accumulate the value of the member's benefit at the time of retirement; and
- Each annual normal cost is a constant percentage of the member's year by year projected covered pay.

**Financing of Unfunded Actuarial Accrued Liabilities.** The unfunded actuarial accrued liability is amortized using a level-percentage of pay amortization of a closed period amortization base. The amortization method was changed from an 18-year closed period amortization of the base established on July 1, 2010, and 20-year closed period amortization of the bases established thereafter, to recombining all amortization bases established prior to July 1, 2015, into a single amortization base equal to the unfunded actuarial liability as of July 1, 2015. The single amortization base as of July 1, 2015, and subsequent unfunded liability arising in future valuations are amortized over separate 20-year closed periods for the Public Safety groups (Group E, F, G and J) beginning July 1, 2015. The amortization method for Groups A, H, and GRIP was changed to amortize the combined unfunded liability as of July 1, 2023 over a 20-year closed amortization period as a level percentage of payroll and to amortize subsequent unfunded liability over separate 20-year closed amortization periods as a level percentage of payroll.

**Allocation of Unfunded Liability and Amortization Payments by Group.** The amortization payments for non-GRIP members are allocated between Groups A, E, F, G, H and J. The amortization payment schedule by group for the bases established prior to the 2012 valuation is based on the allocation established by the prior actuary. The amortization payment schedule by group for the bases established beginning in the 2012 valuation is based on allocations calculated by GRS using a consistent method with the prior actuary.

The unfunded liability as of July 1, 2014 was calculated for each group based on the amortization payment amounts in that valuation and the remaining amortization period for each payment. Beginning with the July 1, 2015 actuarial valuation, changes in the unfunded liability are separately calculated and reported for each group.

The actuarial value of assets by group as of July 1, 2014 was calculated as the difference between the actuarial accrued liability and the unfunded liability as of July 1, 2014. Beginning with the actuarial valuation as of July 1, 2015, the non-GRIP actuarial value of assets by group is calculated using the following methodology:

- 1) Beginning of year actuarial value of assets for each benefit group (calculated in the prior year's valuation); plus
- 2) Non-investment cash flows (allocated based on each group's projected non-investment cash flows from the prior valuation); plus
- 3) Assumed investment return on the actuarial value of assets (rate of return equal to the rate of return on an actuarial value of assets basis for non-GRIP assets).



## Actuarial Cost Method (Concluded)

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Beginning with the actuarial valuation as of July 1, 2023, a combined asset value is calculated for Groups A, H and GRIP in conjunction with the change to amortize the combined unfunded liability of the three groups on a combined basis.

**Actuarial Value of Pension Plan Assets.** The calculated value is determined by adjusting the market value of assets to reflect the investment gains and losses (the difference between the actual investment return and the expected investment return) during each of the last five years at the rate of 20 percent per year.

**Contribution Basis Payroll.** The payroll for each member who is active at the actuarial valuation date is called the Base Payroll. For purposes of calculating the contribution rates based on the dollar contributions determined, different payroll amounts are used.

Contribution Basis Payroll for Normal Cost is the expected payroll for current active members payable in the upcoming year and reflects that a percentage of members will exit the active population due to retirement, termination, death or disability. This payroll is on a consistent basis with the normal cost dollars shown in the report.

Contribution Basis Payroll for Amortization of Unfunded Liability is equal to the total base payroll. Beginning with the actuarial valuation as of July 1, 2023, unfunded liability contributions for Groups A, H and GRIP are being funded on a combined basis and on a combined basis, Groups A, H and GRIP are an open group.

## Actuarial Assumptions in the Valuation Process

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The contribution and benefit values of the System are calculated by applying actuarial assumptions to the benefit provisions and census information furnished, using the actuarial cost method described on the previous page.

The principal areas of financial risk which require assumptions about future experiences are:

- Long-term rates of investment return to be generated by the assets of the Plan;
- Patterns of pay increases to members;
- Rates of mortality among members, retirees and beneficiaries;
- Rates of withdrawal of active members;
- Rates of disability among members; and
- The age patterns of actual retirement.

In an actuarial valuation, the monetary effect of each actuarial assumption is calculated for as long as a present covered person survives; a period of time which can be as long as a century.

Actual experience of the Plan will not coincide exactly with assumed experience. Each actuarial valuation provides a complete recalculation of assumed future experience and takes into account all past differences between assumed and actual experience. The result is a continual series of adjustments (usually small) to the computed contribution rate.

The actuarial assumptions used in this actuarial valuation are based on the Phase 1 and Phase 2 experience study reports covering the period July 1, 2018 through July 1, 2023. The actuarial assumptions described in this section were adopted by the Chief Administrative Officer (CAO) for use beginning with the July 1, 2024 actuarial valuation. Additional information regarding the rationale for the actuarial assumptions may be found in the 2023 Phase 1 and Phase 2 experience review reports. All actuarial assumptions are expectations of future experience, not current market measures.



## Actuarial Valuation Assumptions

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The assumed rate of price inflation is 2.50%.

The assumed COLA is as follows:

	Assumed COLA
100% of CPI, benefit attributable to pre-7/1/2011 service	2.50%
60% of CPI, benefit attributable to pre-7/1/2011 service	1.50%
100% of CPI up to 3%, 60% of change in excess of 3%*, benefit attributable to pre-7/1/2011 service	2.45%
100% of CPI**, benefit attributable to service on or after 7/1/2011	2.20%

*Assumed COLA for Group G members (for total benefit) is assumed to be 2.45%.*

*\*Capped at 7.50%.*

*\*\*Capped at 2.50%.*

The following groups have a COLA equal to 60% of the increase in CPI:

- Unrepresented Non-Public Safety Enrolled 7/1/78 and after-retired before 11/1/01
- Certain Sheriffs and Inspectors Enrolled 7/1/78 and after-retired prior to 11/1/01
- Represented Non-Public Safety Enrolled 7/1/78 and after-retired prior to 11/1/01
- Sheriffs/Corrections Enrolled 7/1/78 and after-retired prior to 11/1/01
- Fire Enrolled 7/1/78 and after-retired prior to 3/1/00
- Police Enrolled 7/1/78 and after-retired prior to 3/1/00

The assumed rate of investment return used was 7.50%, net of expenses, annually.

## Actuarial Valuation Assumptions (Continued)

The rates of annual salary increase used for individual members are in accordance with the following table (and include the wage inflation increase of 3.00%). This assumption is used to project a member's current salary to the salaries upon which benefit amounts will be based.

Service At Assumed Pay Increase	Group A, H and GRIP	Group E and J	Group F	Group G
1	6.75%	9.00%	6.00%	11.00%
2	6.50%	8.50%	7.00%	8.50%
3	6.00%	8.00%	8.50%	7.50%
4	6.00%	7.00%	7.00%	7.00%
5	5.75%	6.75%	8.50%	6.50%
6	5.75%	6.25%	6.00%	6.50%
7	5.75%	5.75%	6.00%	6.50%
8	5.25%	5.25%	6.00%	6.50%
9	5.00%	5.25%	6.00%	6.50%
10	5.00%	5.25%	6.00%	6.50%
11	4.25%	5.25%	6.00%	5.50%
12	4.25%	5.25%	6.00%	5.50%
13	4.00%	5.25%	6.00%	5.50%
14	4.00%	5.25%	6.00%	5.50%
15	4.00%	5.25%	6.00%	5.50%
16	3.50%	5.00%	6.00%	3.75%
17	3.50%	4.75%	4.50%	3.75%
18	3.50%	4.50%	4.25%	3.75%
19	3.50%	4.25%	4.25%	3.75%
20	3.50%	4.00%	4.25%	3.75%
21	3.25%	3.75%	3.50%	3.75%
22	3.25%	3.75%	3.50%	3.75%
23	3.25%	3.75%	3.50%	3.75%
24	3.25%	3.75%	3.50%	3.75%
25	3.25%	3.75%	3.50%	3.75%
26	3.00%	3.75%	3.00%	3.00%
27	3.00%	3.75%	3.00%	3.00%
28	3.00%	3.75%	3.00%	3.00%
29	3.00%	3.75%	3.00%	3.00%
30+	3.00%	3.00%	3.00%	3.00%

The assumed rate of total payroll growth used in amortizing the unfunded liability as a level percentage of pay is 3.00%.

The assumed increase in the Social Security Taxable Wage Base is 3.00%.



## Actuarial Valuation Assumptions (Continued)

The mortality assumptions are as follows:

To provide a margin for future mortality improvements, generational mortality improvements from 2010 using projection scale MP-2021 was used.

Type	Assumption
Post-retirement non-disabled	<i>Groups A, H, J and GRIP</i> Pub-2010 Healthy Retiree Mortality Table (for General Employees), sex distinct <i>Groups E, F and G</i> Pub-2010 Healthy Retiree Mortality Table (for Safety Employees), sex distinct
Post-retirement disabled	<i>Groups A, H, J and GRIP</i> Pub-2010 Disabled Retiree Mortality Table (for General Employees), sex distinct <i>Groups E, F and G</i> Pub-2010 Disabled Retiree Mortality Table (for Safety Employees), sex distinct
Pre-retirement non-service connected	<i>Groups A, H, J and GRIP</i> Pub-2010 Employee Mortality Table (for General Employees) , sex distinct <i>Groups E, F and G</i> Pub-2010 Employee Mortality Table (for Safety Employees), sex distinct
Pre-retirement service connected	<i>Groups F and G</i> 15% of the rates from the Pub-2010 Employee Mortality Table (for Safety Employees), sex distinct

## Actuarial Valuation Assumptions (Continued)

Future life expectancies based on the mortality assumptions are as follows:

Age	Groups E, F and G					
	Healthy Mortality				Disabled Mortality	
	Pre-Retirement		Post-Retirement		Future Life	
	Future Life		Future Life		Future Life	
	Expectancy (years) in 2025		Expectancy (years) in 2025		Expectancy (years) in 2025	
	Male	Female	Male	Female	Male	Female
40	48.93	51.38	46.11	48.28	44.29	46.60
45	43.80	46.24	40.91	43.02	39.33	41.58
50	38.69	41.11	35.78	37.81	34.40	36.58
55	33.60	36.01	30.72	32.70	29.53	31.68
60	28.60	30.97	25.83	27.78	24.83	27.03
65	23.72	25.97	21.20	23.11	20.45	22.66
70	18.99	21.04	16.89	18.70	16.38	18.50
75	14.50	16.30	12.96	14.61	12.64	14.58
80	10.31	11.83	9.51	10.98	9.39	10.98
85	6.77	8.01	6.71	7.95	6.70	7.95

Life expectancy based on non-service connected mortality rates only.

Age	Groups A, H, J and GRIP					
	Healthy Mortality				Disabled Mortality	
	Pre-Retirement		Post-Retirement		Future Life	
	Future Life		Future Life		Future Life	
	Expectancy (years) in 2025		Expectancy (years) in 2025		Expectancy (years) in 2025	
	Male	Female	Male	Female	Male	Female
40	49.47	51.76	46.08	49.11	34.53	37.68
45	44.37	46.60	40.84	43.83	30.41	33.47
50	39.31	41.45	35.73	38.65	26.57	29.53
55	34.30	36.35	30.85	33.67	23.07	25.93
60	29.39	31.32	26.12	28.79	19.88	22.57
65	24.61	26.38	21.60	24.05	16.90	19.24
70	19.95	21.54	17.31	19.50	14.05	15.84
75	15.40	16.82	13.36	15.23	11.26	12.53
80	10.97	12.25	9.87	11.39	8.66	9.56
85	7.09	8.20	7.00	8.14	6.43	7.14

Life expectancy based on non-service connected mortality rates only.



## Actuarial Valuation Assumptions (Continued)

**Rates of separation from active membership** are represented by the following table (rates do not apply to members eligible to retire and do not include separation on account of death or disability). This assumption measures the probabilities of members terminating employment.

Service Beginning of Year	Group A, H and GRIP		Group E and J		Group F		Group G	
	Male	Female	Male	Female	Male	Female	Male	Female
0	10.50%	12.50%	18.00%	20.00%	8.00%	12.00%	7.00%	10.50%
1	9.50%	10.50%	10.00%	18.00%	6.00%	6.00%	5.00%	5.00%
2	9.00%	9.50%	8.00%	16.00%	5.25%	4.00%	3.75%	4.50%
3	7.50%	9.00%	5.00%	10.00%	4.50%	3.50%	3.50%	4.00%
4	7.50%	8.50%	8.00%	10.00%	3.75%	3.00%	2.50%	3.50%
5	6.50%	8.00%	5.00%	8.00%	3.50%	2.50%	2.00%	3.00%
6	6.00%	7.00%	5.00%	6.00%	3.00%	2.00%	1.75%	2.75%
7	5.50%	5.00%	5.00%	5.00%	2.75%	2.00%	1.50%	2.50%
8	4.00%	4.50%	4.00%	4.00%	2.25%	2.00%	1.25%	2.00%
9	4.00%	4.00%	3.00%	3.00%	2.00%	2.00%	1.00%	1.75%
10	3.75%	3.75%	2.50%	2.50%	1.50%	1.50%	1.00%	1.00%
11	3.50%	3.50%	2.50%	2.50%	1.25%	1.50%	0.75%	0.75%
12	3.25%	3.25%	2.50%	2.50%	0.75%	1.50%	0.50%	0.50%
13	3.00%	3.00%	2.50%	2.50%	0.50%	1.50%	0.25%	0.25%
14	3.00%	2.75%	1.00%	1.00%	0.50%	0.50%	0.25%	0.25%
15	2.00%	2.50%	1.00%	1.00%	0.50%	0.50%	0.25%	0.25%
16	2.00%	2.50%	1.00%	1.00%	0.50%	0.50%	0.25%	0.25%
17	2.00%	2.50%	1.00%	1.00%	0.50%	0.50%	0.25%	0.25%
18	2.00%	2.50%	1.00%	1.00%	0.50%	0.50%	0.25%	0.25%
19	2.00%	2.50%	1.00%	1.00%	0.50%	0.50%	0.25%	0.25%
20+	2.00%	2.00%	1.00%	1.00%	0.50%	0.50%	0.25%	0.25%

*Vested participants who terminate are assumed to elect the option with the greater present value:*

- 1) *A refund of their accumulated contributions with interest or*
- 2) *A deferred benefit.*



## Actuarial Valuation Assumptions (Continued)

Rates of disability were as follows:

Age	Non-Public Safety		Public Safety							
	Groups A and H		Group J		Group E		Group F		Group G	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
20	0.0158%	0.0080%	0.0144%	0.0132%	0.0259%	0.0132%	0.0259%	0.0292%	0.0720%	0.0731%
25	0.0325%	0.0215%	0.0295%	0.0351%	0.0531%	0.0351%	0.0531%	0.0780%	0.1475%	0.1950%
30	0.0664%	0.0572%	0.0604%	0.0936%	0.1086%	0.0936%	0.1086%	0.2080%	0.3018%	0.5200%
35	0.1281%	0.0840%	0.1164%	0.1375%	0.2096%	0.1375%	0.2096%	0.3055%	0.5821%	0.7638%
40	0.1619%	0.1621%	0.1471%	0.2653%	0.2649%	0.2653%	0.2649%	0.5895%	0.7357%	1.4738%
45	0.2932%	0.3135%	0.2666%	0.5131%	0.4798%	0.5131%	0.4798%	1.1401%	1.3328%	2.8503%
50	0.4873%	0.3891%	0.4430%	0.6367%	0.7973%	0.6367%	0.7973%	1.4148%	2.2148%	3.5370%
55	0.8926%	0.4089%	0.8114%	0.6691%	1.4606%	0.6691%	1.4606%	1.4868%	4.0572%	3.7170%
60	0.8926%	0.4089%	0.8114%	0.6691%	1.4606%	0.6691%	1.4606%	1.4868%	4.0572%	3.7170%

Following is a summary of the multipliers applied to the base disability rates for each group. The Group G rates are equal to 100% of the base disability rates.

Multiplier to Base Table		
Group	Male	Female
A and H	22%	11%
E	36%	18%
J	20%	18%
F	36%	40%
G	100%	100%

The assumed split of service-connected and non-service connected disabilities is as follows:

Group	Total	Total	Service Connected Disability	
	Non-Service	Service	Total Incapacity	Partial Incapacity
	Connected	Connected	70% Benefit	52.5% Benefit
A and H	70%	30%	15.0%	15.0%
E	50%	50%	10.0%	40.0%
J	33%	67%	20.0%	47.0%
F	33%	67%	20.0%	47.0%
G	5%	95%	30.0%	65.0%



## Actuarial Valuation Assumptions (Continued)

**Rates of retirement** for non-Public Safety and Group J members eligible to retire during the next year were as follows:

Age	Groups A and H		Group J		GRIP	
	Under 30 Years of Service	30 Years of Service and Over	Under 25 Years of Service	25 Years of Service and Over	Under 15 Years of Service	15 Years of Service and Over
Under 42			3.00%	3.50%		
42			3.00%	3.50%		
43			3.00%	3.50%		
44			3.00%	3.50%		
45	2.00%	2.00%	3.00%	8.00%		
46	2.00%	2.00%	3.00%	8.00%		
47	2.00%	2.00%	3.00%	8.00%		
48	2.00%	2.00%	3.00%	8.00%		
49	2.00%	2.00%	3.00%	25.00%		
50	3.00%	12.50%	7.50%	25.00%		
51	3.00%	12.50%	7.50%	25.00%		
52	3.00%	12.50%	7.50%	25.00%		
53	3.00%	12.50%	7.50%	25.00%		
54	3.00%	12.50%	7.50%	25.00%		
55	6.00%	15.00%	10.00%	25.00%	5.00%	5.00%
56	6.00%	15.00%	10.00%	25.00%	5.00%	5.00%
57	6.00%	15.00%	10.00%	25.00%	5.00%	5.00%
58	6.00%	15.00%	10.00%	25.00%	5.00%	5.00%
59	6.00%	15.00%	10.00%	25.00%	5.00%	5.00%
60	15.00%	18.00%	10.00%	30.00%	5.00%	5.00%
61	13.00%	18.00%	10.00%	30.00%	5.00%	5.00%
62	14.00%	18.00%	10.00%	30.00%	6.00%	12.00%
63	11.00%	18.00%	10.00%	30.00%	6.00%	12.00%
64	11.00%	18.00%	10.00%	30.00%	8.00%	12.00%
65	15.00%	18.00%	30.00%	50.00%	13.00%	15.00%
66	15.00%	20.00%	30.00%	50.00%	13.00%	15.00%
67	20.00%	20.00%	30.00%	50.00%	13.00%	20.00%
68	20.00%	20.00%	30.00%	50.00%	13.00%	20.00%
69	20.00%	20.00%	30.00%	50.00%	13.00%	25.00%
70	25.00%	30.00%	100.00%	100.00%	20.00%	40.00%
71	25.00%	30.00%			20.00%	40.00%
72	25.00%	30.00%			20.00%	40.00%
73	25.00%	30.00%			20.00%	40.00%
74	25.00%	30.00%			20.00%	40.00%
75	100.00%	100.00%			100.00%	100.00%



## Actuarial Valuation Assumptions (Continued)

**Rates of retirement** for Public Safety members in Groups E, F and G eligible to retire during the next year were as follows:

Age	Group E			Group F			Group G		
	Under 25 Years of Service	25 Years of Service and Over	First DROP Eligibility	Under 25 Years of Service	25 Years of Service	26 Years of Service and Over	Under 20 or 21 - 24 Years of Service	20 Years of Service	25 Years of Service and Over
Under 42	3.00%	3.50%		2.50%	12.00%	12.00%	3.00%	8.00%	8.00%
42	3.00%	3.50%		2.50%	12.00%	12.00%	3.00%	8.00%	8.00%
43	3.00%	3.50%		2.50%	12.00%	12.00%	3.00%	8.00%	8.00%
44	3.00%	3.50%		2.50%	12.00%	12.00%	3.00%	8.00%	8.00%
45	3.00%	8.00%		2.50%	12.00%	12.00%	3.00%	10.00%	14.00%
46	3.00%	8.00%	23.00%	3.00%	12.00%	12.00%	3.00%	10.00%	14.00%
47	3.00%	8.00%	23.00%	4.00%	12.00%	12.00%	3.00%	10.00%	14.00%
48	3.00%	8.00%	23.00%	4.00%	12.00%	12.00%	3.00%	10.00%	14.00%
49	3.00%	20.00%	35.00%	4.00%	12.00%	12.00%	7.00%	14.00%	14.00%
50	7.50%	30.00%	45.00%	6.00%	20.00%	20.00%	7.00%	14.00%	14.00%
51	7.50%	30.00%	45.00%	6.00%	20.00%	20.00%	7.00%	14.00%	14.00%
52	7.50%	30.00%	45.00%	6.00%	25.00%	25.00%	10.00%	17.00%	20.00%
53	7.50%	30.00%	45.00%	6.00%	25.00%	25.00%	10.00%	17.00%	20.00%
54	7.50%	30.00%	45.00%	6.00%	25.00%	25.00%	10.00%	17.00%	20.00%
55	20.00%	30.00%	25.00%	12.00%	40.00%	30.00%	10.00%	20.00%	20.00%
56	20.00%	30.00%	30.00%	12.00%	40.00%	30.00%	15.00%	30.00%	30.00%
57	20.00%	30.00%	30.00%	15.00%	40.00%	30.00%	15.00%	30.00%	30.00%
58	20.00%	30.00%	30.00%	15.00%	40.00%	35.00%	15.00%	40.00%	40.00%
59	20.00%	30.00%	30.00%	15.00%	40.00%	35.00%	15.00%	40.00%	40.00%
60	15.00%	40.00%	50.00%	20.00%	65.00%	35.00%	30.00%	40.00%	40.00%
61	15.00%	40.00%	50.00%	20.00%	65.00%	35.00%	30.00%	40.00%	40.00%
62	15.00%	40.00%	50.00%	20.00%	65.00%	40.00%	30.00%	40.00%	40.00%
63	15.00%	40.00%	50.00%	25.00%	65.00%	40.00%	30.00%	40.00%	40.00%
64	15.00%	40.00%	50.00%	25.00%	65.00%	40.00%	30.00%	40.00%	40.00%
65	50.00%	50.00%	85.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
66	50.00%	50.00%	85.00%						
67	50.00%	50.00%	85.00%						
68	50.00%	50.00%	85.00%						
69	50.00%	50.00%	85.00%						
70	100.00%	100.00%	100.00%						

**Assumption for DRSP and DROP eligible members** are as follows:

	Group E (DROP)	Group F (DRSP)	Group G (DROP)
Percent Assumed to Participate	75%	70%	85%
Average Years of Participation	3 years	3 years	3 years





## Actuarial Valuation Assumptions (Continued)

**Assumed Additional Sick Leave Credit:**

Members are assumed to accumulate additional service credit at termination or retirement for unused sick leave credit up to a maximum of 2 years.

Group	Years of Sick Leave Per
	Year of Credited Service
A	0.027
E, J	0.019
F	0.042
G	0.025
H	0.015

**Marital Status:**

It is assumed that 80% of active participants have an eligible spouse. The male spouse is assumed to be three years older than the female spouse.

**Form of Payment:**

Plan	Normal Form	Assumed in Valuation
Mandatory Integrated	Life Annuity, guaranteed returned employee contributions with interest	3-Year Certain and Continuous Annuity
Optional Integrated	Life Annuity with 120 monthly payments guaranteed	10-Year Certain and Continuous Annuity
Optional Non-Integrated	Life Annuity with 120 monthly payments guaranteed	10-Year Certain and Continuous Annuity
GRIP	Lump Sum	Lump Sum at Termination or Retirement

**Benefit Service:**

Exact fractional years of service are used to determine the amount of benefit payable.

**Decrement Timing:**

All decrements are assumed to occur at the middle of the year.

**Decrement Operation:**

Turnover decrements do not operate after the member reaches retirement eligibility.

**Eligibility Testing:**

Eligibility for benefits is determined based upon the age nearest birthday and service on the date the decrement is assumed to occur.

**Pay Increase Timing:**

End of (fiscal) year.



## Actuarial Valuation Assumptions (Concluded)

**Expenses:** Assumed administrative expenses were added to the Normal Cost and are based on 105% of the average of the administrative expenses over the past 3 years. The assumed amount added to the Normal Cost is:

Valuation Year	Actual Administrative Expenses				Assumed Expenses
	3 Years Prior	2 Years Prior	1 Year Prior	3 Year Average	Added to Normal Cost
2023	\$ 2,999,015	\$ 3,132,193	\$ 3,243,582	\$ 3,124,930	\$ 3,281,200
2024	3,132,193	3,243,582	3,795,631	3,390,469	3,560,000
2025	3,243,582	3,795,631	4,535,575	3,858,263	4,051,200

**Assumptions for  
Missing or Incomplete  
Data:**

Active members:

If payroll was not provided, the current year payroll was set equal to the prior year payroll. For new hires, the current year payroll was set equal to the average payroll for new hires in the same group (A, E, J, F, G, H and GRIP).

Vesting service and credited service were calculated for GRIP members based on date of hire and the valuation date.

Retired members:

If a beneficiary date of birth was not provided for members with a joint and survivor option, it was assumed that there was a beneficiary and males are three years older than their female spouses.

## SECTION D

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### **BENEFIT PROVISIONS**

## Brief Summary of Plan Provisions as of July 1, 2025

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Following is a summary of the major plan provisions used in the valuation summarized in this report. Montgomery County is solely responsible for the validity, accuracy and comprehensiveness of this information. If any of the plan provisions shown below are not accurate and complete, the valuation results may differ significantly from those shown in this report and may require a revision of this report. Moreover, these plan provisions may be susceptible to different interpretations, each of which could be reasonable, and the different interpretations could lead to different valuation results.

### 1. Effective Date of the Plan

August 15, 1965. Latest changes to the plan were made in fiscal year 2025 and were reflected in the 2025 actuarial valuation.

### 2. Employee Eligibility Requirements

- A. Optional non-integrated retirement plan: Employees enrolled prior to July 1, 1978, who do not elect to join the integrated retirement plan.
- B. Optional integrated plan: Employees enrolled prior to July 1, 1978, who elect to join the integrated retirement plan.
- C. Mandatory integrated retirement plan: Employees enrolled on or after July 1, 1978. The Plan is closed to Non-Public Safety employees hired or rehired after September 30, 1994.

### 3. Membership Groups and Eligibility

- Group A: Any employee who is not eligible for coverage under another membership group.
- Group B: Any correctional officer, fire prevention officer or deputy sheriff appointed or promoted to the position on or before June 30, 1978, who has not elected to transfer to another membership group.
- Group D: Any full-time police officer appointed on or before August 15, 1965, who has been continuously employed as a police officer and has not elected to transfer to any other membership group.
- Group E: The chief administrative officer, the director of the council staff, the hearing examiners, the county attorney and each head of a principal department, office or agency of the county government, if appointed before July 30, 1978, or a member having held such position on or before October 1, 1972. Any sworn deputy sheriff and such correctional staff as designated by the chief administrative officer. Non-correctional officers were moved to Group J.
- Group F: Any sworn police officer who is not eligible for coverage under another membership group.



## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

- Group G: Any paid firefighter, paid fire officer or paid rescue service personnel not eligible for coverage under another membership group.
- Group H: Any member, including any probationary employee, who holds a bargaining unit position, unless the member is eligible for membership in Groups B, D, E, F or G.
- Group J: Group J was established as of December 21, 2016. Non-correctional officer employees hired prior to December 21, 2016, who participated in Group E were transferred to Group J on May 28, 2017. Group J members are not eligible for Deferred Retirement Option Plan (DROP) coverage.

#### 4. Member Contributions as a Percent of Regular Base Earnings

Effective July 1, 1989, member contributions are pre-tax and interest shall be credited annually on each member's accumulated contributions at a 4.0% annual rate.

##### A. Optional non-integrated plan:

	Prior to 7/1/2001	Effective 7/1/2001	Effective 7/1/2011	Effective 7/1/2012 and After
<b>Group A</b>	6%	6%	7%	8%
<b>Group B <sup>1</sup></b>	7%	n/a	n/a	n/a
<b>Group D <sup>2</sup></b>	n/a	n/a	n/a	n/a
<b>Group E, J</b>	7½%	8½%	9½%	10½%
<b>Group F</b>	7½%	8½%	9½%	10½%
<b>Group G</b>	7½%	8½%	9½%	10½%
<b>Group H</b>	6%	6%	7%	8%

<sup>1</sup> The last Group B member retired August 1, 1998

<sup>2</sup> The last Group D member retired November 1, 1992

##### B. Optional integrated plan:

	Prior to 7/1/2001 <sup>1</sup>		Effective 7/1/2001 <sup>1</sup>		Effective 7/1/2011		Effective 7/1/2012 and After	
	Up to SSTWB	In excess of SSTWB	Up to SSTWB	In excess of SSTWB	Up to SSTWB	In excess of SSTWB	Up to SSTWB	In excess of SSTWB
<b>Group A</b>	3%	6%	4%	6%	5%	7%	6%	8%
<b>Group B <sup>2</sup></b>	3½%	7%	4½%	7%	n/a	n/a	n/a	n/a
<b>Group D</b>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Group E, J</b>	3¾%	7½%	4¾%	8½%	5¾%	9½%	6¾%	10½%
<b>Group F</b>	4%	8%	4¾%	8½%	5¾%	9½%	6¾%	10½%
<b>Group G with less than 25 years of service</b>								
	4¾%	8½%	5½%	9¼%	6½%	10¼%	7½%	11¼%
<b>Group G with at least 25 years of service</b>								
	4¾%	8½%	4¾%	8½%	5¾%	9½%	6¾%	10½%
<b>Group H</b>	3%	6%	4%	6%	5%	7%	6%	8%

<sup>1</sup> 7/1/2007 for Group G

<sup>2</sup> The last Group B member retired February 1, 2008

SSTWB means Social Security Taxable Wage Base.



## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

### C. Mandatory integrated plan:

	Prior to 7/1/2001 <sup>1</sup>		Effective 7/1/2001 <sup>1</sup>		Effective 7/1/2011		Effective 7/1/2012 and After	
	Up to SSTWB	In excess of SSTWB	Up to SSTWB	In excess of SSTWB	Up to SSTWB	In excess of SSTWB	Up to SSTWB	In excess of SSTWB
<b>Group A</b>	3%	6%	4%	6%	5%	7%	6%	8%
<b>Group B</b>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Group D</b>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Group E, J</b>	3¾%	7½%	4¾%	8½%	5¾%	9½%	6¾%	10½%
<b>Group F</b>	4%	8%	4¾%	8½%	5¾%	9½%	6¾%	10½%
<b>Group G with less than 25 years of service</b>								
	4¾%	8½%	5½%	9¼%	6½%	10¼%	7½%	11¼%
<b>Group G with at least 25 years of service</b>								
	4¾%	8½%	4¾%	8½%	5¾%	9½%	6¾%	10½%
<b>Group H</b>	3%	6%	4%	6%	5%	7%	6%	8%

<sup>1</sup> 7/1/2007 for Group G

### 5. Credited Service

A member's credited service is the total service rendered under the Employees' Retirement System of Montgomery County, plus credited service earned under State of Maryland and/or Montgomery County Police Relief and Retirement Fund Law or any other Maryland Public Plan, plus any purchased prior service or granted.

- A. Full-time: Full-time members receive one year of credited service for rendering the full normal working time in a 12-month period.
- B. Part-time: Part-time members working less than the normal scheduled workweek for full-time employees on a continuing basis shall receive one year of credited service for each 12-month period.
- C. Combined part-time and full-time: Combined part-time and full-time employees will receive one month of credited service for 176 hours worked each fiscal year. Accumulated hours of 88 to 176 or 15 days or more in any calendar month will equal one month of credited service.
- D. Sick Leave: Any employee whose retirement is effective on or after May 1, 1970, will have 176 hours of accumulated sick leave equivalent to one month of credited service up to a maximum of 4,224 hours. Accumulated sick leave of less than 11 days shall not be credited; 11 to 22 days shall be credited as one month for retirement purposes. Any member who vests on or after October 1, 1971, may have sick leave credited for vesting purposes on the same basis.
- E. Military Service: Up to 24 months of military time is granted to Group E members upon attainment of five years of County service, at no cost to the members. Up to 12 months of military time is granted to Group G members upon attainment of seven years of County service and up to an additional 12 months of military time is granted to Group G members upon attainment of 15 years of County service, up to a total of 24 months, at no cost to the members.



## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

### 6. Average Final Earnings

For members enrolled on or before June 30, 1978, average final earnings are equal to the regular earnings for the 12-month period immediately preceding retirement, or any consecutive 12-month period, if greater.

For members enrolled on or after July 1, 1978, average final earnings are equal to the average of regular annual earnings for the 36-month period immediately preceding retirement, or any consecutive 36-month period, if greater.

### 7. Social Security Wage Base

For any particular year, the maximum amount of earnings creditable for benefit computation purposes under the Old Age, Survivors and Disabilities Insurance Program established by the Federal Social Security Act.

Year	Social Security Taxable Wage Base	Year	Social Security Taxable Wage Base
2011	\$106,800	2021	\$142,800
2012	\$110,100	2022	\$147,000
2013	\$113,700	2023	\$160,200
2014	\$117,000	2024	\$168,600
2015	\$118,500	2025	\$176,100
2016	\$118,500		
2017	\$127,200		
2018	\$128,400		
2019	\$132,900		
2020	\$137,700		

### 8. Social Security Maximum Compensation Level

The maximum dollar amount of earnings upon which Social Security benefits are based, assuming:  
(1) an employee's annual compensation is at least as great as the taxable wage base each year, for a 35-year period through the year in which the employee attains Social Security Retirement Age,  
(2) the employee remained in covered employment during each calendar year, (3) the taxable wage base stays level from date of retirement to Social Security Retirement Age.

### 9. Social Security Retirement Age

- Age 65 for employees born prior to January 1, 1938.
- Age 66 for employees born on or after January 1, 1938, and prior to January 1, 1955.
- Age 67 for employees born on or after January 1, 1955.

## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

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### 10. Regular Earnings

Gross pay for actual hours worked, excluding overtime.

Imputed Compensation for FY2010 only (effective July 1, 2009):

- Regular earnings for a Group A, E, J or H member who is employed on July 1, 2009, includes amounts as if the member had received an increase of 4.5% in the member's gross pay as of July 1, 2009, except for the purpose of calculating a member's contribution.
- Regular earnings for a Group F member who is employed on July 1, 2009, includes amounts as if the member had received an increase of 4.25% in the member's gross pay as of July 1, 2009, except for the purpose of calculating a member's contribution.
- Regular earnings for a Group G member who is employed on July 1, 2009, includes amounts as if the member had received an increase of 4.00% in the member's gross pay as of July 1, 2009, except for the purpose of calculating a member's contribution.
- From March 2020 through February 2021, the County paid certain employees a pay differential for COVID-19. For members of Group F who were active at that time, the pay differential is included in the Average Final Earnings for retirement benefit calculations.

### 11. Benefits

#### A. Normal Retirement Date:

##### *Age and Service Requirement:*

- Group A: Age 60 and five years of credited service, or age 55 and 30 years of credited service (after June 30, 2002, age 60 and five years of credited service, or age 50 and 30 years of credited service for members who are Police Telecommunicators).
- Group B: Age 55 and 15 years of credited service, or age 51 and 30 years of credited service.
- Group D: The requirements contained in the police relief and retirement fund law of the county.
- Group E, J: Age 55 and 15 years of credited service, or age 46 and 25 years of credited service.
- Group F: Age 55 and 15 years of credited service, or 25 years of credited service (effective July 1, 2008; previously, age 55 and 15 years of credited service, or age 46 and 25 years of credited service).
- Group G: Age 55 and 15 years of credited service, or any age with 20 years of credited service (effective July 1, 2007; previously age 55 and 15 years of credited service, or any age with 25 years of credited service).





## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

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- Group H: Age 60 and five years of credited service, or age 55 and 30 years of credited service (after June 30, 2002, age 60 and five years of credited service, or age 50 and 30 years of credited service for members who are Police Telecommunicators or members of the Service, Labor and Trades (SLT) bargaining unit).

### B. Benefit Amount:

1. Optional non-integrated plan: All groups other than Group E, J, F or G – 2 percent of average final earnings multiplied by years of credited service, up to a maximum of 36 years, plus sick leave credits.

- Group E, J: 2.4% of average final earnings for each of the first 25 years of credited service, plus 2% of average final earnings for each year of credited service after 25 years up to a maximum of 31 years, plus sick leave credits. Sick leave credit in excess of 25 years is credited at 2% of average final earnings.
- Group F: 2.4% of average final earnings for each year of credited service, up to a maximum of 36 years, plus sick leave credits.
- Group G: 2.5% of average final earnings for each of the first 20 years of credited service, plus 2% of average final earnings for each year of credited service after 20 years up to a maximum of 31 years, plus sick leave credits (effective July 1, 2007; previously 2% of average final earnings for each of the first 20 years of credited service, plus 3% of average final earnings for each year of credited service from 21<sup>st</sup> year through 24<sup>th</sup> year, plus 8% of average final earnings for the 25<sup>th</sup> year of credited service, plus 2% of average final earnings for each year of credited service after 25 years up to a maximum of 31 years, plus sick leave credits).

2. Integrated plans:

- a. From date of retirement to Social Security Retirement Age (age 70 for Group E, G, and J members beginning with retirements on or after July 1, 2024 and age 70 for Group F members beginning with retirements on or after August 7, 2023):
  - For groups other than Groups E, J, F or G: 2% of average final earnings multiplied by years of credited service, up to a maximum of 36 years, plus sick leave credits.
  - Group E: 2.6% of average final earnings for each of the first 25 years of credited service, plus 2.25% of average final earnings for each year of credited service more than 25 years up to a maximum of 30 years, plus sick leave credits. (Prior to August 8, 2023, 2.4% of average final earnings for each of the first 25 years of credited service, plus 2% of average final earnings for each year of credited service more than 25 years up to a maximum of 31 years, plus sick leave credits).
  - Group J: 2.5% of average final earnings for each of the first 25 years of credited service, plus 2% of average final earnings for each year of credited service more than



## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

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25 years up to a maximum of 30 years, plus sick leave credits. (Prior to August 7, 2023: 2.4% of average final earnings for each of the first 25 years of credited service, plus 2% of average final earnings for each year of credited service more than 25 years up to a maximum of 31 years, plus sick leave credits.)

- Group F: 2.6% of average final earnings for each of the first 25 years of credited service, plus 2.4% of average final earnings for each year of credited service more than 25 years up to a maximum of 34 years, including sick leave credits. (Prior to January 1, 2025 and after June 30, 2008: 2.4% of average final earnings multiplied by years of credited service, up to a maximum of 36 years of service including sick leave credits.)
  - Group G: 2.6% of average final earnings for each of the first 25 years of credited service, plus 1.25% of average final earnings for each year of credited service more than 25 years up to a maximum of 31 years, plus sick leave credits. Effective February 6, 2023, the benefit multiplier for sick leave credits is 5.0%. (Prior to August 7, 2023 and after June 30, 2007: 2.5% of average final earnings for each of the first 20 years of credited service, plus 2% of average final earnings for each year of credited service after 20 years up to a maximum of 31 years, plus sick leave credits.)
- b. From attainment of Social Security Retirement Age (age 70 for Group E, G, and J members beginning with retirements on or after July 1, 2024 and age 70 for Group F members beginning with retirements on or after August 7, 2023):
- For Groups A, B or H: 1.25% of average final earnings up to Social Security maximum covered compensation plus 2% of average final earnings above Social Security maximum covered compensation, multiplied by years of credited service up to 36 years, plus sick leave credits.
  - Group D: 1% of average final earnings up to Social Security maximum covered compensation plus 2% of average final earnings above Social Security maximum covered compensation, multiplied by years of credited service up to 36 years, plus sick leave credits.
  - Group E: 1.65% of average final earnings up to Social Security maximum covered compensation for each year of credited service up to a maximum of 30 years plus sick leave credits, plus 2.6% of average final earnings above Social Security maximum covered compensation for each of the first 25 years, and 2.25% of average final earnings above Social Security maximum covered compensation for each year of credited service after 25 years up to a maximum of 30 years, plus sick leave credits. Sick leave credits used for years in excess of 25 years is credited at 2.25% of average final earnings above Social Security maximum covered compensation. (Prior to August 8, 2023, 1.65% of average final earnings up to Social Security maximum covered compensation for each year of credited service up to a maximum of 31 years plus sick leave credits, plus 2.4% of average final earnings above Social Security maximum covered compensation for each of the first 25 years, and 2% of average

## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

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final earnings above Social Security maximum covered compensation for each year of credited service after 25 years up to a maximum of 31 years, plus sick leave credits. Sick leave credits used for years in excess of 25 years is credited at 2% of average final earnings above Social Security maximum covered compensation.

- Group J: 1.65% of average final earnings up to Social Security maximum covered compensation for each year of credited service up to a maximum of 30 years plus sick leave credits, plus 2.5% of average final earnings above Social Security maximum covered compensation for each of the first 25 years, and 2% of average final earnings above Social Security maximum covered compensation for each year of credited service after 25 years up to a maximum of 30 years, plus sick leave credits. Sick leave credits used for years in excess of 25 years is credited at 2% of average final earnings above Social Security maximum covered compensation. (Prior to August 7, 2023: 1.65% of average final earnings up to Social Security maximum covered compensation for each year of credited service up to a maximum of 31 years plus sick leave credits, plus 2.4% of average final earnings above Social Security maximum covered compensation for each of the first 25 years, and 2% of average final earnings above Social Security maximum covered compensation for each year of credited service after 25 years up to a maximum of 31 years, plus sick leave credits. Sick leave credits used for years in excess of 25 years is credited at 2% of average final earnings above Social Security maximum covered compensation.)
- Group F: 1.80% of average final earnings up to Social Security maximum covered compensation and 2.6% of average final earnings above Social Security maximum covered compensation for each of the first 25 years of credited service, plus 1.65% of average final earnings up to Social Security maximum covered compensation and 2.4% of average final earnings above Social Security maximum covered compensation for each year of credited service more than 25 years up to a maximum of 34 years, including sick leave credits. (Prior to January 1, 2025 and after June 30, 2008: 1.65% of average final earnings up to Social Security maximum covered compensation for each year of credited service up to a maximum of 36 years including sick leave credits and 2.4% of average final earnings above Social Security maximum covered compensation for each year of credited service up to a maximum of 36 years including sick leave credits.)
- Group G: 1.7875% of average final earnings up to Social Security maximum covered compensation and 2.6% of average final earnings above Social Security maximum covered compensation for each of the first 25 years of credited service, plus 0.859375% of average final earnings up to Social Security maximum covered compensation and 1.25% of average final earnings above Social Security maximum covered compensation more than 25 years up to a maximum of 31 years. Effective February 6, 2023, the benefit multiplier for sick leave credits is 3.4375%. (Prior to August 7, 2023: 1.71875% of average final earnings up to Social Security maximum covered compensation and 2.5% of average final earnings above Social Security maximum covered compensation for each of the first 20 years of credited service, plus 1.375% of average final earnings up to Social Security maximum covered

## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

compensation and 2% of average final earnings above Social Security maximum covered compensation for each year of credited service after 20 years up to a maximum of 31 years, plus sick leave credits.)

### 12. Early Pension

#### A. Age and service requirements:

- Group A: Age 50 and 15 years of credited service, or age 45 and 20 years of credited service.
- Group B: Age 45 and 15 years of credited service.
- Group D: Not applicable.
- Group E, J: Age 45 and 15 years of credited service, or age 41 and 20 years of credited service.
- Group F: Age 45 and 15 years of credited service, or age 41 and 20 years of credited service.
- Group G: Only normal retirement is allowed (effective 7/1/2007, previously age 45 and 15 years of credited service, or age 41 and 20 years of credited service).
- Group H: Age 50 with 15 years of credited service, or age 45 and 20 years of credited service.

#### B. Benefit amount: Regular pension accrued, reduced by the following schedule:

	YEARS EARLY										
	0	1	2	3	4	5	6	7	8	9	10
0	100.00%	98.00%	95.00%	91.00%	86.00%	80.00%	72.00%	64.00%	56.00%	48.00%	40.00%
1	99.83%	97.75%	94.67%	90.58%	85.50%	79.33%	71.33%	63.33%	55.33%	47.33%	
2	99.67%	97.50%	94.33%	90.17%	85.00%	78.67%	70.67%	62.67%	54.67%	46.67%	
3	99.50%	97.25%	94.00%	89.75%	84.50%	78.00%	70.00%	62.00%	54.00%	46.00%	
4	99.33%	97.00%	93.67%	89.33%	84.00%	77.33%	69.33%	61.33%	53.33%	45.33%	
5	99.17%	96.75%	93.33%	88.92%	83.50%	76.67%	68.67%	60.67%	52.67%	44.67%	
6	99.00%	96.50%	93.00%	88.50%	83.00%	76.00%	68.00%	60.00%	52.00%	44.00%	
7	98.83%	96.25%	92.67%	88.08%	82.50%	75.33%	67.33%	59.33%	51.33%	43.33%	
8	98.67%	96.00%	92.33%	87.67%	82.00%	74.67%	66.67%	58.67%	50.67%	42.67%	
9	98.50%	95.75%	92.00%	87.25%	81.50%	74.00%	66.00%	58.00%	50.00%	42.00%	
10	98.33%	95.50%	91.67%	86.83%	81.00%	73.33%	65.33%	57.33%	49.33%	41.33%	
11	98.17%	95.25%	91.33%	86.42%	80.50%	72.67%	64.67%	56.67%	48.67%	40.67%	

Unreduced early retirement benefits are available if the member's age and service equals 85 with at least 35 years of credited service.

### 13. Disability Pension

#### A. Non-service-connected disability retirement:

Age and service requirement: Five years of credited service.



## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

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Amount: The greater of the accrued benefit under 11(B) or 33⅓% of final earnings.

### B. Service-connected disability retirement:

Age and service requirement: None

Benefit amount:

1. For total incapacity: The greater of the accrued benefit under 11(B) or 66⅔% of final earnings.
2. For Group G members: Benefits described in (1.) above are modified as follows:
  - The minimum benefit is 70% of final earnings if the member meets the definition of Social Security disability.
  - The minimum benefit is 52½% of final earnings if the member is disabled but does not qualify for the 70% minimum benefit above. The Chief Administrative Officer of the County may offer a disabled member an alternative position with the County with a 5% pay increase in lieu of this disability benefit.
  - Certain causes of disability are automatically deemed to be service-connected.

Effective July 1, 2012, the service-connected benefit amount is modified as follows:

- Total incapacity: The minimum benefit is 70% of final earnings if the Disability Review Panel approves. If the member has been granted Social Security disability benefits, the Disability Review Panel must recommend total incapacity status if the Social Security award is based primarily on the impairment for which plan benefits are paid.
- Partial incapacity: The minimum benefit is 52½% of final earnings if the member is disabled but does not qualify for the 70% minimum benefit above.
- Group G: The Chief Administrative Officer of the County may offer a disabled member an alternative position with the County with a 5% pay increase in lieu of this disability benefit. This does not apply to Group F.

## 14. Termination of Employment

### A. Vesting provision:

Service requirement: Effective July 1, 1989, all employees who render five or more years of credited service become fully vested. Previously, vesting was based on a five to 10-year graded vesting schedule. Elected officials become vested after five years of service with a minimum monthly benefit of \$150.



## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

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Benefit amount: The monthly vested pension payable at normal retirement date is the benefit determined according to the normal retirement pension provisions based on credited service to the date of termination.

*Effective July 1, 2010, unreduced benefit commencement date provision clarification for future terminated vested members: The unreduced benefit commencement date for groups A and H is age 60. The comparable date for groups E, J, F and G members is age 73 for members who are not 55 years old with 15 years of service at their termination date.*

### B. Return of employee contributions:

A member's contributions plus interest will be refunded if:

- A member's service with the county terminates before the member becomes eligible to vest.
- A member eligible to vest terminates service and voluntarily elects to withdraw.

### 15. Discontinued Service Pension

*Applies if employment ends because of an administrative action and participant has 10 or more years of continuous service. Discontinued service pension begins at early retirement date but no reductions are made for early retirement. A participant may not receive a discontinued service pension if the participant was terminated for cause or resigned.*

#### A. Groups A, E, J, F, G and H

1. Optional Non-Integrated plan members and Optional Non-Integrated plan members who elected to transfer to the Optional Integrated plan on or before September 26, 1983.

Eligibility: 10 or more years of continuous or credited service, and not an elected or appointed member.

Benefit amount: The amount of pension that the participant would receive for a regular retirement modified as follows:

- Substitute final earnings for average final earnings
  - Add 5% of final earnings
  - No reduction at Social Security Normal Retirement Age
2. Optional Non-Integrated plan members who transferred to the Optional Integrated plan after September 26, 1983.

Eligibility: 10 or more years of credited or continuous service, and not an elected or appointed member.



## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

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Benefit amount: The amount of pension that the participant would receive for a regular retirement modified as follows:

- Substitute final earnings for average final earnings
- Add 5% of final earnings

### 3. Mandatory Integrated plan:

Eligibility: 10 or more years of continuous service and not an elected or appointed member.

Benefit amount: The amount of pension that the participant would receive for a regular retirement without any reduction for early retirement.

### B. Elected and appointed members:

*On or before September 26, 1983*

Eligibility: 10 or more years of credited service and enrolled or re-enrolled *on or before* September 26, 1983, or submits an application to transfer from the optional plan to the integrated plan *before* September 26, 1983.

Benefit amount: Regular pension accrued under 11(B) except that “final earnings” replaces “average final earnings” in the calculation, minimum \$300.00 monthly.

*After September 26, 1983*

Eligibility: 10 or more years of credited service and enrolled or re-enrolled after September 26, 1983, or submits an application to transfer from the optional plan to the integrated plan after September 26, 1983.

Benefit amount: Regular pension accrued under 11(B) except that “final earnings” replaces “average final earnings” in the calculation, minimum \$300.00 monthly.

### C. Notwithstanding the above provisions, any member covered by this plan on April 1, 1970, who has reached early retirement date with 20 years of continuous or credited service, is eligible to receive a pension commencing immediately in an amount not less than 50% of final earnings.

## 16. Death Benefits

### A. Non service-connected:

Eligibility: None.





## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

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Benefit amount:

1. Return of member contributions with interest;  
plus
2. 50% of average final earnings if the member was a member of the Employees' Retirement System on or before December 31, 1966, and was a Maryland State plan member on August 15, 1965.  
or
3. Alternate death benefits listed under (C.) below.

B. Service-connected:

Eligibility requirement: None

Benefit amount:

1. The spouse\* will receive a benefit equal to 25% of the member's final earnings, with a minimum of \$250.00 per month. The child will receive a benefit equal to 5% of the member's final earnings with a minimum of \$50.00 per month to age 21 or life if disabled;  
plus
2. 50% of average final earnings if the member was a member of the Employees' Retirement System on or before December 31, 1966, and was a Maryland State plan member on August 15, 1965;  
or
3. Alternate death benefits listed under (C.) below.
4. For Group F and Group G members: If the member dies while performing duties for the County, the plan will pay death benefits to the spouse or domestic partner and child as if they were receiving a service-connected disability at the 70% minimum benefit level at the time of death and had elected the 100% joint and survivor option.

C. Alternative death benefits:

Eligibility: Member was eligible for vesting or retirement.

Benefit amount:

1. Spouse\* or child may elect to receive the amount that would have been paid had the member elected to receive a 100% joint and survivor pension; plus
2. 50% of average final earnings if the member was a member of the Employees' Retirement System on or before December 31, 1966, and was a Maryland State plan member at August 15, 1965.

*\* Domestic partners who meet the requirements for domestic partnership are also eligible.*





## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

### 17. Forms of Payment

#### A. Normal form:

1. Optional non-integrated plan: Lifetime benefit, with first 120 monthly payments guaranteed.
2. Optional integrated plan: Lifetime benefit, with first 120 monthly payments guaranteed.
3. Mandatory integrated plan: Lifetime benefit with refund of remaining contributions and interest.

- B. Optional forms: A member may elect an optional form of pension actuarially equivalent to the normal form of retirement, otherwise payable, excluding members who qualified for a non-service-connected disability retirement before reaching early retirement date.

Available forms of payment are:

<i>Modified Cash Refund Annuity</i>	Lifetime benefit with return of employee contributions with interest guaranteed
<i>10-Year Certain and Continuous Annuity</i>	Lifetime benefit with 120 monthly payments guaranteed
<i>Social Security Adjustment Option Combined with either Modified Cash Refund Annuity or a 10-Year Certain and Continuous Annuity</i>	Provides a nearly level total income, from the Plan and Social Security, from date of retirement to date of death. At death, payment will continue to the beneficiary if the guarantee provided under the normal form of payment has not been exhausted.
<i>Joint and Survivor Annuity</i>	Provides a lifetime benefit and a continuation of a percentage of the retiree benefit upon death to the beneficiary. The minimum percentage is 10%. A guaranteed payment of employee contributions with interest is provided for the mandatory plan and 120 monthly payments from date of retirement for the optional plans.
<i>Joint and Survivor Annuity with Pop-Up</i>	Provides a lifetime benefit and a continuation of a percentage of the retiree benefit upon death to the beneficiary. The minimum percentage is 10%. If the beneficiary predeceases or divorces from the retiree, the monthly benefit pops up to the amount it would have been under the Modified Cash Refund option. A guaranteed payment of employee contributions with interest is provided.
<i>Social Security Adjustment Option Combined with Joint and Survivor Annuity Option</i>	Provides a nearly level total income, from the Plan and Social Security, from date of retirement to date of death and a continuation of a percentage of the retiree benefit upon death to the beneficiary. The minimum percentage is 10%.
<i>Social Security Adjustment Option Combined with Joint and Survivor Annuity Pop-Up Option</i>	Provides a nearly level total income, from the Plan and Social Security, from date of retirement to date of death and a continuation of a percentage of the retiree benefit upon death to the beneficiary. The minimum percentage is 10%. If the beneficiary predeceases or divorces from the retiree, the monthly benefit pops up to the amount it would have been under the Modified Cash Refund option. A guaranteed payment of employee contributions with interest is provided.



## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

### 18. Post-Retirement Increases

Optional non-integrated plan: Annual adjustment to the benefit equal to 100% of the change in Consumer Price Index for the Washington Metro Area for years and months of credited service before July 1, 2011. For years and months of credited service after June 30, 2011, any adjustment will not exceed 2.5%.

Optional integrated plan: Annual adjustment to the benefit equal to 100% of the change in Consumer Price Index for the Washington Metro Area for years and months of credited service before July 1, 2011. For years and months of credited service after June 30, 2011, any adjustment will not exceed 2.5%.

Mandatory integrated plan:

- Participants who enrolled on or after July 1, 1978, and retired before November 1, 2001 – Annual adjustment to the benefit equal to 60% of CPI increase, limited to 5%. However, if over age 65 or disabled, then the maximum limit of 5% does not apply.
- Participants who enrolled on or after July 1, 1978, and retired on or after November 1, 2001 – Annual adjustment to the benefit equal to 100% of the change in Consumer Price Index for the Washington Metro Area up to 3%, plus 60% of any change in Consumer Price Index greater than 3%, not to exceed a total of 7.5% for years and months of credited service before July 1, 2011. The maximum 7.5% does not apply to disability retirees or retirees over age 65 for years of service before July 1, 2011. For years and months of credited service after June 30, 2011, any adjustment will not exceed 2.5%.

Effective for the COLA increases granted to Group G members after December 31, 2023: Annual adjustment to the benefit equal to 100% of the change in Consumer Price Index for the Washington Metro Area up to 3%, plus 60% of any change in Consumer Price Index greater than 3%, not to exceed a total of 5% for all years and months of credited service.

Following are the recent COLA increases granted July 1.

<b>COLA Granted July 1</b>	<b>100% of CPI, Pre-7/1/2011 Service</b>	<b>100% of CPI up to 3%, 60% of Change in Excess of 3%, Pre-7/1/2011 Service</b>	<b>100% of CPI, Capped at 2.5%, Post- 7/1/2011 Service</b>	<b>60% of CPI</b>
2020	-0.088%	-0.088%	-0.088%	-0.053%
2021	3.797%	3.478%	2.500%	2.278%
2022	7.518%	5.711%	2.500%	4.511%
2023	3.053%	3.032%	2.500%	1.832%
2024	3.289%	3.174%	2.500%	1.974%
2025	1.867%	1.867%	1.867%	1.120%



## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

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### Disability Benefits:

For a disability occurring after June 30, 2011, as determined by the Disability Review Panel, any post-retirement adjustment of the disability retirement benefit will not exceed 2.5%.

### Sick Leave:

For purposes of applying any post-retirement adjustment, any sick leave will be credited as years and months of service as of the date of retirement. For participants who retire after July 1, 2011, any post-retirement adjustment will not exceed 2.5% on any sick leave credited as years and months of service.

### DRSP Participants:

Effective July 1, 2011, any additional sick leave credited as years and months of service at DRSP exit is subject to the 2.5% post-retirement adjustment limit.

### DROP Participants:

Effective July 1, 2011, any additional sick leave credited as years and months of service at DROP exit is subject to the 2.5% post-retirement adjustment limit.

### Transferred Service:

For purposes of applying any post-retirement adjustment, any transferred service will be credited as years and months of service as of the date a properly completed application is filed with the Benefits Team. For applications to transfer service credit filed after June 30, 2011, any post-retirement adjustment will not exceed 2.5% on the transferred service.

### Purchased Service:

For purposes of applying any post-retirement adjustment, any purchased service will be credited as years and months of service as of the date a properly completed application is filed with the Benefits Team. For applications to purchase service credit filed after June 30, 2011, any post-retirement adjustment will not exceed 2.5% on the purchased service.

## 19. Deferred Retirement Option Plan (DROP) for Group E (effective 7/1/2015)

### A. Eligibility for DROP entry:

Any group E and J uniformed correctional officers or sworn deputy sheriffs who are at least 55 years old and have at least 15 years of credited service or have attained age 46 and 25 years of credited service may participate in the DROP plan.



## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

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B. Exit from DROP:

The first day of any month not to exceed 36 months.

C. The DROP account is:

- A member-directed account outside the System's usual investment.
- Credited with the investment gains and losses of the chosen investments.
- Credited with the monthly benefits that the member would have received if the member had retired at DROP entry.

Upon exit from DROP, the member can receive the DROP account as a lump sum payment or as actuarially equivalent monthly benefits.

D. Post-DROP monthly benefit:

The amount the participant would have received at DROP entry with post-retirement increases for the period in DROP.

E. Disability while in DROP:

Non-Service Connected: The member will receive a pension benefit calculated as if they retired with a non-service connected disability on the date they exited DROP and their DROP account.

Service Connected Disability: The member can elect (i) their DROP account and the post-DROP monthly benefit or (ii) a disability benefit calculated as if the member had never entered DROP.

F. Death while in DROP:

The beneficiary will receive the greater of (i) the death benefit that the beneficiary would have received if the member had died at DROP entry with post-retirement increases plus the DROP account or (ii) the death benefit calculated as if the member had never entered DROP.

G. Member Contributions:

Members do not contribute while in DROP.

20. Discontinued Retirement Service Program (DRSP) for Group F (effective 7/1/2008)

A. Eligibility for DRSP entry:

Effective August 7, 2023: Any group F member who has attained normal retirement age (Age 55 and 15 years of credited service, or 25 years of credited service) may participate in the DRSP plan. (Previously, any group F member who has attained age 46 and 25 years of credited service may participate in the DRSP plan.)



## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

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### B. Exit from DRSP:

The first day of any month not to exceed 36 months.

### C. The DRSP account is:

- A member-directed account outside the System's usual investment.
- Credited with the investment gains and losses of the chosen investments.
- Credited with the monthly benefits that the member would have received if the member had retired at DRSP entry.

Upon exit from DRSP, the member can receive the DRSP account as a lump sum payment or as actuarially equivalent monthly benefits.

### D. Post-DRSP monthly benefit:

The amount the participant would have received at DRSP entry with post-retirement increases for the period in DRSP.

### E. Disability while in DRSP:

Non-Service Connected: The member will receive a pension benefit calculated as if they retired with a non-service connected disability on the date they exited DRSP and their DRSP account.

Service Connected Disability: The member can elect (i) their DRSP account and the post-DRSP monthly benefit or (ii) a disability benefit calculated as if the member had never entered DRSP.

### F. Death while in DRSP:

The beneficiary will receive the greater of (i) the death benefit that the beneficiary would have received if the member had died at DRSP entry with post-retirement increases plus the DRSP account or (ii) the death benefit calculated as if the member had never entered DRSP.

### G. Member Contributions:

Members do not contribute while in DRSP.

## 21. Deferred Retirement Option Plan (DROP) for Group G

### A. Eligibility for DROP entry:

Any Group G member who has met the age and service requirements for a normal retirement may participate in the DROP plan (*effective 7/1/2007; previously only Group G members with at least 25 years of credited service*).



## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

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### B. Exit from DROP:

The first day of any month not to exceed 36 months.

### C. The DROP account collects:

- The member's contributions while in DROP.
- The monthly benefits that the member would have received if the member had retired at DROP entry.
- 7.5% interest on the amount in the account at the beginning of each calendar quarter (8.25% interest for members enrolled in DROP before July 1, 2013).

Upon exit from DROP, the member can receive the DROP account as a lump sum payment or as actuarially equivalent monthly benefits.

### D. Post-DROP monthly benefit:

The amount the participant would have received at DROP entry with post-retirement increases for the period in DROP.

### E. Disability while in DROP:

Non-Service Connected: The member will receive a pension benefit calculated as if they retired with a non-service connected disability on the date they entered DROP and their DROP account.

Service Connected Disability: The member can elect (i) their DROP account and the post-DROP monthly benefit or (ii) a disability benefit calculated as if the member had never entered DROP.

### F. Death while in DROP:

The beneficiary will receive the greater of (i) the death benefit that the beneficiary would have received if the member had died at DROP entry with post-retirement increases plus the DROP account or (ii) the death benefit calculated as if the member had never entered DROP.

## 22. Guaranteed Retirement Income Plan (effective 7/1/2009)

### A. Eligibility for GRIP entry:

- Full-time Non-Public Safety employees hired on or after July 1, 2009, who do not participate in the retirement savings plan may make a one-time irrevocable election to participate in the GRIP within the first 150 days of full time employment. Participation in the plan begins 180 days after employment.
- Part-time or temporary Non-Public Safety employees hired on or after October 1, 1994, who do not participate in the retirement savings plan may make a one-time irrevocable election to participate in the GRIP after at least 150 days of employment. Participation in the plan begins 180 days after employment.



## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

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### B. The GRIP account collects:

- Member contributions (pre-tax unless noted otherwise)
  - a. Non-public safety employees: 4% of regular base earnings up to the maximum Social Security wage base plus 8% of the excess.
  - b. Public safety employees: 3% of regular base earnings up to the maximum Social Security wage base plus 6% of the excess.
  - c. Effective July 1, 2011, members had the option to contribute an additional 2% of regular earnings for service between June 30, 2011 and July 1, 2012, on an after-tax basis by making an election in writing on or before September 1, 2011.
- Employer contributions
  - a. Non-public safety employees: 8% of regular base earnings. Effective July 1, 2011, the employer contribution was 6% of regular base earnings for service between June 30, 2011, and July 1, 2012.
  - b. Public safety employees: 10% of regular base earnings. Effective July 1, 2011, the employer contribution was 8% of regular base earnings for service between June 30, 2011, and July 1, 2012.
- 7.25% interest credited from the date of contribution.

### C. Vesting Schedule:

- Employees are 100% vested in employee contributions at all times.
- County contributions are 0% vested from 0-3 years of credited service and 100% vested at 3 or more years of credited service.
- Participants become 100% vested at death or disability.

### D. Normal Form of Payment – Lump sum

### E. Optional Forms of Payment:

- Direct rollover
- Life annuity purchased from MCERP

### F. Eligible Agencies:

- CC – credit union employees (outside agency)
- CM – union employees (represented)
- CN – non-bargaining employees (non-represented)
- CP – public safety employees
- CZ – elected officials who transferred from the EOP



## Brief Summary of Plan Provisions as of July 1, 2025 (Continued)

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### 23. Retirement Incentive Program (effective 6/1/2010 for one-time election)

The Retirement Incentive Program offered a one-time election in June 2010 and provided enhanced benefits to 64 group A, group H and group E participants. Each retiree received up to a \$35,000 lump sum payment. The early retirement reductions that would normally apply were reduced for some participants and eliminated for others.

### 24. Elected Officials' Plan (EOP)

The Elected Officials' Plan is a defined contribution plan within the Employees' Retirement System.

#### A. Participant and Eligibility:

- Elected officials are eligible to participate in the EOP. An elected official is the sheriff, the state's attorney, a County Council member, the County Executive and any County official elected for a fixed term as specifically provided in the Charter.

Unless an elected official was an active member of a County retirement plan before becoming an elected official, which includes being on leave without pay, an elected official must participate in the EOP upon becoming an elected official. An elected official who chooses to continue to participate in another County retirement plan may become a member of the EOP at any time while an elected official after terminating participation in the other plan.

#### B. Transfer to the Guaranteed Retirement Income Plan (GRIP):

- An individual who is an elected official after December 6, 2010, may make a one-time irrevocable decision to terminate participation in the EOP and participate in the GRIP. An elected official must elect to participate in the GRIP during the first 150 days after becoming an elected official. Participation will begin on the first pay period after the elected official has been in office for 180 days. The elected official will have his or her EOP account transferred to the GRIP and the amount transferred into the GRIP will become the elected official's beginning GRIP account balance.
- An elected official who does not elect to participate in the GRIP must continue to participate in the EOP.

#### C. EOP Contributions:

- Employee contributions: 4% of pay (regular earnings) on a before-tax basis. Members may make an additional voluntary after tax contributions into the account of up to 7% of bi-weekly gross pay.
- Employer contributions: 8% of pay (regular earnings before taxes).





## Brief Summary of Plan Provisions as of July 1, 2025 (Concluded)

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### 25. Changes in plan provisions

The following plan changes have been reflected in this actuarial valuation. All other plan provisions have remained unchanged since the last valuation, performed as of July 1, 2024.

- Groups E, F, G, J
  - A deferred vested benefit will be payable at age 73 (increased from age 72) for participants who terminate and are not age 55 with 15 years of service upon vested termination.

## SECTION E

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### GLOSSARY OF TERMS

## Glossary of Terms

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**Actuarial Accrued Liability (AAL).** The difference between (i) the actuarial present value of future plan benefits, and (ii) the actuarial present value of future normal cost. Sometimes referred to as “accrued liability” or “past service liability.”

**Actuarial Assumptions.** Estimates of future plan experience such as investment return, expected lifetimes and the likelihood of receiving a pension from the Pension Plan. Demographic, or “people” assumptions, include rates of mortality, retirement and separation. Economic, or “money” assumptions, include expected investment return, inflation and salary increases.

**Actuarial Cost Method.** A mathematical budgeting procedure for allocating the dollar amount of the “actuarial present value of future plan benefits” between the actuarial present value of future normal cost and the actuarial accrued liability. Sometimes referred to as the “actuarial funding method.”

**Actuarial Present Value of Future Plan Benefits.** The amount of funds presently required to provide a payment or series of payments in the future. It is determined by discounting the future payments at a predetermined rate of interest, taking into account the probability of payment.

**Actuarial Value of Assets (AVA).** Smoothed value of assets that recognizes the difference between the expected investment return using the valuation assumption of 7.50% and the actual investment return over a five-year period. Dampens volatility of asset value over time.

**Amortization.** Paying off an interest-bearing liability by means of periodic payments of interest and principal, as opposed to paying it off with a lump sum payment.

**Annual Required Contribution.** The sum of the normal cost and amortization of the unfunded actuarial accrued liability.

**Asset Return.** The net investment return for the asset divided by the mean asset value. Example: if \$1.00 is invested and yields \$1.075 after a year, the asset return is 7.50%.

**Funded Ratio.** The actuarial value of assets divided by the actuarial accrued liability. Measures the portion of the actuarial accrued liability that is currently funded.

**Market Value of Assets (MVA).** The value of assets currently held in the trust available to pay for benefits of the Pension Plan. Each of the investments in the trust is valued at market price which is the price at which buyers and sellers trade similar items in the open market

**Normal Cost (NC).** The annual cost assigned, under the actuarial funding method, to current and subsequent plan years. Sometimes referred to as “current service cost.” Any payment toward the unfunded actuarial accrued liability is not part of the normal cost.

**Unfunded Actuarial Accrued Liability (UAAL).** The difference between the actuarial accrued liability and valuation assets. Sometimes referred to as “unfunded accrued liability.”

