



## **THE POLICE RETIREMENT SYSTEM OF ST. LOUIS**

**(A Fiduciary Component Unit of the City of St. Louis, Missouri)**

**REPORT ON ELEMENTS OF GOVERNMENTAL  
ACCOUNTING STANDARDS BOARD STATEMENT NO. 68  
(GASB 68) ACTUARIAL VALUATION**

Fiscal Year Ended September 30, 2024

**THE POLICE RETIREMENT SYSTEM OF ST. LOUIS**  
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## **INDEPENDENT AUDITOR'S REPORT**

The Board of Trustees  
The Police Retirement System of St. Louis

### **Opinion**

We have audited the accompanying schedule of changes in net pension liability of The Police Retirement System of St. Louis (the System), a Fiduciary Component Unit of the City of St. Louis, Missouri, as of and for the year ended September 30, 2024, and the related notes to the schedule. We have also audited deferred outflows of resources, deferred inflows of resources, and pension expense included in the accompanying schedules of other pension amounts of the System as of and for the year ended September 30, 2024, and the related notes to the schedules.

In our opinion, the schedules referred to above present fairly, in all material respects, the City of St. Louis, Missouri net pension liability, total deferred outflows of resources, total deferred inflows of resources, and pension expense for the System as of and for the year ended September 30, 2024, in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Schedules section of our report. We are required to be independent of the System and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Emphasis of Matter**

As described in Note 1, we have relied on Cheiron's actuarial report titled *GASB 67/68 Report* as of September 30, 2024 for the actuarially determined amounts in these schedules and notes to the schedules. Our opinions are not modified with respect to this matter.

## **Responsibilities of Management for the Financial Information**

Management is responsible for the preparation and fair presentation of these schedules in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

In preparing these schedules, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for twelve months beyond the date of these schedules, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Information**

Our objectives are to obtain reasonable assurance about whether the schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the schedules.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the schedules, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the schedules.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedules.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about System's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

## **Other Matters**

Management is responsible for the supplemental information included in this report. The supplemental information, as listed in the table of contents, does not include the schedules and our auditor's report thereon. Our opinion on the schedules do not cover the supplemental information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the schedules, our responsibility is to read the supplemental information and consider whether a material inconsistency exists between the supplemental information and the schedules, or the supplemental information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the supplemental information exists, we are required to describe it in this report.

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the System as of and for the year ended September 30, 2024, and our report thereon dated March 26, 2025, expressed an unmodified opinion on those financial statements.

## **Restriction on Use**

Our report is intended solely for the information and use of the Board of Trustees, the System's management, the City of St. Louis, and their auditors and is not intended to be and should not be used by anyone other than these specified parties.

*Sikich CPA LLC*

St. Louis, Missouri  
March 26, 2025

## **FINANCIAL SCHEDULES**

**THE POLICE RETIREMENT SYSTEM OF ST. LOUIS**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY**

September 30, 2024

|  | <b>Total Pension<br/>Liability<br/>(a)</b> | <b>System's<br/>Fiduciary<br/>Net Position<br/>(b)</b> | <b>Net Pension<br/>Liability<br/>(a)-(b)</b> |
|--|--|--|--|
| <b>BALANCE AT SEPTEMBER 30, 2023</b>                           | <u>\$ 1,173,077,311</u>                    | <u>\$ 832,553,398</u>                                  | <u>\$ 340,523,913</u>                        |
| Changes for the year   |  |  |  |
| Service cost   | 16,020,419                                 | -  | 16,020,419                                   |
| Interest on total pension liability, including<br>service cost | 73,618,042                                 | -  | 73,618,042                                   |
| Benefit changes  | -  | -  | -  |
| Differences between expected and<br>actual experience          | 15,935,283                                 | -  | 15,935,283                                   |
| Assumption changes   | (6,201,314)                                | -  | (6,201,314)                                  |
| Contributions  |  |  |  |
| Employer   | -  | 40,188,941   | (40,188,941)                                 |
| Members, including portability and<br>restoration              | -  | 4,930,601  | (4,930,601)                                  |
| Net investment income  | -  | 150,774,484  | (150,774,484)                                |
| Benefit payments   | (72,251,866)                               | (72,251,866)   | -  |
| Refunds of Members' contributions                              | (4,597,614)                                | (4,597,614)  | -  |
| Administrative expenses  | -  | (1,701,015)  | 1,701,015                                    |
| <b>NET CHANGES</b>   | <u>22,522,950</u>                          | <u>117,343,531</u>                                     | <u>(94,820,581)</u>                          |
| <b>BALANCE AT SEPTEMBER 30, 2024</b>                           | <u><u>\$ 1,195,600,261</u></u>             | <u><u>\$ 949,896,929</u></u>                           | <u><u>\$ 245,703,332</u></u>                 |

**RECONCILIATION OF NET PENSION LIABILITY**

|  |                              |
|--|------------------------------|
| NET PENSION LIABILITY, SEPTEMBER 30, 2023          | <u>\$ 340,523,913</u>        |
| Changes for the year                               |                              |
| Pension expense                                    | 27,267,964                   |
| Change in deferred outflows (inflows) of resources | (81,899,604)                 |
| Employer contributions                             | <u>(40,188,941)</u>          |
| <b>NET CHANGES</b>                                 | <u>(94,820,581)</u>          |
| <b>NET PENSION LIABILITY, SEPTEMBER 30, 2024</b>   | <u><u>\$ 245,703,332</u></u> |

See accompanying notes to financial schedules.

**THE POLICE RETIREMENT SYSTEM OF ST. LOUIS**

**SCHEDULES OF OTHER PENSION AMOUNTS  
SCHEDULE OF DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES**

September 30, 2024

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**DEFERRED OUTFLOWS (INFLOWS) OF RESOURCES**

|   |                  |
|---|------------------|
| Net difference between projected and actual earnings<br>on pension plan investments | \$ (45,352,955)  |
| Changes in assumptions  | (3,100,657)      |
| Differences between expected and actual liability experience                        | <u>7,967,641</u> |

|   |                               |
|---|-------------------------------|
| <b>NET DEFERRED OUTFLOWS (INFLOWS) OF RESOURCES,<br/>SEPTEMBER 30, 2024</b> | <b><u>\$ (40,485,971)</u></b> |
|---|-------------------------------|

**RECONCILIATION OF NET DEFERRED OUTFLOWS  
(INFLOWS) OF RESOURCES**

|   |                      |
|---|----------------------|
| Net deferred outflows (inflows) of resources, September 30, 2023                | <u>\$ 41,413,633</u> |
| Changes in components of deferred outflows (inflows) of resources consist of    |                      |
| Difference between projected and actual earnings on pension<br>plan investments | (93,646,040)         |
| Actuarial assumption changes  | (6,201,314)          |
| Differences between expected and actual liability experience                    | <u>15,935,283</u>    |
|   | (83,912,071)         |
| Recognition of deferred outflows (inflows)                                      | <u>(2,012,467)</u>   |

|                    |                            |
|--------------------|----------------------------|
| <b>NET CHANGES</b> | <b><u>(81,899,604)</u></b> |
|--------------------|----------------------------|

|   |                               |
|---|-------------------------------|
| <b>NET DEFERRED OUTFLOWS (INFLOWS) OF RESOURCES,<br/>SEPTEMBER 30, 2024</b> | <b><u>\$ (40,485,971)</u></b> |
|---|-------------------------------|

See accompanying notes to financial schedules.



# THE POLICE RETIREMENT SYSTEM OF ST. LOUIS

## SCHEDULES OF OTHER PENSION AMOUNTS SCHEDULE OF PENSION EXPENSE

September 30, 2024

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### PENSION EXPENSE

|   |                             |
|---|-----------------------------|
| Operating expenses  |                             |
| Service cost  | \$ 16,020,419               |
| Members' contributions, including portability and restoration | (4,930,601)                 |
| Administrative expenses                                       | <u>1,701,015</u>            |
| Total operating expenses                                      | <u>12,790,833</u>           |
| Financing expenses  |                             |
| Interest on total pension liability, including service cost   | 73,618,042                  |
| Expected return on investment assets                          | <u>(57,128,444)</u>         |
| Total financing expenses                                      | <u>16,489,598</u>           |
| Recognition of deferred outflows (inflows)                    |                             |
| Recognition of investment gains and losses                    | (9,445,756)                 |
| Recognition of assumption changes                             | 3,830,181                   |
| Recognition of liability experience gains and losses          | <u>3,603,108</u>            |
| Total recognition of deferred outflows inflows)               | <u>(2,012,467)</u>          |
| <b>TOTAL PENSION EXPENSE</b>                                  | <u><u>\$ 27,267,964</u></u> |

### RECONCILIATION OF PENSION EXPENSE

|  |                             |
|--|-----------------------------|
| Change in net pension liability                    | \$ (94,820,581)             |
| Change in deferred outflows (inflows) of resources | 81,899,604                  |
| Employer contributions                             | <u>40,188,941</u>           |
| <b>TOTAL PENSION EXPENSE</b>                       | <u><u>\$ 27,267,964</u></u> |

See accompanying notes to financial schedules.

# THE POLICE RETIREMENT SYSTEM OF ST. LOUIS

## NOTES TO SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND SCHEDULES OF OTHER PENSION AMOUNTS

September 30, 2024

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

We have relied on Cheiron's actuarial report titled *GASB 67/68 Report* as of September 30, 2024 for the actuarially determined amounts in these schedules and notes to the schedules. The significant accounting policies consistently applied by The Police Retirement System of St. Louis (the System) in the preparation of the accompanying schedules are summarized as follows:

a. Reporting Entity

The System administers a single-employer, defined benefit pension plan providing benefits to the City of St. Louis (the City) police officers (Members). The System is a fiduciary trust fund of the City. As such, the System is included in the City's Annual Comprehensive Financial Report as a Pension Trust Fund. The System and its Board of Trustees are not financially accountable for any other entities or other organizations.

b. Basis of Accounting

The System's separately issued financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as applicable to governmental organizations. In doing so, the System adheres to the reporting requirements established by the Governmental Accounting Standards Board (GASB). Employer's contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the System's benefit provisions. Expenses are recorded when the corresponding liabilities are incurred, regardless of when payment is made. Dividend income is recognized based on the ex-dividend date and interest income is recognized on the accrual basis as earned. Fair value changes are recorded as investment income or loss. Investment purchases and sales are recorded on a trade-date basis (the date upon which the transaction is initiated).

c. Net Pension Liability

Net pension liability represents the actuarially computed liability of the employer for accrued vested benefits provided through a defined benefit pension plan. It is calculated as the total pension liability less the System's fiduciary net position.

d. Use of Estimates in the Preparation of the Schedules

The preparation of the schedules in conformity with accounting principles generally accepted in the United States of America requires management and the System's Actuary to make estimates and assumptions that affect certain amounts and disclosures. Actual results could differ from those estimates.

**THE POLICE RETIREMENT SYSTEM OF ST. LOUIS**  
**NOTES TO SCHEDULE OF CHANGES IN NET PENSION LIABILITY**  
**AND SCHEDULES OF OTHER PENSION AMOUNTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

e. Fair Value Measurements

The System follows guidance issued by accounting principles generally accepted in the United States of America on fair value measurements, which establishes a framework for measuring fair value. This guidance applies whenever fair value is an applicable measurement.

f. Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represent consumption of net assets by a government employer that is applicable to a future reporting period. In accordance with GASB 68, these include demographic experience losses due to differences between expected and actual actuarial assumptions on the total pension liability, actuarial assumption changes increasing the total pension liability, or investment earnings that are below projected earnings. These outflows will be recognized in future reporting periods.

Deferred inflows of resources represent an acquisition of net assets by a government employer that is applicable to a future reporting period. In accordance with GASB 68, these include experience gains due to differences between expected and actual actuarial assumptions on the total pension liability, actuarial assumption changes reducing the total pension liability, or investment earnings that are greater than projected earnings. These inflows will be recognized in future reporting periods.

The impact of the difference between projected and actual investment gains or losses on pension plan investments is recognized over a period of 5 years. During the measurement year, there was an actuarial investment gain of approximately \$93.6 million. Approximately \$18.7 million of that gain was recognized in the current year and an identical amount will be recognized in each of the next 4 years. Combined with \$26.9 million of unrecognized investment losses and \$36.1 million of unrecognized investment gains from prior years, this results in a deferred inflow of resources of approximately \$45.3 million.

The increase in the blended discount rate assumption caused a decrease in the net pension liability during the measurement year and increased the deferred inflows of resources by approximately \$6.2 million. Approximately \$3.1 million of this amount was recognized in the current year and an identical amount will be recognized in each of the next year. This resulted in a deferred inflow of resources of approximately \$3.1 million.

**THE POLICE RETIREMENT SYSTEM OF ST. LOUIS**  
**NOTES TO SCHEDULE OF CHANGES IN NET PENSION LIABILITY**  
**AND SCHEDULES OF OTHER PENSION AMOUNTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

f. Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

The impact of experience gains or losses and assumption changes on the total pension liability are recognized in the pension expense over the average expected remaining service life of all active and inactive members of the System. As of the measurement date, this recognition period was 2 years. There was an experience loss of approximately \$15.9 million in the current year of which approximately \$8.0 million of that gain was recognized in the current year and an identical amount will be recognized in the next year. This resulted in a deferred outflow of resources of approximately \$8.0 million.

Amounts reported as net deferred outflows (inflows) of resources will be recognized in the City's pension expense as follows:

| For The<br>Years Ending<br>September 30 | Net Outflows<br>(Inflows) From<br>Investment (Gains)<br>And Losses | Net Outflows<br>(Inflows) From<br>Assumption<br>Changes | Net Outflows<br>(Inflows) From<br>Experience<br>Gains | Total Net<br>Outflows<br>(Inflows) |
|---|--|---|---|------------------------------------|
| 2025                                    | \$ (12,236,330)  | \$ (3,100,657)  | \$ 7,967,641  | \$ (7,369,346)                     |
| 2026                                    | 9,481,272  | -   | -   | 9,481,272                          |
| 2027                                    | (23,868,689)   | -   | -   | (23,868,689)                       |
| 2028                                    | (18,729,208)   | -   | -   | (18,729,208)                       |
| TOTAL                                   | <u>\$ (45,352,955)</u>   | <u>\$ (3,100,657)</u>                                   | <u>\$ 7,967,641</u>                                   | <u>\$ (40,485,971)</u>             |

g. Pension Expense

Pension expense represents the economic cost of pensions that an entity recognizes during a reporting period. Pension expense is calculated in two different ways. First, it is calculated as the change in the amounts reported on the City's statement of net position that relate to the System and are not attributable to employer contributions. Therefore, it includes: 1) change in net pension liability, 2) change in deferred outflows (inflows) of resources, and 3) plus employer contributions.

The pension expense can also be calculated by its individual components as shown in the schedule of pension expense. Operating expenses include service cost less employee contributions and administrative expenses, collectively the cost of operating the System for the year. Financing expenses include interest on the total pension liability and interest on service costs, less the expected return on investment assets. The changes component of the pension expense calculation represents the items that drive the volatility in pension expense from year to year. Changes include benefit changes, recognized amounts due to assumption changes, recognized amounts from experience gains or losses on the total pension liability, and recognized amounts of differences in expected and actual investment gains or losses.

**THE POLICE RETIREMENT SYSTEM OF ST. LOUIS**  
**NOTES TO SCHEDULE OF CHANGES IN NET PENSION LIABILITY**  
**AND SCHEDULES OF OTHER PENSION AMOUNTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

g. Pension Expense (Continued)

Changes in benefits must be enacted by the General Assembly of the State of Missouri.  
There were no changes in benefits during the year ended September 30, 2024.

**2. ACTUARIAL METHODS AND ASSUMPTIONS**

The following are the actuarial methods and assumptions that were used in the measurements of the pension liability:

|                               |   |
|-------------------------------|---|
| Actuarial methods             |   |
| Valuation date                | October 1, 2024   |
| Timing                        | Actuarially determined contributions are calculated based on the actuarial valuation at the beginning of the plan year    |
| Actuarial cost method         |   |
| GASB 67 and 68 reporting      | Entry Age Normal  |
| Amortization method/period    | None - Aggregate is funded over the future working lifetime of current participants                                       |
| Asset valuation method        |   |
| GASB 67 and 68 reporting      | Fair Value  |
| Actuarial assumptions         |   |
| Investment rate of return     | 7.0%, net of investment expenses and includes 0.15% administrative expenses   |
| Long-term municipal bond rate | 3.82%   |
| Rate of payroll growth        | 3.0% to 6.25%, varies by years of service, including merit and promotions   |
| Consumer price inflation      | 2.5%  |
| Mortality (ordinary)          | Pub-2010 Safety employee below-median income weighted mortality, projected fully generationally with Scale MP-2020        |
| Mortality (accidental)        | 0.03% Per year for all ages in addition to ordinary mortality   |
| Mortality (retirees)          | Pub-2010 Safety healthy retiree below-median income weighted mortality, projected fully generationally with Scale MP-2020 |
| Mortality (disabled)          | Pub-2010 Safety disabled retiree mortality, projected fully generationally with Scale MP-2020                             |
| Mortality (beneficiaries)     | Pub-2010 General retiree below-median income weighted mortality, projected fully generationally with Scale MP-2020        |

**THE POLICE RETIREMENT SYSTEM OF ST. LOUIS**  
**NOTES TO SCHEDULE OF CHANGES IN NET PENSION LIABILITY**  
**AND SCHEDULES OF OTHER PENSION AMOUNTS (Continued)**

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**2. ACTUARIAL METHODS AND ASSUMPTIONS (Continued)**

The actuarial assumptions were last updated as a result of the experience study performed by Cheiron for the five-year period ending September 30, 2020. The mortality, termination, DROP and retirement, percent married, and investment return, assumptions were changed in the October 1, 2021 actuarial valuation when the results of the experience study were first approved by the Trustees and became effective.

a. Discount Rate

The discount rate used to calculate the present value of future benefit payments for reporting purposes is based upon the projected plan net position (PNP) using actuarial assumptions about contributions, benefit payments, and long-term rate of return. If the projected PNP is not sufficient to cover projected benefit payments, a blended discount rate is required using both the weighted average of the long-term rate of return and the high-grade bond muni-bond rate for periods after the PNP is exhausted. The System currently uses the long-term discount rate of 7.0% and expects assets will be sufficient to cover PNP until 2065. The muni-bond rate used in the valuation was 3.82% and is based on the Bond Buyers General Obligation 20 Year Municipal Bond Index (AA/Aa or higher) as of September 26, 2024. Since the PNP was projected to be insufficient to make all projected benefit payments of current Members, a blended discount rate of 6.49% was used to calculate the present value of future benefit payments.

b. Proposition P

In November 2017, Proposition P was passed by City voters which approved a 0.5% sales tax earmarked for City law enforcement and firefighter needs “public safety”. This allowed for pay increases for the City’s police officers to take effect during 2018 (a one-time \$6 thousand pay increase), which impacted the System’s pension liability in the October 1, 2018 actuarial valuation, increasing the September 30, 2019 pension liability (difference between expected and actual experience) by \$36.5 million.

**3. EXPERIENCE RISKS**

Actuarial present value of accumulated plan benefits are reported based on certain actuarial methods and assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could be material to the System’s reported net pension liability and change to the net pension liability.

**THE POLICE RETIREMENT SYSTEM OF ST. LOUIS**  
**NOTES TO SCHEDULE OF CHANGES IN NET PENSION LIABILITY**  
**AND SCHEDULES OF OTHER PENSION AMOUNTS (Continued)**

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**4. ADDITIONAL FINANCIAL AND ACTUARIAL INFORMATION**

Additional financial and actuarial information supporting the preparation of the schedules is included in the System's annual financial report for the year ended September 30, 2024 and the actuarial valuation report as of October 1, 2024. These reports can be obtained at [www.stlouisprs.org](http://www.stlouisprs.org) or from:

Mark Lawson, J.D., Executive Director  
The Police Retirement System of St. Louis  
2020 Market Street  
St. Louis, MO 63103-2210

## **SUPPLEMENTAL INFORMATION SECTION**



**THE POLICE RETIREMENT SYSTEM OF ST. LOUIS**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY - COMPARATIVE BY YEAR**

Last Ten Fiscal Years

|   | For The Years Ended September 30 |                         |                         |                         |                         |                         |                         |                         |                         |                       |
|---|----------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|
|   | 2024                             | 2023                    | 2022                    | 2021                    | 2020                    | 2019                    | 2018                    | 2017                    | 2016                    | 2015                  |
| <b>DISCOUNT RATE ASSUMPTION "BLENDED"</b>                   | 6.49%                            | 6.44%                   | 6.65%                   | 6.51%                   | 6.33%                   | 6.69%                   | 7.24%                   | 6.67%                   | 6.19%                   | 7.29%                 |
| <b>TOTAL PENSION LIABILITY (A)</b>                          |                                  |                         |                         |                         |                         |                         |                         |                         |                         |                       |
| Service cost  | \$ 16,020,419                    | \$ 15,119,984           | \$ 16,376,468           | \$ 20,487,163           | \$ 18,188,606           | \$ 15,678,890           | \$ 16,369,318           | \$ 17,988,134           | \$ 12,617,971           | \$ 12,977,679         |
| Interest on total pension liability, including service cost | 73,618,042                       | 73,777,467              | 73,349,139              | 71,739,532              | 72,663,853              | 71,309,613              | 68,899,130              | 66,042,714              | 67,036,489              | 66,579,275            |
| Differences between expected and actual experience          | 15,935,283                       | (1,713,550)             | (10,523,277)            | (16,689,147)            | (16,422,842)            | 22,854,628              | (4,886,531)             | 3,911,067               | (3,684,265)             | (2,041,444)           |
| Assumption changes  | (6,201,314)                      | 24,927,438              | (16,598,645)            | (5,578,712) (C)         | 42,292,759              | 59,418,045              | (59,545,809)            | (55,153,649)            | 131,846,504 (B)         | 16,248,637            |
| Benefit payments  | (72,251,866)                     | (72,954,227)            | (69,977,396)            | (65,981,928)            | (65,762,646)            | (63,865,309)            | (63,603,561)            | (59,959,184)            | (59,673,662)            | (67,107,828)          |
| Refunds of Members' contributions                           | (4,597,614)                      | (7,808,563)             | (7,856,810)             | (5,400,986)             | (4,201,135)             | (4,683,627)             | (4,972,550)             | (3,493,396)             | (2,963,770)             | (2,425,249)           |
| Net change in total pension liability                       | 22,522,950                       | 31,348,549              | (15,230,521)            | (1,424,078)             | 46,758,595              | 100,712,240             | (47,740,003)            | (30,664,314)            | 145,179,267             | 24,231,070            |
| Total pension liability beginning                           | 1,173,077,311                    | 1,141,728,762           | 1,156,959,283           | 1,158,383,361           | 1,111,624,766           | 1,010,912,526           | 1,058,652,529           | 1,089,316,843           | 944,137,576             | 919,906,506           |
| <b>TOTAL PENSION LIABILITY ENDING (a)</b>                   | <b>\$ 1,195,600,261</b>          | <b>\$ 1,173,077,311</b> | <b>\$ 1,141,728,762</b> | <b>\$ 1,156,959,283</b> | <b>\$ 1,158,383,361</b> | <b>\$ 1,111,624,766</b> | <b>\$ 1,010,912,526</b> | <b>\$ 1,058,652,529</b> | <b>\$ 1,089,316,843</b> | <b>\$ 944,137,576</b> |
| <b>SYSTEM'S FIDUCIARY NET POSTION</b>                       |                                  |                         |                         |                         |                         |                         |                         |                         |                         |                       |
| Contributions - employer                                    | \$ 40,188,941                    | \$ 37,893,571           | \$ 37,289,426           | \$ 32,839,034           | \$ 35,335,830           | \$ 35,970,630           | \$ 33,104,561           | \$ 33,826,528           | \$ 30,778,664           | \$ 30,600,069         |
| Contributions - members                                     | 4,930,601                        | 4,512,743               | 5,172,235               | 5,898,084               | 6,169,551               | 5,228,438               | 5,129,154 (C)           | 4,653,968               | 4,376,867               | 4,487,942             |
| Net investment income (loss)                                | 150,774,484                      | 79,801,713              | (102,621,111)           | 167,070,589             | 43,802,433              | 17,514,881              | 51,089,258              | 93,520,079              | 52,927,643              | (8,325,611)           |
| Benefit payments  | (72,251,866)                     | (72,954,227)            | (69,977,396)            | (65,981,928)            | (65,762,646)            | (63,865,309)            | (63,603,561)            | (59,959,184)            | (59,673,662)            | (67,107,828)          |
| Refunds of Members' contributions                           | (4,597,614)                      | (7,808,563)             | (7,856,810)             | (5,400,986)             | (4,201,135)             | (4,683,627)             | (4,972,550)             | (3,493,396)             | (2,963,770)             | (2,425,249)           |
| Administrative expenses                                     | (1,701,015)                      | (1,306,479)             | (1,242,879)             | (1,423,896)             | (1,446,227)             | (1,572,951)             | (1,165,930)             | (1,206,161)             | (1,102,866)             | (1,125,310)           |
| Net change in system's fiduciary net position               | 117,343,531                      | 40,138,758              | (139,236,535)           | 133,000,897             | 13,897,806              | (11,407,938)            | 19,580,932              | 67,341,834              | 24,342,876              | (43,895,987)          |
| System's fiduciary net position, beginning                  | 832,553,398                      | 792,414,640             | 931,651,175             | 798,650,278             | 784,752,472             | 796,160,410             | 776,579,478             | 709,237,644             | 684,894,768             | 728,790,755 (B)       |
| <b>SYSTEM'S FIDUCIARY NET POSITION, ENDING (b)</b>          | <b>\$ 949,896,929</b>            | <b>\$ 832,553,398</b>   | <b>\$ 792,414,640</b>   | <b>\$ 931,651,175</b>   | <b>\$ 798,650,278</b>   | <b>\$ 784,752,472</b>   | <b>\$ 796,160,410</b>   | <b>\$ 776,579,478</b>   | <b>\$ 709,237,644</b>   | <b>\$ 684,894,768</b> |
| <b>NET PENSION LIABILITY, ENDING (a)-(b)</b>                | <b>\$ 245,703,332</b>            | <b>\$ 340,523,913</b>   | <b>\$ 349,314,122</b>   | <b>\$ 225,308,108</b>   | <b>\$ 359,733,083</b>   | <b>\$ 326,872,294</b>   | <b>\$ 214,752,116</b>   | <b>\$ 282,073,051</b>   | <b>\$ 380,079,199</b>   | <b>\$ 259,242,808</b> |

**Notes:**

(A) The total pension liability as of the end of each measurement year is measured as of the measurement date (October 1) at the beginning of each year and projected to the end of each year.

(B) The actuarial assumptions were updated based on an actuarial experience review for the five-year period (2016 - 2020) and (2011 - 2015), and were first effective with the actuarial valuation as of October 1, 2021 and 2016.

(C) Proposition P wage increase became effective in July 2018.

(D) There were Member contributions for 27 payroll periods received during the fiscal year ending September 30, 2020, which happens every 11 years. There were 26 payroll periods during all other fiscal years presented.

**THE POLICE RETIREMENT SYSTEM OF ST. LOUIS**

**SCHEDULE OF ACTIVITY OF DEFERRED OUTFLOWS (INFLOWS) OF RESOURCES BY SOURCE BY FISCAL YEAR ESTABLISHED**

For the Year Ended September 30, 2024

|                | Amortization       | For the Year Ended September 30, 2024 |                        |                |                 | Future Recognition In City's Pension Expenses |                |              |                 |                 |
|----------------|--------------------|---------------------------------------|------------------------|----------------|-----------------|---|----------------|--------------|-----------------|-----------------|
|                | Factor<br>In Years | Balance<br>9/30/2023                  | Increase<br>(Decrease) | Recognized     | Net Change      | Balance<br>9/30/2024                          | 2025           | 2026         | 2027            | 2028            |
| INVESTMENT     |                    |                                       |                        |                |                 |   |                |              |                 |                 |
| (GAINS) LOSSES |                    |                                       |                        |                |                 |   |                |              |                 |                 |
| 2020           | 5                  | \$ 2,790,572                          | \$ -                   | \$ (2,790,572) | \$ (2,790,572)  | \$ -  | \$ -           | \$ -         | \$ -            | \$ -            |
| 2021           | 5                  | (43,435,206)                          | -                      | 21,717,602     | 21,717,602      | (21,717,604)                                  | (21,717,604)   | -            | -               | -               |
| 2022           | 5                  | 100,049,893                           | -                      | (33,349,965)   | (33,349,965)    | 66,699,928                                    | 33,349,965     | 33,349,963   | -               | -               |
| 2023           | 5                  | (20,557,930)                          | -                      | 5,139,483      | 5,139,483       | (15,418,447)                                  | (5,139,483)    | (5,139,483)  | (5,139,481)     | -               |
| 2024           | 5                  | -                                     | (93,646,040)           | 18,729,208     | (74,916,832)    | (74,916,832)                                  | (18,729,208)   | (18,729,208) | (18,729,208)    | (18,729,208)    |
|                |                    | 38,847,329                            | (93,646,040)           | 9,445,756      | (84,200,284)    | (45,352,955)                                  | (12,236,330)   | 9,481,272    | (23,868,689)    | (18,729,208)    |
| ASSUMPTION     |                    |                                       |                        |                |                 |   |                |              |                 |                 |
| CHANGES        |                    |                                       |                        |                |                 |   |                |              |                 |                 |
| 2022           | 2                  | (5,532,881)                           | -                      | 5,532,881      | 5,532,881       | -   | -              | -            | -               | -               |
| 2023           | 2                  | 12,463,719                            | -                      | (12,463,719)   | (12,463,719)    | -   | -              | -            | -               | -               |
| 2024           | 2                  | -                                     | (6,201,314)            | 3,100,657      | (3,100,657)     | (3,100,657)                                   | (3,100,657)    | -            | -               | -               |
|                |                    | 6,930,838                             | (6,201,314)            | (3,830,181)    | (10,031,495)    | (3,100,657)                                   | (3,100,657)    | -            | -               | -               |
| EXPERIENCE     |                    |                                       |                        |                |                 |   |                |              |                 |                 |
| (GAINS) LOSSES |                    |                                       |                        |                |                 |   |                |              |                 |                 |
| 2022           | 2                  | (3,507,759)                           | -                      | 3,507,759      | 3,507,759       | -   | -              | -            | -               | -               |
| 2023           | 2                  | (856,775)                             | -                      | 856,775        | 856,775         | -   | -              | -            | -               | -               |
| 2024           | 2                  | -                                     | 15,935,283             | (7,967,642)    | 7,967,641       | 7,967,641                                     | 7,967,641      | -            | -               | -               |
|                |                    | (4,364,534)                           | 15,935,283             | (3,603,108)    | 12,332,175      | 7,967,641                                     | 7,967,641      | -            | -               | -               |
| TOTAL          |                    | \$ 41,413,633                         | \$ (83,912,071)        | \$ 2,012,467   | \$ (81,899,604) | \$ (40,485,971)                               | \$ (7,369,346) | \$ 9,481,272 | \$ (23,868,689) | \$ (18,729,208) |

Note: Deferrals are related to future periods with recognition using amortization factors starting with year established:

Investment (gains) losses - 5-year smoothed

Assumption changes - average remaining service lives of current active Members of 2.23 years for 2024 (rounded to the nearest year - 2-year smoothed)

Experience (gains) losses - average remaining service lives of current active Members of 2.23 years for 2024 (rounded to the nearest year - 2-year smoothed)