WASHINGTON STATE

2024 ACTUARIAL VALUATION

AUGUST • 2025

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Letter of Introduction and Actuarial Certification
Actuarial Valuation Report as of June 30, 2025

August 2025

As required under Chapter 41.45 of the Revised Code of Washington (RCW), this report documents the results of an actuarial valuation of the following Washington State retirement systems. A high-level overview of which employees are covered by each system can be found in the **Participant Data** section.

- Public Employees' Retirement System (PERS).
- Teachers' Retirement System (TRS).
- School Employees' Retirement System (SERS).
- Public Safety Employees' Retirement System (PSERS).
- Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF).
- Washington State Patrol Retirement System (WSPRS).

The purpose of this valuation is to provide an update on the funding progress of the systems listed above based on a June 30, 2024, measurement date. This report represents a "non-rate setting" valuation, meaning we do not provide calculated contribution rates for the systems. This valuation provides information on the funding progress and developments in the plans over the past year. This valuation report should not be used for other purposes. Please replace this report with a more recent report when available.

This report is organized into the following sections:

1. Summary of Key Results.
2. Actuarial Exhibits.
3. Participant Data.
4. Appendix.
5. Resources.

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The **Summary of Key Results** provides a high-level summary of the valuation results for all systems combined, funding policy, key plan provisions, and commentary on risk. The **Actuarial Exhibits** provide detailed actuarial asset and liability information by retirement system. The **Participant Data** section provides key metrics of the participant data for each retirement system such as headcounts, average benefits, and average salary. The **Appendix** provides access to a summary of the principal actuarial assumptions and methods, major plan provisions, and additional information used to prepare this valuation. The **Resources** section outlines additional supplemental information found on our website.

Future actuarial measurements may differ significantly from the current measurements presented in this report if plan experience differs from that anticipated by the assumptions, or if changes occur in the methods, assumptions, plan provisions, or applicable law. The Risk Assessment webpage provides further information on the range and likelihood of potential outcomes that vary from expected results. The Commentary on Risk webpage provides additional risk education.

The valuation results summarized in this report involve calculations that require assumptions about future economic and demographic events. We believe that the assumptions and methods used in the underlying valuation are reasonable and appropriate for the primary purpose stated above. However, the use of another set of assumptions and methods could also be reasonable and could produce materially different results. Actual results may vary from our expectations.

For all plans except for LEOFF Plan 2, the assumptions used in this valuation for investment return, inflation, salary growth, and membership growth were prescribed by the Pension Funding Council (PFC) and are subject to revision by the Legislature. During the 2025 Legislative Session, the Legislature prescribed a new rate of investment return (Chapter 381, Laws of 2025). For LEOFF Plan 2, these assumptions are prescribed by the LEOFF Plan 2 Retirement Board. Please see our *2023 Economic Experience Study* (EES) for further information on economic assumptions. We developed the demographic assumptions used in this valuation during the *2013-2018 Demographic Experience Study*.

In our opinion, we expect the combined effect of the assumptions we selected for this valuation to have no significant bias.

For this non-rate setting valuation that was prepared, primarily, to evaluate funding progress, we applied actuarial cost methods and funding policies consistent with our last rate-setting valuation. Please see the actuarial certification from that valuation report for commentary on the implications of the plan's funding policies, reasonability of amortization methods, and reasonability and sufficiency of actuarially determined contribution rates.

Based on the results of our most recent rate-setting valuation and associated rate projections, we expected all plans to reach a funded ratio of at least 100% within the next five years. In our professional judgment, that expectation remains reasonable given the results of this actuarial valuation. This assumes all assumptions are realized and all actuarially determined contributions are made when due.

The actuarial cost method for PERS 1 and TRS 1 is non-standard in its use of the employer normal cost rate from the Plans 2/3 instead of the underlying Plan 1 employer normal cost rate. In theory, this impacts the allocation of costs to time periods under the applicable actuarial cost method. However, we find this method reasonable and appropriate given the limited remaining future service in Plan 1.

I (Matthew M. Smith) provided advice to the Legislature on the development of the asset valuation method. The asset smoothing method adopted during the 2003 Legislative Session (Chapter 11, Laws of 2003, 1st Special Session) was developed to address the volatility of actuarially determined contributions under the aggregate actuarial cost method when used in combination with the existing asset allocation policy of the Washington State Investment Board (WSIB). We also use this method when measuring funded status. The combination of the current asset smoothing method with any other funding method or asset allocation policy may not be appropriate. The Legislature may need to revisit the application of the current asset smoothing method with the Plan 1 funding method as the duration of liabilities in those plans becomes shorter.

The Department of Retirement Systems (DRS) provided us with audited member and beneficiary data as of June 30, 2024. We checked the data for reasonableness as appropriate based on the purpose of the valuation. The Washington State Investment Board and DRS provided audited financial and asset information as of June 30, 2024. We relied on all the information provided as complete and accurate. In our opinion, this information is adequate and substantially complete for purposes of this valuation.

The undersigned, with actuarial credentials, meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. While this report is intended to be complete, we are available to offer extra advice and explanations as needed. We encourage you to submit any questions you might have concerning this report to our e-mail address state.actuary@leg.wa.gov. We also invite you to visit our website for further information regarding the actuarial funding of the Washington State retirement systems.

Luke Masselink, ASA, EA, MAAA
Senior Actuary

Matthew M. Smith, FCA, EA, MAAA
State Actuary

I. SUMMARY OF KEY RESULTS

INTENDED USE

This report provides information on the funding progress and developments in the plans over the past year. This report also discloses the data, assumptions, and methods we used to assess the funding progress. This report is not intended to satisfy the accounting requirements under the Governmental Accounting Standards Board (GASB) rules.

Similarly, this actuarial valuation is not intended to report on the overall health or financial condition of the pension system. Such information can be found in the most recent Report on Financial Condition, which we issue every two years.

CONTRIBUTION RATE-SETTING CYCLE

Under current law, in July of even-numbered years the PFC reviews, and may adopt, the basic contribution rates that we calculate. These rates are based on an actuarial valuation performed on asset, participant, and plan information compiled in odd-numbered valuation years. In calculating basic contribution rates, we apply the statutory funding policies described in this section.

The basic rates adopted by the PFC will remain in place for the ensuing biennium, subject to revision by the Legislature. The LEOFF Plan 2 Retirement Board performs these duties for LEOFF 2 under the same cycle.

The Revised Code of Washington 41.45.070 requires that a temporary and supplemental contribution rate increase be charged to fund the cost of benefit enhancements enacted following the adoption of the basic rates. Supplemental contribution rates are included in the basic rates at the beginning of the next contribution rate-setting cycle.

Please refer to the DRS website for current contribution rates, applicable by retirement system and plan.

FUNDING POLICY

Washington State relies on systematic actuarial funding to finance the ongoing cost of the state retirement systems. Under this financing approach, we reduce the cost of future pension payments by the expected long-term return on invested contributions. The investment of these contributions is under the direction of WSIB. The Revised Code of Washington 43.33A.110 requires WSIB to maximize investment returns at a prudent level of risk.

The state's funding policy is found in Chapter 41.45 RCW — Actuarial Funding of State Retirement Systems. Under this funding policy, if all actuarial assumptions are realized and all future contributions required under this funding policy are made, we expect the funding policy to accumulate sufficient assets to provide for all future benefits for current members when due.

Funding policy includes the following goals:

- Provide a dependable and systematic process for funding the benefits to members and retirees of the Washington State retirement systems.
- Fully fund Plans 2 and 3, and WSPRS, as provided by law.
- Fully amortizing the total cost of LEOFF Plan 1 not later than June 30, 2024.
- Fully amortizing the Unfunded Actuarial Accrued Liability (UAAL) in PERS Plan 1 and TRS Plan 1 within a rolling ten-year period using methods and assumptions that balance needs for increased benefit security, decreased contribution rate volatility, and affordability of pension contribution rates, while suspending those rates during the 2025-27 and 2027-29 Biennia.
- Establish long-term employer contribution rates that will remain a relatively predictable proportion of future state budgets.
- Fund, to the extent feasible, all benefits for Plans 2 and 3 members over the working lives of those members so that the taxpayers who receive the services of those members pay the cost of their benefits.

Based on the funding policy, the same contribution rate is charged to employers within each system regardless of the plan in which employees hold membership (except for LEOFF). In addition, all benefit increases that become effective after June 30, 2025, for PERS Plan 1 and TRS Plan 1 members, are funded solely from employer contributions over a fixed fifteen-year period.

The state Legislature passed Engrossed Second Substitute Bill (ESSB) 5357 (Chapter 381, Laws of 2025) modifying pension funding statute. The funding goals listed above in this subsection reflect changes due to this bill while the following subsection outlines all the bill's funding policy changes.

COMMENTS ON 2024 VALUATION RESULTS

Many factors influence actuarial valuation results from one measurement date to the next. These factors include changes in the plan provisions or funding policy, changes in assumptions or methods, and covered population and plan experience that varies from our expectations.

CHANGES IN PLAN PROVISIONS OR FUNDING POLICY

Laws passed during the 2025 Legislative Session that impacted the results in this report include the following:

- ESSB 5357 – Modifies the funding policy for all retirement plans excluding LEOFF Plan 2. This law included the following:
  - Sets the assumed investment rate of return to 7.25% and codifies other economic assumptions at currently assumed levels.
  - Revises the contribution rates adopted by the PFC for the 2025-27 Biennium.
  - Prescribes base UAAL contribution rates and benefit improvement amortization contribution rates for the 2027-29 Biennium for PERS and TRS Plans 1.
  - Changes the amortization method for future PERS and TRS Plans 1 benefit improvements to a fixed 15-year period.
  - Consolidates current benefit improvement amortization contribution rates into a single rate that will be paid from July 1, 2029, through June 30, 2040.

The laws noted above represent material changes to benefit plan provisions or funding policy from the 2025 Legislative Session and are not meant to be exhaustive.

CHANGES IN ASSUMPTIONS OR METHODS

- Consistent with ESSB 5357, we changed the assumed rate of investment return to 7.25% in all plans except LEOFF Plan 2.
- We improved our modeling of benefits paid to retirees and beneficiaries in their month of death to better match current administration.
- Based on the 2025-27 Collective Bargaining Agreements (CBA) with the Washington State Patrol Trooper Association for the 2025-27 Biennium, we changed the assumed general salary growth to 17% in Fiscal Year (FY) 2026 for WSPRS.

Please see the **Appendix** for additional considerations on assumption and method changes since the last valuation.

CHANGES IN COVERED POPULATION AND PLAN EXPERIENCE

- The actual rate of investment return on the Market Value of Assets (MVA), for all plans, was 7.95% for FY ending June 30, 2024.
- The active population increased by approximately 20% in PSERS.
- Salary increases were notably higher-than-expected in PERS and the public safety plans, i.e., LEOFF, WSPRS, and PSERS.

Detailed gain and loss information can be found in the **Actuarial Exhibits** section of this report.

ACTUARIAL LIABILITIES

The following table summarizes key measures of actuarial liability along with the liabilities from last year's valuation. The Present Value of Fully Projected Benefits (PVFB) represents the total expected value of all future benefit payments for current members when discounted at the valuation interest rate. The Actuarial Accrued Liability identifies the portion of the PVFB that has been accrued or "earned" as of the valuation date based on the Entry Age Normal (EAN) actuarial cost method.

Actuarial Liabilities		
(Dollars in Millions)	**2024**	**2023**
All Systems		
PVFB	$180,575	$174,065
Actuarial Accrued Liability	$145,849	$140,437
Valuation Interest Rate	7.25%*	7.00%

**7.00% in LEOFF 2.*

See the **Actuarial Exhibits** section of this report for a summary of actuarial liabilities by system and plan. Also, see the Glossary on our website for brief explanations of the actuarial terms.

ASSETS

The following table shows the combined MVA and Actuarial Value of Assets (AVA) along with the approximate rates of investment returns for all the systems combined.

An AVA is used to limit the volatility in contribution rates and funded status due to annual investment earnings. We smooth (or defer recognition of) the difference between actual and expected annual investment returns over a specified period, not to exceed eight years, corresponding to the magnitude of that difference.

Assets		
(Dollars in Millions)	**2024**	**2023**
All Systems		
MVA	$153,682	$144,174
AVA*	146,390	135,070
Member/Employer Contributions	4,604	4,901
Disbursements	(6,599)	(6,578)
Investment Return	11,382	9,411
Other Revenue	$121	$632
MVA Return**	7.95%	6.96%
AVA Return*	9.84%	9.51%

**The AVA is used in determining contribution rates and funded status.*

***Dollar-weighted rate of return on the MVA, net of expenses. Please note the dollar-weighted investment return may differ from the time-weighted investment return published by WSIB for the same period.*

See the **Actuarial Exhibits** section of this report for a summary of assets by system and plan, and for the development of the AVA.

FUNDED STATUS

The following table displays a summary of combined funded status across all retirement systems included in this report. Please see the **Actuarial Exhibits** section for information on individual systems and plans.

Funded Status		
(Dollars in Millions)	**2024**	**2023**
All Systems		
a. Accrued Liability*	$145,849	$140,437
b. MVA	153,682	144,174
c. Deferred Gains/(Losses)	7,292	9,104
d. AVA (b - c)	146,390	135,070
Unfunded Liability (a - d)	($541)	$5,368
Funded Ratio (d / a)	100%	96%

Note: Totals may not agree due to rounding.

**Liabilities valued using EAN cost method.*

Funded status is one of several measures that helps explain the health of a pension plan. The funded status represents the portion of the actuarial accrued liabilities covered by today's actuarial assets. This means a plan with 100% funded status has one dollar in actuarial assets for each dollar of accrued liabilities at the valuation date. A plan with funded status around 100% is generally considered to be on target with funding. However, funded status above/below 100% is not automatically considered over-funded/at-risk. The funded statuses presented in this report are not sufficient, alone, to determine whether a plan has enough assets to terminate or settle the plan obligations. Furthermore, a plan with a funded status above 100% may still require ongoing contributions.

COMMENTARY ON RISK

Actuarial Standards of Practice (ASOP) guide actuaries when performing and communicating their work. ASOP No. 51 – *Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions* is specific to communicating risk in defined benefit pension plans, particularly in how actual future measurements may differ significantly from expected future measurements.

In the course of developing our actuarial valuation we make hundreds of assumptions, such as the level of returns on future investments, rates of retirement and mortality, and the future salary growth for active members. In some cases, small changes in these assumptions or unexpected plan experience can lead to significant changes in measurements, like the calculation of a plan's contribution rates or the projection of a plan's funded status. This can affect plan risk, and these sensitivities can evolve as the plans grow and mature over time. The Legislature's response to these changes and their action governing the state's pension system also affects plan risk. To help readers better understand some of these risks and their potential impacts, we have a Commentary on Risk webpage.

In the **Actuarial Exhibits** section of this report, we have also included the impact to the total retirement systems' funded status from changes in assumed rates of investment return and mortality.

SUMMARY OF PARTICIPANT DATA

The following table summarizes participant data used in the actuarial valuation for the plan year ending June 30, 2024, along with information from the *2023 Actuarial Valuation Report* (AVR). See the **Participant Data** section of this report for participant data summarized by system and plan.

Participant Data		
All Systems	**2024**	**2023**
Active Members		
Number	363,119	352,278
Average Annual Salary	$88,766	$83,812
Average Attained Age	45.6	45.8
Average Service	10.1	10.3
Retirees and Beneficiaries		
Number	230,916	224,021
Average Annual Benefit	$27,700	$26,742
Terminated Members		
Number Vested	72,836	71,888
Number Non-Vested*	174,449	172,849

**Members who terminated without a vested lifetime benefit but are eligible for a refund of their employee contributions with interest that currently reside in the trust.*

KEY ECONOMIC ASSUMPTIONS

This table shows key economic assumptions used in this actuarial valuation. The Valuation Interest Rate increased for all plans except LEOFF 2 as prescribed in ESSB 5357. There were no changes to any other economic assumptions from our prior year's valuation. Please see the EES located on our Actuarial Studies webpage for our most recent completed study, and information on how we develop these assumptions.

Key Assumptions	
All Systems	
Valuation Interest Rate*	7.25%
General Salary Growth	3.25%
Inflation	2.75%

**7.00% in LEOFF 2.*

II. ACTUARIAL EXHIBITS

ACTUARIAL LIABILITIES

PVFB					
(Dollars in Millions)	PERS		TRS		SERS
	Plan 1	Plans 2/3	Plan 1	Plans 2/3	Plans 2/3
Active Members					
Retirement	$135	$38,053	$38	$19,606	$5,844
Termination	0	4,855	0	4,150	1,027
Death	1	229	0	131	39
Disability	0	195	0	68	35
ROC[1] on Termination	0	769	0	106	126
ROC[1] on Death	2	201	0	42	23
Total Active	**$138**	**$44,302**	**$39**	**$24,102**	**$7,094**
Inactive Members					
Terminated Vested	$26	$4,383	$9	$1,761	$1,145
Terminated Non-Vested[2]	5	492	1	102	97
Service Retired[3]	9,055	26,707	6,816	9,023	3,990
Disability Retired	74	145	59	11	18
Survivors	826	950	454	199	109
TAP Annuities	0	319	0	716	188
Total Inactive	**$9,986**	**$32,995**	**$7,339**	**$11,811**	**$5,547**
All Members					
Laws of 2025[4]	$0	($67)	$0	$0	$0
2024 Total	**$10,124**	**$77,230**	**$7,377**	**$35,913**	**$12,641**
2023 Total	**$10,716**	**$73,765**	**$7,810**	**$35,071**	**$12,198**

Note: Totals may not agree due to rounding.

[1] *Return of Contributions.*

[2] *Members who terminated without a vested lifetime benefit but are eligible for a refund of their employee contributions with interest that currently reside in the trust.*

[3] *Includes liability from individuals who are entitled to a portion of the primary member's benefit (legal order payees).*

[4] *Includes some law changes prior to 2025. Please see the **Appendix** for a full list of legislative changes included in the figures above.*

PVFB *(Continued)*					
(Dollars in Millions)	PSERS	LEOFF		WSPRS	Total
	Plan 2	Plan 1	Plan 2	Plans 1/2	
Active Members					
Retirement	$2,143	$9	$14,988	$768	$81,584
Termination	299	0	297	7	10,635
Death	9	0	178	4	590
Disability	39	0	815	1	1,153
ROC[1] on Termination	71	0	157	4	1,234
ROC[1] on Death	11	0	76	2	355
Total Active	**$2,572**	**$9**	**$16,511**	**$785**	**$95,551**
Inactive Members					
Terminated Vested	$156	$1	$483	$39	$8,002
Terminated Non-Vested[2]	48	0	31	2	779
Service Retired[3]	200	1,804	9,962	1,228	68,785
Disability Retired	3	1,388	610	3	2,310
Survivors	4	920	302	101	3,865
TAP Annuities	0	0	0	0	1,224
Total Inactive	**$412**	**$4,114**	**$11,388**	**$1,373**	**$84,965**
All Members					
Laws of 2025[4]	$101	$0	$22	$4	$59
2024 Total	**$3,085**	**$4,123**	**$27,920**	**$2,162**	**$180,575**
2023 Total	**$2,776**	**$4,269**	**$25,412**	**$2,049**	**$174,065**

Note: Totals may not agree due to rounding.

[1]Return of Contributions.

[2]Members who terminated without a vested lifetime benefit but are eligible for a refund of their employee contributions with interest that currently reside in the trust.

[3]Includes liability from individuals who are entitled to a portion of the primary member's benefit (legal order payees).

*[4]Includes some law changes prior to 2025. Please see the **Appendix** for a full list of legislative changes included in the figures above.*

EAN Accrued Liability[1]					
(Dollars in Millions)	PERS		TRS		SERS
	Plan 1	Plans 2/3	Plan 1	Plans 2/3	Plans 2/3
Active Members					
Retirement	$126	$27,606	$37	$12,607	$3,981
Termination	(1)	2,548	(0)	2,380	476
Death	1	157	0	85	26
Disability	0	83	0	25	14
ROC[2] on Termination	(0)	(347)	(0)	(68)	(34)
ROC[2] on Death	2	115	0	16	11
Total Active	**$127**	**$30,162**	**$37**	**$15,045**	**$4,474**
Inactive Members					
Terminated Vested	$26	$4,383	$9	$1,761	$1,145
Terminated Non-Vested[3]	5	492	1	102	97
Service Retired[4]	9,055	26,707	6,816	9,023	3,990
Disability Retired	74	145	59	11	18
Survivors	826	950	454	199	109
TAP Annuities	0	319	0	716	188
Total Inactive	**$9,986**	**$32,995**	**$7,339**	**$11,811**	**$5,547**
All Members					
Laws of 2025[5]	$0	($7)	$0	$0	$0
2024 Total	**$10,113**	**$63,150**	**$7,375**	**$26,857**	**$10,021**
2023 Total	**$10,701**	**$60,245**	**$7,807**	**$25,616**	**$9,574**

Note: Totals may not agree due to rounding.

[1]Calculated using the EAN cost method. This method is used in the funded ratio calculation and is not used to determine contribution requirements.

[2]Return of Contributions.

[3]Members who terminated without a vested lifetime benefit but are eligible for a refund of their employee contributions with interest that currently reside in the trust.

[4]Includes liability from individuals who are entitled to a portion of the primary member's benefit (legal order payees).

*[5]Includes some law changes prior to 2025. Please see the **Appendix** for a full list of legislative changes included in the figures above.*

EAN Accrued Liability[1] *(Continued)*					
(Dollars in Millions)	PSERS	LEOFF		WSPRS	Total
	Plan 2	Plan 1	Plan 2	Plans 1/2	
Active Members					
Retirement	$1,089	$9	$8,865	$478	$54,797
Termination	112	0	52	2	5,569
Death	4	0	29	1	303
Disability	8	0	384	0	515
ROC[2] on Termination	(15)	0	(38)	(1)	(504)
ROC[2] on Death	4	0	38	1	187
Total Active	**$1,203**	**$9**	**$9,331**	**$480**	**$60,868**
Inactive Members					
Terminated Vested	$156	$1	$483	$39	$8,002
Terminated Non-Vested[3]	48	0	31	2	779
Service Retired[4]	200	1,804	9,962	1,228	68,785
Disability Retired	3	1,388	610	3	2,310
Survivors	4	920	302	101	3,865
TAP Annuities	0	0	0	0	1,224
Total Inactive	**$412**	**$4,114**	**$11,388**	**$1,373**	**$84,965**
All Members					
Laws of 2024[5]	$0	$0	$20	$4	$17
2024 Total	**$1,615**	**$4,123**	**$20,738**	**$1,857**	**$145,849**
2023 Total	**$1,427**	**$4,269**	**$19,011**	**$1,787**	**$140,437**

Note: Totals may not agree due to rounding.

[1]Calculated using the EAN cost method. This method is used in the funded ratio calculation and is not used to determine contribution requirements.

[2]Return of Contributions.

[3]Members who terminated without a vested lifetime benefit but are eligible for a refund of their employee contributions with interest that currently reside in the trust.

[4]Includes liability from individuals who are entitled to a portion of the primary member's benefit (legal order payees).

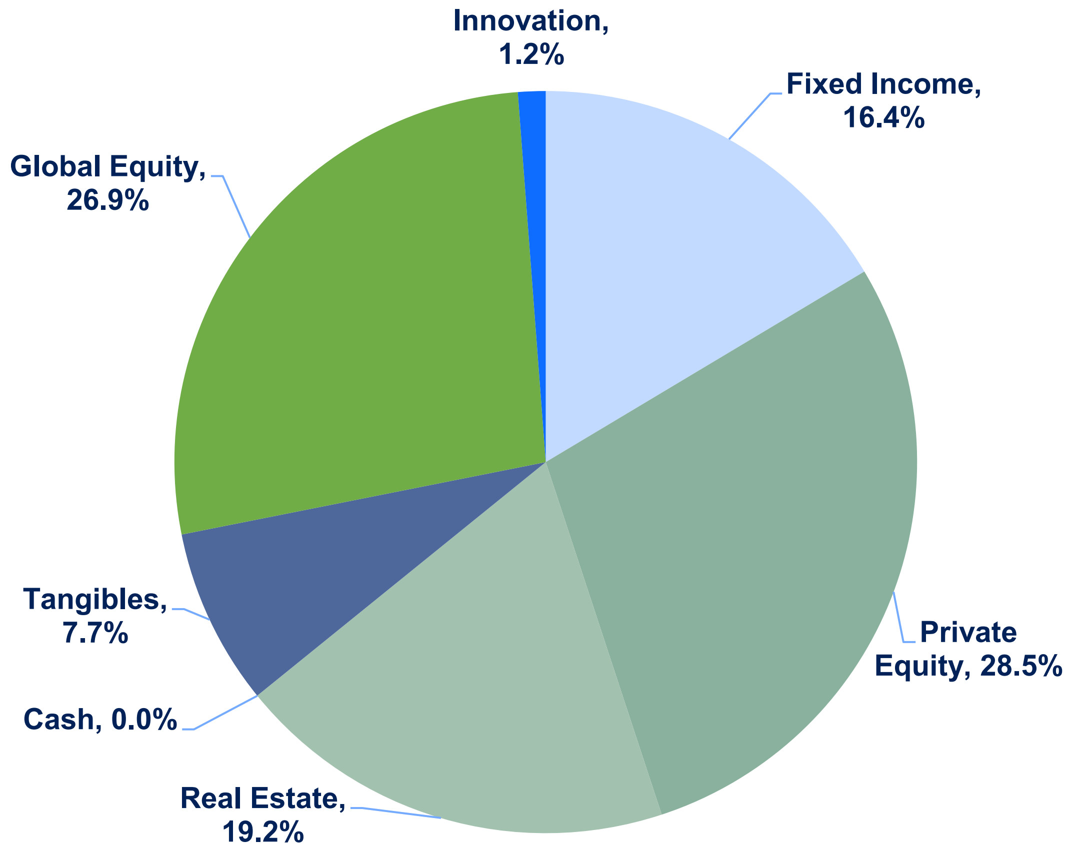
*[5]Includes some law changes prior to 2025. Please see the **Appendix** for a full list of legislative changes included in the figures above.*

Some line items in the EAN accrued liability tables are negative. This is a result of allocating costs for these benefits over an entire working career for active members who are no longer expected to receive these benefits. See the **Appendix** for additional details.

Please note GASB mandates this methodology for the accrued liability calculation in financial reporting. When calculating the accrued liability, we use the same methods in this report for easier comparison with financial reporting results.

PLAN ASSETS

Retirement Commingled Trust Fund Asset Allocation



Source: WSIB June 30, 2024, Quarterly Report.

Cash: Highly liquid, very safe investments that can be easily converted into cash, such as Treasury Bills and money-market funds.

Fixed Income: Securities representing debt obligations and usually having fixed payments and maturities. Different types of fixed income securities include government and corporate bonds, mortgage-backed securities, asset-backed securities, convertible issues, and may also include money-market instruments.

Innovation: Fund that provides the ability to invest in a broad range of assets that fall outside the traditional asset classes or management style of existing asset classes.

Global Equity: Shares of U.S. and non-U.S. corporations that trade on public exchanges or "over the counter." The ownership of a corporation is represented by shares that are claimed on the corporation's earnings and assets.

Private Equity: The infusion of equity capital into a private company (one that is not available on the public markets). Private equity investments include securities that are not listed on a public exchange and are not easily accessible to most individuals. These investments range from initial capital in startup enterprises to leveraged buyouts of mature corporations.

Real Estate: An externally managed selection of partnership investments with the majority of the partnerships invested in high-quality real estate leased to third parties.

Tangibles: The tangible asset portfolio invests in sectors such as infrastructure, timber, agriculture, natural resources, commodities, or other sectors consistent with the goals of the asset class.

Each asset class is unique in terms of expected return, standard deviation, and correlation to other asset classes. Please see page 28 of the 2023 EES for more information.

The following tables show the MVA changes from the previous valuation.

Change in MVA								
(Dollars in Millions)	PERS				TRS			
		Plans 2/3				Plans 2/3		
	Plan 1	TAP[1]	Pension[2]	Total	Plan 1	TAP[1]	Pension[2]	Total
2023 Market Value	**$9,226**	**$324**	**$62,177**	**$62,501**	**$7,225**	**$728**	**$24,333**	**$25,061**
Revenue								
Member Contributions	$2	$0	$783	$783	$0	$0	$234	$234
Employer/State Contributions	598	0	995	995	218	0	717	717
Investment Return	701	26	4,929	4,954	545	58	1,951	2,009
Restorations[3]	0	0	33	33	0	0	2	2
Transfers In	0	19	1	20	0	35	2	37
Miscellaneous	0	0	0	0	0	0	0	0
Total Revenue	**$1,302**	**$45**	**$6,740**	**$6,785**	**$764**	**$93**	**$2,906**	**$2,998**
Disbursements								
Monthly Benefits	$1,160	$22	$2,174	$2,196	$860	$50	$687	$737
Refunds	2	0	74	74	1	0	11	11
Transfers Out	0	0	3	3	0	0	1	1
Expenses	0	0	0	0	0	0	1	1
Payables	0	0	0	0	0	0	0	0
Total Disbursements	**$1,163**	**$22**	**$2,251**	**$2,274**	**$861**	**$50**	**$700**	**$750**
2024 Market Value	**$9,364**	**$346**	**$66,666**	**$67,012**	**$7,128**	**$771**	**$26,539**	**$27,309**

Note: Totals may not agree due to rounding.

[1]Assets from purchased TAP annuities by Plan 3 members are combined with the Plan 2/3 pension assets for purposes of calculating contribution rates.

[2]Excludes defined contribution portion of Plan 3 assets.

[3]Includes additional annuity purchases and service credit purchases.

Change in MVAs *(Continued)*								
(Dollars in Millions)	SERS			PSERS	LEOFF		WSPRS	All Systems
	TAP[1]	Plan 2/3 Pension[2]	Total	Plan 2	Plan 1	Plan 2	Plans 1/2	
2023 Market Value	**$193**	**$9,234**	**$9,427**	**$1,449**	**$6,874**	**$20,617**	**$1,795**	**$144,174**
Revenue								
Member Contributions	$0	$141	$141	$63	$0	$248	$11	$1,482
Employer/State Contributions	0	261	261	63	0	248	22	3,122
Investment Return	15	739	754	121	524	1,633	140	11,382
Restoration[3]	0	3	3	1	0	11	1	52
Transfers In	12	0	12	0	0	0	1	69
Miscellaneous	0	0	0	0	0	0	0	0
Total Revenue	**$27**	**$1,143**	**$1,170**	**$248**	**$524**	**$2,140**	**$176**	**$16,107**
Disbursements								
Monthly Benefits	$14	$335	$349	$13	$401	$661	$90	$6,468
Refunds	0	12	12	7	0	13	1	123
Transfers Out	0	1	1	0	0	0	0	4
Expenses	0	0	0	0	0	2	0	4
Payables	0	0	0	0	0	0	0	0
Total Disbursements	**$14**	**$348**	**$362**	**$21**	**$402**	**$677**	**$91**	**$6,599**
2024 Market Value	**$206**	**$10,029**	**$10,235**	**$1,676**	**$6,997**	**$22,081**	**$1,880**	**$153,682**

Note: Totals may not agree due to rounding.

[1]Assets from purchased TAP annuities by Plan 3 members are combined with the Plan 2/3 pension assets for purposes of calculating contribution rates.

[2]Excludes defined contribution portion of Plan 3 assets.

[3]Includes additional annuity purchases and service credit purchases.

The following tables show the calculation of the AVA. This calculation includes analyzing investment data over the prior fiscal year and relies on the prior 7.00% rate of investment return assumption. The prescribed 7.25% rate of investment return used to discount 2024 valuation liabilities will apply to the 2025 valuation assets.

Calculation of AVA							
(Dollars in Millions)			PERS 1	PERS 2/3	TRS 1	TRS 2/3	SERS 2/3
Investment Gains and (Losses) for FY							
a. Market Value (MV) at 6/30/2024			$9,364	$67,012	$7,128	$27,309	$10,235
b. Expected 7.0% Return*			$626	$4,360	$484	$1,763	$662
c. Actual Return			$701	$4,954	$545	$2,009	$754
Investment Gain/(Loss) (c - b)			$75	$594	$62	$246	$92
Actual Rate of Return			7.84%	7.95%	7.89%	7.98%	7.97%
Smoothing Period			1	1	1	1	1
Deferred Gains and (Losses)							
Plan Year Ending	**Smoothing Period**	**Years Remaining**					
6/30/2024	1	0	$0	$0	$0	$0	$0
6/30/2022	7	4	(358)	(2,283)	(269)	(888)	(337)
6/30/2021	8	4	890	5,411	663	2,082	792
d. Total Deferral			**$531**	**$3,128**	**$394**	**$1,193**	**$455**
Market Value less Deferral (a - d)			$8,833	$63,885	$6,733	$26,116	$9,780
70% of MVA			$6,555	$46,909	$4,989	$19,116	$7,165
130% of MVA			$12,174	$87,116	$9,266	$35,502	$13,306
AVA**			**$8,833**	**$63,885**	**$6,733**	**$26,116**	**$9,780**
Ratio (AV / MV)			94%	95%	94%	96%	96%

Note: Totals may not agree due to rounding. The gain/(loss) for plan years not shown has been fully recognized.

**Dollar weighted rate of return assuming cashflows occur mid-year.*

***AVA can never be less than 70% or greater than 130% of the MVA.*

Calculation of AVA *(Continued)*							
(Dollars in Millions)			PSERS 2	LEOFF 1	LEOFF 2	WSPRS 1/2	Total
Investment Gains and (Losses) for FY							
a. Market Value (MV) at 6/30/2024			$1,676	$6,997	$22,081	$1,880	$153,682
b. Expected 7.0% Return*			$105	$467	$1,437	$124	$10,028
c. Actual Return			$121	$524	$1,633	$140	$11,382
Investment Gain/(Loss) (c - b)			$16	$57	$196	$16	$1,355
Actual Rate of Return			8.08%	7.85%	7.95%	7.92%	7.95%
Smoothing Period			2	1	1	1	1
Deferred Gains and (Losses)							
Plan Year Ending	Smoothing Period	Years Remaining					
6/30/2024**	1,2	0,1	$8	$0	$0	$0	$8
6/30/2022	7	4	(48)	(276)	(741)	(68)	(5,268)
6/30/2021	8	4	107	684	1,762	164	12,552
d. Total Deferral			**$66**	**$407**	**$1,021**	**$96**	**$7,292**
Market Value less Deferral (a - d)			$1,609	$6,589	$21,060	$1,784	$146,390
70% of MVA			$1,173	$4,898	$15,457	$1,316	$107,577
130% of MVA			$2,178	$9,095	$28,705	$2,443	$199,786
AVA***			**$1,609**	**$6,589**	**$21,060**	**$1,784**	**$146,390**
Ratio (AV / MV)			96%	94%	95%	95%	95%

Note: Totals may not agree due to rounding. The gain/(loss) for plan years not shown has been fully recognized.

**Dollar weighted rate of return assuming cashflows occur mid-year.*

***PSERS has two years of smoothing; all other plans have one year of smoothing.*

****AVA can never be less than 70% or greater than 130% of the MVA.*

Additional information on the Retirement Commingled Trust Fund, including the asset allocation policy, can be found in the most recent EES.

FUNDED STATUS

Funded status is one of several measures that helps explain the health of a pension plan. The funded status represents the portion of the actuarial accrued liabilities covered by today's actuarial assets and provides information on the funding progress of the plan.

In our AVR, we calculate a plan's funded status by comparing the plan's current assets, determined under an asset valuation method, to the actuarial accrued liability of its members, calculated under an EAN actuarial cost method. Actuarial cost methods vary in the manner they allocate benefits to past and future time periods. We rely on an EAN actuarial cost method to better track the funding progress of accrued (or earned) benefits allocated to past service. Otherwise, the assumptions and methods used to measure funded status is consistent with the state's current funding policy and financing plan for future retirement benefits.

Funded status measures alone are not sufficient to determine whether a plan has enough assets to terminate or settle the plan obligations. Plans may have accumulated sufficient assets, at the measurement date, to satisfy the ongoing goal of having adequate assets to pay all currently earned benefits for existing members when due on an expected basis. However, ongoing contributions may still be required.

The following table provides general guidance on how to interpret a plan's funded status at a point in time. Note that in the context of this table, we define "funding goals" to mean having sufficient assets to pay all expected benefits when due. The funded status is one measure that helps to show whether a plan is on track to reach that goal.

Interpretation of Plan Funded Status			
	Less than 100%	**Equals 100%**	**Greater than 100%**
Assets to Fund Earned Benefits as of the Measurement Date	Behind schedule on funding goals.	On schedule for funding goals.	Ahead of schedule on funding goals.
Contribution Rates	Typically requires higher contribution rates in the short term to raise plan's funded status to 100% over time.	Requires ongoing contribution rates for plans with members accruing future service.	Typically requires ongoing contribution rates for plans with members accruing future service. Short-term contribution rates may be lower to reduce the plan's funded status to 100% over time.

Plans with members accruing future service will typically require ongoing contributions. However, the level of actuarially determined contribution rates relative to current rates may be higher or lower depending on funded status and actual future experience.

As of the valuation date for the 2024 AVR, and under the data, assumptions, and methods used for this actuarial valuation, only LEOFF Plan 1 has sufficient assets to cease ongoing contributions.

Funded Status on an Actuarial Value Basis					
(Dollars in Millions)	PERS		TRS		SERS
	Plan 1	Plans 2/3	Plan 1	Plans 2/3	Plan 2/3
Accrued Liability*	$10,113	$63,150	$7,375	$26,857	$10,021
Valuation Assets	8,833	63,885	6,733	26,116	9,780
Unfunded Liability	**$1,280**	**($735)**	**$642**	**$741**	**$241**
Funded Ratio					
2024	**87%**	**101%**	**91%**	**97%**	**98%**
2023	80%	97%	86%	92%	93%
2022	75%	97%	80%	92%	92%
2021	71%	95%	73%	90%	91%
2020	69%	98%	71%	93%	93%
2019	65%	96%	66%	91%	91%
2018	60%	91%	63%	90%	89%
2017	57%	89%	60%	91%	88%
2016	56%	87%	61%	89%	87%
2015	58%	88%	64%	92%	89%

Note: Totals may not agree due to rounding.

**Liabilities valued using the EAN cost method at an interest rate of 7.25%. All assets have been valued under the actuarial asset method.*

Funded Status on an Actuarial Value Basis *(Continued)*					
(Dollars in Millions)	PSERS	LEOFF		WSPRS	Total
	Plan 2	Plan 1	Plan 2	Plans 1/2	
Accrued Liability*	$1,615	$4,123	$20,738	$1,857	$145,849
Valuation Assets	1,609	6,589	21,060	1,784	146,390
Unfunded Liability	**$5**	**($2,466)**	**($322)**	**$73**	**($541)**
Funded Ratio					
2024	**100%**	**160%**	**102%**	**96%**	**100%**
2023	96%	149%	102%	94%	96%
2022	101%	152%	104%	94%	96%
2021	98%	146%	104%	92%	93%
2020	101%	148%	113%	97%	95%
2019	101%	141%	111%	95%	92%
2018	96%	135%	108%	93%	89%
2017	95%	131%	109%	92%	86%
2016	94%	126%	105%	91%	84%
2015	95%	125%	105%	98%	86%

Note: Totals may not agree due to rounding.

**Liabilities for all plans except LEOFF 2 valued using the EAN cost method at an interest rate of 7.25%. All assets have been valued under the actuarial asset method.*

The funded status depends on numerous assumptions. Two of the most significant assumptions are the mortality rates, which estimate how long we expect members to live, and the interest rate or expected return on plan assets.

A key component of the mortality assumption is the rate at which mortality is expected to improve in the future. To show the sensitivity of this assumption to the funded status measure, we calculated the impact of doubling the current mortality improvement assumption (longer lifespans than our best estimate) and assuming no future improvements (shorter lifespans than our best estimate). We further considered the impact if the expected return on assets was 1% lower or higher.

Note, for mortality sensitivity we applied a ratio of the 2023 valuation mortality sensitivity to estimate 2024 results. For interest rate sensitivity, we used the best-estimate interest rate of 7.25% (7.00% for LEOFF Plan 2), and 1% lower or higher for corresponding sensitivity.

The following tables demonstrate how the funded status changes across all retirement systems if we alter these assumptions.

Sensitivity of Funded Ratios to Assumed Mortality Rates			
(Dollars in Millions)	No Assumed Mortality Improvement	Best Estimate Assumed Mortality	Double Assumed Mortality Improvement
Accrued Liability	$135,716	$145,849	$156,061
Valuation Assets	$146,390	$146,390	$146,390
Unfunded Liability	($10,674)	($541)	$9,671
Funded Ratio	108%	100%	94%

Note: Sensitivity liabilities estimated using 2023 valuation mortality sensitivity results.

Sensitivity of Funded Ratios to Assumed Interest Rates			
(Dollars in Millions)	**1% Lower 6.25%**	**Best Estimate Assumption 7.25%**	**1% Higher 8.25%**
Accrued Liability	$165,755	$145,849	$129,438
Valuation Assets	$146,390	$146,390	$146,390
Unfunded Liability	$19,365	($541)	($16,952)
Funded Ratio	88%	100%	113%

Note: LEOFF 2 uses 7.00% for the best estimate interest rate assumption with sensitivities of 6.00% and 8.00%.

The funded status measures we share in this report may vary from those presented in the DRS *Annual Comprehensive Financial Report*. These differences occur because the assumptions and methods applied to determine contribution requirements (under a funding valuation) may not apply for financial reporting under GASB accounting standards (an accounting valuation). Put another way, these measurements are used for distinct purposes, and the results may vary between the two reports.

ACTUARIAL GAIN/LOSS

The following tables display actuarial gains and losses, expressed as funded ratio changes as directed under ASOP 4 – *Measuring Pension Obligations and Determining Pension Plan Costs or Contributions*. Actuaries use gain/loss analysis to compare actual changes to assumed changes from various sources with respect to assets and liabilities. We also use this analysis to help determine:

- The accuracy of our valuation model and annual processing.
- Why funded ratios changed.
- The reasonableness of the actuarial assumptions.

Actuarial gains will increase funded ratios; actuarial losses will decrease funded ratios.

Under a reasonable set of actuarial assumptions, actuarial gains and losses will offset over long-term experience periods. Generally, a reduction in funded ratio will require a period of higher contribution rates and an increase in funded ratio will require a period of lower contribution rates.

Change in Open Plans Funded Ratio by Source			
Change in Funded Ratio	**PERS 2/3**	**TRS 2/3**	**SERS 2/3**
(a) 2023 Funded Ratio	**97.3%**	**92.0%**	**92.5%**
(b) Remove Laws of 2024	(0.0%)	0.0%	0.0%
(c) Expected Change in Funded Ratio	0.3%	0.7%	0.9%
(d) 2024 Expected Funded Ratio (a + b + c)	**97.5%**	**92.7%**	**93.4%**
Liabilities			
Salaries	(1.8%)	(0.5%)	(0.8%)
Retirement/Termination/Disability	0.1%	0.4%	0.4%
Mortality	0.0%	0.0%	0.0%
New Hires/Return to Work	(0.3%)	(0.6%)	(0.5%)
Miscellaneous	(0.4%)	(0.3%)	(0.6%)
(e) Total Liability Gains/Losses	**(2.4%)**	**(1.1%)**	**(1.4%)**
Assets[1]			
Investment Returns	2.6%	2.4%	2.4%
Contributions/Disbursements	0.3%	0.0%	0.4%
(f) Total Asset Gains/Losses	**2.9%**	**2.4%**	**2.8%**
Other Changes			
Plan Change	0.0%	0.0%	0.0%
Assumption and Methodology Changes	(0.1%)	(0.1%)	(0.1%)
(g) Total Other Changes	**(0.1%)**	**(0.1%)**	**(0.1%)**
2024 Funded Ratio			
(h) 2024 Funded Ratio Before Laws of 2025 (d + e + f + g)	98.0%	93.9%	94.6%
(i) Laws of 2025[2]	0.0%	0.0%	0.0%
(j) Prescribed Rate of Return[3]	3.2%	3.4%	3.0%
(k) 2024 Funded Ratio (h + i + j)	**101.2%**	**97.2%**	**97.6%**
Total Change in Funded Ratio (k - a)	**3.9%**	**5.2%**	**5.1%**

Note: Totals may not agree due to rounding.

[1]Asset Gain/Loss performed on AVA not MVA.

*[2]Includes some law changes prior to 2025. Please see the **Appendix** for a full list of legislative changes included in the figures above.*

[3]ESSB 5357 (Chapter 381, Laws of 2025) increased the rate of return assumption from 7.00% to 7.25% for all plans except LEOFF 2.

Change in Open Plans Funded Ratio by Source *(Continued)*			
Change in Funded Ratio	**PSERS 2**	**LEOFF 2**	**WSPRS 1/2**
(a) 2023 Funded Ratio	**96.4%**	**101.7%**	**93.7%**
(b) Remove Laws of 2024	0.0%	0.1%	0.2%
(c) Expected Change in Funded Ratio	0.5%	(0.1%)	0.4%
(d) 2024 Expected Funded Ratio (a + b + c)	**97.0%**	**101.8%**	**94.3%**
Liabilities			
Salaries	(2.6%)	(1.9%)	(0.9%)
Retirement/Termination/Disability	1.2%	(0.4%)	0.5%
Mortality	0.1%	0.0%	0.0%
New Hires/Return to Work	(1.6%)	(0.1%)	(0.1%)
Miscellaneous	(0.4%)	(0.1%)	(1.2%)[1]
(e) Total Liability Gains/Losses	**(3.3%)**	**(2.6%)**	**(1.7%)**
Assets[2]			
Investment Returns	1.7%	2.7%	2.6%
Contributions/Disbursements	0.3%	(0.1%)	(0.1%)
(f) Total Asset Gains/Losses	**2.0%**	**2.5%**	**2.5%**
Other Changes			
Plan Change	0.0%	0.0%	0.0%
Assumption and Methodology Changes	(0.1%)	(0.1%)	(1.8%)
(g) Total Other Changes	**(0.1%)**	**(0.1%)**	**(1.8%)**
2024 Funded Ratio			
(h) 2024 Funded Ratio Before Laws of 2025 (d + e + f + g)	95.6%	101.7%	93.3%
(i) Laws of 2025[3]	0.0%	(0.1%)	(0.2%)
(j) Prescribed Rate of Return[4]	4.1%	N/A	3.0%
(k) 2024 Funded Ratio (h + i + j)	**99.7%**	**101.6%**	**96.0%**
Total Change in Funded Ratio (k - a)	**3.3%**	**(0.2%)**	**2.3%**

Note: Totals may not agree due to rounding.

[1]*WSPRS 1 members may receive up to 5 years of non-interruptive military service credit after earning 25 years of retirement system service in Plan 1. This figure reflects those unexpected increases in service compared to a maximum expected service accrual of one year.*

[2]*Asset Gain/Loss performed on AVA not MVA.*

[3]*Includes some law changes prior to 2025. Please see the* ***Appendix*** *for a full list of legislative changes included in the figures above.*

[4]*ESSB 5357 (Chapter 381, Laws of 2025) increased the rate of return assumption from 7.00% to 7.25% for all plans except LEOFF 2.*

Change in Closed Plans Funded Ratio by Source *(Continued)*			
Change in Funded Ratio	**PERS 1**	**TRS 1**	**LEOFF 1**
(a) 2023 Funded Ratio	**80.0%**	**86.2%**	**149.1%**
(b) Remove Laws of 2024	0.9%	1.3%	0.0%
(c) Expected Change in Funded Ratio	0.2%	0.1%	4.8%
(d) 2024 Expected Funded Ratio (a + b + c)	**81.1%**	**87.7%**	**153.9%**
Liabilities			
Salaries	0.0%	0.0%	0.0%
Retirement/Termination/Disability	0.0%	0.0%	0.0%
Mortality	0.2%	0.1%	1.2%
New Hires/Return to Work	0.0%	0.0%	0.0%
Miscellaneous	(0.2%)	(0.2%)	(2.3%)[1]
(e) Total Liability Gains/Losses	**0.0%**	**(0.1%)**	**(1.1%)**
Assets[2]			
Investment Returns	2.6%	2.7%	4.7%
Contributions/Disbursements	3.4%	1.2%	(0.2%)
(f) Total Asset Gains/Losses	**6.0%**	**3.9%**	**4.5%**
Other Changes			
Plan Change	(1.0%)	(1.4%)	0.0%
Assumption and Methodology Changes	(0.2%)	(0.2%)	(0.4%)
(g) Total Other Changes	**(1.2%)**	**(1.7%)**	**(0.4%)**
2024 Funded Ratio			
(h) 2024 Funded Ratio Before Laws of 2025 (d + e + f + g)	85.9%	89.8%	156.9%
(i) Laws of 2025[3]	0.0%	0.0%	0.0%
(j) Prescribed Rate of Return[4]	1.5%	1.5%	2.9%
(k) 2024 Funded Ratio (h + i + j)	**87.3%**	**91.3%**	**159.8%**
Total Change in Funded Ratio (k - a)	**7.3%**	**5.1%**	**10.7%**

Note: Totals may not agree due to rounding.

[1]Retirees of LEOFF 1 receive fully indexed Cost-of-Living Adjustments (COLAs). This figure reflects an April 1, 2024, COLA of 5.52% compared to an assumed 2.75%.

[2]Asset Gain/Loss performed on AVA not MVA.

[3]Includes some law changes prior to 2025. Please see the ***Appendix*** *for a full list of legislative changes included in the figures above.*

[4]ESSB 5357 (Chapter 381, Laws of 2025) increased the rate of return assumption from 7.00% to 7.25% for all plans except LEOFF 2.

III. PARTICIPANT DATA

OVERVIEW OF SYSTEM MEMBERSHIP

The Department of Retirement Systems administers nine retirement systems for state and local public employees. Retirement system membership is determined according to the participant's occupation and employer. Employees covered by each system are defined in separate chapters of the RCW.

PERS Chapter 41.40 RCW	State employees; employees of all counties and most cities (some exceptions are Tacoma, Seattle, and Spokane); non-teaching employees of institutions of higher learning and community colleges; employees of ports, service districts, Energy Northwest, public utility districts, and judges first elected or appointed after June 30, 1988.
TRS Chapter 41.32 RCW	Certificated teachers; administrators; and educational staff associates.
SERS Chapter 41.35 RCW	Classified school district employees and educational service district employees.
PSERS Chapter 41.37 RCW	Correction officers (state, state community, county, city, and local community); state park rangers; enforcement officers with the Liquor and Cannabis Board, Washington State Patrol (commercial vehicle), Gambling Commission, and the Department of Natural Resources; public safety telecommunicators; security staff and nurses working at certain state institutions and local correctional departments.
LEOFF Chapter 41.26 RCW	Fire fighters; emergency medical technicians; law enforcement officers including sheriffs; university, port, city police officers, and enforcement officers with the Department of Fish and Wildlife.
WSPRS Chapter 43.43 RCW	Commissioned officers of the Washington State Patrol.

The following tables show participant data changes from the prior valuation to this year's valuation. We divide the participant data into two main categories:

- **Actives** — Members actively employed and accruing benefits in the plan.
- **Annuitants** — Members and beneficiaries receiving post-retirement benefits from the plan.

We also provide the ratio of active to annuitant members. This is one way to track overall plan maturity, and its associated risks, with a smaller ratio indicating a more mature plan. Risks can emerge over time just by the nature of a pension plan growing or maturing. For example, as a plan matures – with fewer active, contributing members relative to the retiree population – the plan's obligations become larger relative to its source of contributions. Additional Commentary on Risk can be found on our website.

Reconciliation of Active and Annuitant Data								
	PERS				TRS			
	Plan 1	Plan 2	Plan 3	Total	Plan 1	Plan 2	Plan 3	Total
2023 Actives	**506**	**135,460**	**38,053**	**174,019**	**81**	**28,991**	**52,671**	**81,743**
Transfers*	0	(54)	54	0	0	(5)	5	0
Hires/Rehires	10	21,308	4,624	25,942	0	3,808	2,440	6,248
New Retirees	(103)	(2,994)	(521)	(3,618)	(17)	(296)	(1,038)	(1,351)
Deaths	(3)	(221)	(46)	(270)	0	(13)	(53)	(66)
Terminations	(15)	(10,882)	(3,289)	(14,186)	(2)	(2,396)	(2,810)	(5,208)
2024 Actives	**395**	**142,617**	**38,875**	**181,887**	**62**	**30,089**	**51,215**	**81,366**
2023 Annuitants	**39,306**	**71,826**	**8,869**	**120,001**	**28,556**	**7,370**	**20,778**	**56,704**
New Retirees	146	4,891	892	5,929	23	477	1,782	2,282
Annuitant Deaths	(2,078)	(1,750)	(132)	(3,960)	(1,264)	(143)	(197)	(1,604)
New Survivors	277	514	58	849	217	43	107	367
Other	(33)	(47)	(10)	(90)	(16)	(5)	(9)	(30)
2024 Annuitants	**37,618**	**75,434**	**9,677**	**122,729**	**27,516**	**7,742**	**22,461**	**57,719**
Ratio Actives to Annuitants	**0.01**	**1.89**	**4.02**	**1.48**	**<0.01**	**3.89**	**2.28**	**1.41**

Note: Figures exclude legal order payees entitled to a portion of member benefits under a court-ordered property division.

**Excludes new members who initially default to Plan 2 at hire and subsequently elect to join Plan 3 within the same valuation year.*

Reconciliation of Active and Annuitant Data *(Continued)*				
	SERS			PSERS
	Plan 2	Plan 3	Total	Plan 2
2023 Actives	**36,822**	**30,477**	**67,299**	**8,954**
Transfers*	(13)	13	0	0
Hires/Rehires	8,203	2,606	10,809	2,937
New Retirees	(753)	(811)	(1,564)	(83)
Deaths	(65)	(42)	(107)	(6)
Terminations	(5,043)	(3,085)	(8,128)	(1,078)
2024 Actives	**39,151**	**29,158**	**68,309**	**10,724**
2023 Annuitants	**14,553**	**15,094**	**29,647**	**726**
New Retirees	1,267	1,495	2,762	131
Annuitant Deaths	(289)	(226)	(515)	(8)
New Survivors	70	55	125	5
Other	(12)	(7)	(19)	(1)
2024 Annuitants	**15,589**	**16,411**	**32,000**	**853**
Ratio Actives to Annuitants	**2.51**	**1.78**	**2.13**	**12.57**

Note: Figures exclude legal order payees entitled to a portion of member benefits under a court-ordered property division.

**Excludes new members who initially default to Plan 2 at hire and subsequently elect to join Plan 3 within the same valuation year.*

Reconciliation of Active and Annuitant Data *(Continued)*	LEOFF			WSPRS			All Systems
	Plan 1	Plan 2	Total	Plan 1	Plan 2	Total	Total
2023 Actives	**7**	**19,311**	**19,318**	**209**	**736**	**945**	**352,278**
Hires/Rehires	0	1,903	1,903	1	58	59	47,898
New Retirees	0	(668)	(668)	(50)	(2)	(52)	(7,336)
Deaths	0	(18)	(18)	(1)	(1)	(2)	(469)
Terminations	(1)	(629)	(630)	(3)	(19)	(22)	(29,252)
2024 Actives	**6**	**19,899**	**19,905**	**156**	**772**	**928**	**363,119**
2023 Annuitants	**6,154**	**9,460**	**15,614**	**1,321**	**8**	**1,329**	**224,021**
New Retirees	0	871	871	55	2	57	12,032
Annuitant Deaths	(326)	(67)	(393)	(28)	0	(28)	(6,508)
New Survivors	121	44	165	17	1	18	1,529
Other	(4)	(14)	(18)	0	0	0	(158)
2024 Annuitants	**5,945**	**10,294**	**16,239**	**1,365**	**11**	**1,376**	**230,916**
Ratio Actives to Annuitants	**<0.01**	**1.93**	**1.23**	**0.11**	**70.18**	**0.67**	**1.57**

Note: Figures exclude legal order payees entitled to a portion of member benefits under a court-ordered property division.

SUMMARY OF PLAN PARTICIPANTS

Summary of Plan Participants								
PERS	**2024**				**2023**			
	Plan 1	Plan 2	Plan 3	Plans 2/3	Plan 1	Plan 2	Plan 3	Plans 2/3
Active Members								
Number	**395**	**142,617**	**38,875**	**181,492**	**506**	**135,460**	**38,053**	**173,513**
Total Salaries *(Dollars in Millions)*	$31	$12,512	$3,422	$15,934	$38	$11,161	$3,119	$14,281
Average Age	71.7	45.8	45.0	45.6	70.7	46.1	44.8	45.8
Average Service	25.9	9.9	9.1	9.7	25.9	10.3	9.0	10.0
Average Salary	$77,269	$87,729	$88,024	$87,792	$74,520	$82,395	$81,977	$82,303
Terminated Members								
Vested	127	30,586	7,788	38,374	149	30,730	7,609	38,339
Non-Vested*	1,726	125,509	0	125,509	1,963	127,647	0	127,647
Total Terminated	**1,853**	**156,095**	**7,788**	**163,883**	**2,112**	**158,377**	**7,609**	**165,986**
Annuitants								
Service Retired**	32,241	68,920	9,043	77,963	33,775	65,573	8,273	73,846
Disability Retired	516	1,560	84	1,644	560	1,641	93	1,734
Survivors	4,861	4,954	550	5,504	4,971	4,612	503	5,115
Total Annuitants	**37,618**	**75,434**	**9,677**	**85,111**	**39,306**	**71,826**	**8,869**	**80,695**
Avg. Monthly Benefit, All Annuitants***	$2,518	$2,288	$1,229	$2,168	$2,421	$2,188	$1,183	$2,077
Number of New Service Retirees	136	4,870	891	5,761	188	5,043	884	5,927
Avg. Benefit, New Service Retirees***	$3,056	$2,710	$1,328	$2,497	$2,678	$2,679	$1,264	$2,468

Note: Totals may not agree due to rounding. The above figures exclude 154 Plan 1 and 491 Plans 2/3 legal order payees currently in receipt of benefit payments as of June 30, 2024.

**Members who terminated without a vested lifetime benefit but are eligible for a refund of their employee contributions with interest that currently reside in the trust.*

***Includes retirements from active and terminated with vested status.*

****Excludes additional TAP annuities purchased from Plan 3 defined contribution accounts. For more information on TAP annuities, please see the table at the end of this section.*

Summary of Plan Participants *(Continued)*								
TRS	**2024**				**2023**			
	Plan 1	**Plan 2**	**Plan 3**	**Plans 2/3**	**Plan 1**	**Plan 2**	**Plan 3**	**Plans 2/3**
Active Members								
Number	**62**	**30,089**	**51,215**	**81,304**	**81**	**28,991**	**52,671**	**81,662**
Total Salaries *(Dollars in Millions)*	$7	$2,934	$5,923	$8,857	$9	$2,675	$5,780	$8,456
Average Age	74.2	41.6	47.7	45.4	72.3	41.3	47.3	45.1
Average Service	36.6	7.5	15.6	12.6	36.0	7.3	15.2	12.4
Average Salary	$118,217	$97,504	$115,658	$108,940	$114,307	$92,284	$109,742	$103,544
Terminated Members								
Vested	46	4,280	9,182	13,462	48	3,875	9,031	12,906
Non-Vested*	130	9,888	0	9,888	160	9,155	0	9,155
Total Terminated	**176**	**14,168**	**9,182**	**23,350**	**208**	**13,030**	**9,031**	**22,061**
Annuitants								
Service Retired**	24,337	7,322	21,438	28,760	25,383	6,977	19,856	26,833
Disability Retired	340	65	89	154	355	67	91	158
Survivors	2,839	355	934	1,289	2,818	326	831	1,157
Total Annuitants	**27,516**	**7,742**	**22,461**	**30,203**	**28,556**	**7,370**	**20,778**	**28,148**
Avg. Monthly Benefit, All Annuitants***	$2,560	$2,598	$1,658	$1,898	$2,472	$2,491	$1,574	$1,814
Number of New Service Retirees	20	475	1,776	2,251	44	493	2,019	2,512
Avg. Benefit, New Service Retirees***	$4,515	$3,040	$2,100	$2,298	$3,337	$2,983	$1,987	$2,182

Note: Totals may not agree due to rounding. The above figures exclude 79 Plan 1 and 148 Plans 2/3 legal order payees currently in receipt of benefit payments as of June 30, 2024.

[*] *Members who terminated without a vested lifetime benefit but are eligible for a refund of their employee contributions with interest that currently reside in the trust.*

[**] *Includes retirements from active and terminated with vested status.*

[***] *Excludes additional TAP annuities purchased from Plan 3 defined contribution accounts. For more information on TAP annuities, please see the table at the end of this section.*

Summary of Plan Participants *(Continued)*						
SERS		**2024**			**2023**	
	Plan 2	**Plan 3**	**Plans 2/3**	**Plan 2**	**Plan 3**	**Plans 2/3**
Active Members						
Number	**39,151**	**29,158**	**68,309**	**36,822**	**30,477**	**67,299**
Total Salaries *(Dollars in Millions)*	$1,852	$1,528	$3,380	$1,674	$1,513	$3,188
Average Age	46.1	50.4	47.9	46.4	50.1	48.1
Average Service	6.4	10.6	8.2	6.6	10.3	8.3
Average Salary	$47,311	$52,392	$49,479	$45,464	$49,660	$47,364
Terminated Members						
Vested	7,711	10,272	17,983	7,484	10,127	17,611
Non-Vested*	27,117	0	27,117	24,651	0	24,651
Total Terminated	**34,828**	**10,272**	**45,100**	**32,135**	**10,127**	**42,262**
Annuitants						
Service Retired**	14,615	15,707	30,322	13,615	14,424	28,039
Disability Retired	251	77	328	254	83	337
Survivors	723	627	1,350	684	587	1,271
Total Annuitants	**15,589**	**16,411**	**32,000**	**14,553**	**15,094**	**29,647**
Avg. Monthly Benefit, All Annuitants***	$1,119	$640	$873	$1,075	$613	$840
Number of New Service Retirees	1,259	1,489	2,748	1,310	1,459	2,769
Avg. Benefit, New Service Retirees***	$1,275	$739	$984	$1,167	$687	$914

Note: Totals may not agree due to rounding. The above figures exclude 68 legal order payees currently in receipt of benefit payments as of June 30, 2024.

* *Members who terminated without a vested lifetime benefit but are eligible for a refund of their employee contributions with interest that currently reside in the trust.*

** *Includes retirements from active and terminated with vested status.*

*** *Excludes additional TAP annuities purchased from Plan 3 defined contribution accounts. For more information on TAP annuities, please see the table at the end of this section.*

Summary of Plan Participants *(Continued)*		
PSERS	**2024**	**2023**
Active Members		
Number	**10,724**	**8,954**
Total Salaries *(Dollars in Millions)*	$1,012	$800
Average Age	41.3	41.6
Average Service	5.6	6.2
Average Salary	$94,321	$89,305
Terminated Members		
Vested	1,307	1,228
Non-Vested*	6,675	6,072
Total Terminated	**7,982**	**7,300**
Annuitants		
Service Retired**	801	679
Disability Retired	24	24
Survivors	28	23
Total Annuitants	**853**	**726**
Avg. Monthly Benefit, All Annuitants	$1,382	$1,291
Number of New Service Retirees	129	120
Avg. Benefit, New Service Retirees	$1,707	$1,688

Note: Totals may not agree due to rounding. The above figures exclude 1 legal order payee currently in receipt of benefit payments as of June 30, 2024.

**Members who terminated without a vested lifetime benefit but are eligible for a refund of their employee contributions with interest that currently reside in the trust.*

***Includes retirements from active and terminated with vested status.*

Summary of Plan Participants *(Continued)*						
LEOFF	**2024**			**2023**		
	Plan 1	**Plan 2**	**Total**	**Plan 1**	**Plan 2**	**Total**
Active Members						
Number	**6**	**19,899**	**19,905**	**7**	**19,311**	**19,318**
Total Salaries *(Dollars in Millions)*	$1	$2,889	$2,890	$1	$2,637	$2,638
Average Age	71.3	40.7	40.7	70.6	41.1	41.1
Average Service	45.2	11.3	11.3	44.9	11.8	11.8
Average Salary	$125,082	$145,197	$145,190	$127,379	$136,552	$136,548
Terminated Members						
Vested	1	1,365	1,366	0	1,434	1,434
Non-Vested*	15	3,277	3,292	19	3,067	3,086
Total Terminated	**16**	**4,642**	**4,658**	**19**	**4,501**	**4,520**
Annuitants						
Service Retired**	1,896	9,068	10,964	1,983	8,377	10,360
Disability Retired	2,273	770	3,043	2,412	667	3,079
Survivors	1,776	456	2,232	1,759	416	2,175
Total Annuitants	**5,945**	**10,294**	**16,239**	**6,154**	**9,460**	**15,614**
Avg. Monthly Benefit, All Annuitants	$5,723	$5,368	$5,498	$5,413	$5,137	$5,246
Number of New Service Retirees	0	776	776	4	839	843
Avg. Benefit, New Service Retirees	$0	$6,621	$6,621	$12,258	$6,049	$6,079

Note: Totals may not agree due to rounding. The above figures exclude 97 Plan 1 and 604 Plan 2 legal order payees currently in receipt of benefit payments as of June 30, 2024.

**Members who terminated without a vested lifetime benefit but are eligible for a refund of their employee contributions with interest that currently reside in the trust.*

***Includes retirements from active and terminated with vested status.*

Summary of Plan Participants *(Continued)*						
WSPRS	**2024**			**2023**		
	Plan 1	**Plan 2**	**Total**	**Plan 1**	**Plan 2**	**Total**
Active Members						
Number	**156**	**772**	**928**	**209**	**736**	**945**
Total Salaries *(Dollars in Millions)*	$25	$98	$123	$31	$86	$117
Average Age	51.9	36.0	38.7	51.4	35.4	38.9
Average Service	25.6	9.6	12.3	24.9	9.2	12.6
Average Salary	$157,666	$126,851	$132,031	$147,425	$116,944	$123,685
Terminated Members						
Vested	64	107	171	68	105	173
Non-Vested*	11	101	112	11	104	115
Disability Retired**	22	0	22	26	0	26
Total Terminated	**97**	**208**	**305**	**105**	**209**	**314**
Annuitants						
Service Retired***	1,159	7	1,166	1,121	5	1,126
Survivors	206	4	210	200	3	203
Total Annuitants	**1,365**	**11**	**1,376**	**1,321**	**8**	**1,329**
Avg. Monthly Benefit, All Annuitants	$5,549	$2,259	$5,523	$5,343	$2,172	$5,324
Number of New Service Retirees	55	2	57	36	2	38
Avg. Benefit, New Service Retirees	$6,895	$3,287	$6,768	$6,174	$3,079	$6,011

Note: Totals may not agree due to rounding. The above figures exclude 1 legal order payee currently in receipt of benefit payments as of June 30, 2024.

**Members who terminated without a vested lifetime benefit but are eligible for a refund of their employee contributions with interest that currently reside in the trust.*

***Benefits provided outside of pension funds.*

****Includes retirements from active and terminated with vested status.*

The following table provides summary statistics for Plan 3 retirees of PERS, TRS, and SERS purchasing Total Allocation Portfolio (TAP) annuities. These annuities are purchased at retirement using a member's defined contribution account and paid from the applicable Plan 2/3 trust fund. Assets and liabilities for TAP annuities are included in our actuarial measurements. Please see the DRS website for more information on TAP and other types of annuities offered by the retirement systems.

Summary of Members Purchasing TAP Annuities			
	PERS 3	**TRS 3**	**SERS 3**
Number	1,227	2,471	1,397
Average Age	69.3	70.1	71.2
Avg. Monthly Benefit, All Annuitants	$1,500	$1,700	$800
Number of New Purchasers in FY 2024	67	106	78
Avg. Purchase Price, New Purchasers*	$285,600	$327,900	$150,500
Avg. Monthly Benefit, New Purchasers	$1,500	$1,600	$800

**Purchased with money from the member's Plan 3 defined contribution account.*

IV. APPENDIX

ACTUARIAL ASSUMPTIONS OR METHODS

To calculate the contribution rates necessary to pre-fund a plan's benefits and measure a plan's funded status, in addition to the participant and asset data, an actuary uses an actuarial cost method, a funding policy, economic assumptions, and demographic assumptions. The actuary may also use an asset valuation method other than market value. The next subsection lists the methods and assumptions that change regularly or are new since the last AVR; the subsection that follows expands on comments related to EAN liability results noted in the **Actuarial Exhibits** section of the report. Please see our Actuarial Methods webpage for descriptions of the actuarial cost methods and asset valuation method we use for this valuation, and please see our Actuarial Assumptions webpage for descriptions of all remaining assumptions.

CHANGES IN METHODS AND ASSUMPTIONS SINCE THE LAST VALUATION

- As prescribed under ESSB 5357, we changed the assumed rate of investment return to 7.25% in all plans except LEOFF Plan 2 for the purpose of discounting plan liabilities.
- We updated our assumed benefit payment frequency and period timing to better model plan administration of prorated pension benefits paid to retirees and beneficiaries in their month of death.
  - In the month of death, DRS pays a prorated benefit payment to the date of death. Pension benefit payments are paid at the end of the month.
  - Prior to our update, we modeled approximately half of a monthly benefit less than currently administered by DRS per annuitant.
  - To better align our model with DRS administration, we changed the assumed benefit payment frequency and applied an interest adjustment to better model mid-month survival and end-of-month payment timing.
  - This change increased assumed costs for all retirement systems and plans.
- We corrected retirement benefit eligibility criteria in our model. Prior to the correction, members who attained age 80 in PERS, TRS, and SRS, and age 70 in PSERS and LEOFF Plan 2 were modeled as immediate retirements regardless of whether they attained the required years of service under each plan's provisions.
- Based on the 2025-27 CBA with the Washington State Patrol Trooper Association for the 2025-27 Biennium, we changed the assumed general salary growth to 17% in FY 2026 for WSPRS.
  - We did not change the assumed general salary growth for FY 2027 consistent with the CBA because it does not significantly deviate from our underlying economic assumption.
- We updated our valuation to reflect legislation passed during the 2023 and 2024 Legislative Sessions.
  - Substitute House Bill (SHB) 1007 (Chapter 18, Laws of 2023) expands the definition of veteran to include individuals who received an Expeditionary medal (or badge) during any armed conflict and expands eligibility for Interruptive Military Service Credit (IMSC).
  - Second Substitute House Bill 2014 (Chapter 146, Laws of 2024) expands access to fully subsidized IMSC by broadening the definition of veteran to include certain qualifying discharges.
    - ◊ We study rates of IMSC during our demographic experience study with the next study scheduled to be finalized this fall. To reflect the changes from the two IMSC laws above in the 2024 valuation, we relied on the previously prepared fiscal notes and adjusted them for interest.
  - House Bill 1055 (Chapter 199, Laws of 2023) allows existing Public Safety Telecommunicators (PSTs) who are in PERS 2/3 the opportunity to prospectively transfer into PSERS. Newly hired PSTs will also become PSERS members instead of PERS members. The transfer window for eligible members began in FY 2024 and ended in FY 2025. Some of the transferees are reflected in the 2024 valuation data, while the remaining transferees will be reflected in data starting with the June 30, 2025, measurement date. To reflect this change in the 2024 valuation, we relied on the prepared fiscal note during the 2023 Legislative Session and adjusted for interest and the transfer group.

- Substitute Senate Bill (SSB) 6106 (Chapter 359, Laws of 2024) allows certain specified workers at the Department of Social and Health Services institutional and residential sites who are in PERS 2/3 the opportunity to prospectively transfer into PSERS. Newly hired workers in these positions will also become PSERS members instead of PERS members. The transfer window for eligible members begins in FY 2025 and ends in FY 2026, and any changes will be reflected in the future valuation data. To reflect this change in the 2024 valuation, we relied on the prepared fiscal note during the 2024 Legislative Session and adjusted for interest.
- SHB 1985 (Chapter 255, Laws of 2024) provided PERS Plan 1 and TRS Plan 1 annuitants who are not receiving a basic minimum, alternate minimum, or temporary disability benefit with a one-time permanent 3% increase to their monthly benefit, not to exceed a maximum of $110 per month. We updated our valuation programming to reflect this legislation.
- SSB 6197 (Chapter 304, Laws of 2024) enacts four changes to the LEOFF Plan 2 Retirement System related to death benefits, the definition of "firefighter," managing overpayments, and disability benefits. To reflect this change in the 2024 valuation, we relied on the prepared fiscal note during the 2024 Legislative Session and adjusted for interest.

ENTRY AGE NORMAL ACCRUED LIABILITY RESULTS

Some line items in the EAN accrued liability tables are negative. This is a result of how these benefits are calculated under the EAN actuarial cost method. Under this cost method, the total cost of each benefit provision is divided into annual "pieces" that are spread, or accrued, evenly across a member's working career. The accrued liability for each benefit provision is the difference between (1) today's value of all expected future benefit payments for that benefit definition and (2) the remaining annual "pieces" between the valuation date and a member's last assumed year of work. When item (2) is greater than item (1), the resulting EAN accrued liability is negative. How does this happen? For example, a retirement eligible, active Plan 2 member will not receive a Return of Contributions (ROC) due to termination in our model. Once an active employee is eligible for retirement, we do not assume that that member will terminate and elect an ROC. This means that as of the valuation date item (1) is zero. However, this Plan 2 member is still accruing annual "pieces" of the ROC termination benefit as it is spread through the end of their assumed working career, which means that as of the valuation date item (2) is positive. Therefore, under this actuarial cost method there is a negative EAN accrued liability for this benefit provision when subtracting item (2) from item (1).

COMMENTS ON VALUATION MODEL

As required under ASOP No. 56 – *Modeling*, we share the following comments related to our reliance on the ProVal® software developed by Winklevoss Technologies.

- ❖ We understand this software model was primarily created for use by actuaries when performing valuations and projections of pension and retiree medical plans. The use of the model for this analysis is appropriate given its intended purpose.
- ❖ To assess the general operation of the model, we reviewed the output for reasonableness. This includes comparing the results to our simplified estimates done in Microsoft Excel and examining sample lives to confirm the programming is working as intended. We are not aware of any known weaknesses or limitations of the model that have a material impact on the results.
- ❖ The PFC hires auditors to independently review and replicate the results of rate-setting valuations. This process provides an additional reasonableness check of the model output.

Additionally, we considered how the use of different inputs to the model (e.g., data/assumptions/provisions) produce different results and evaluated the relative impacts to our expectations. This allows us to gain a deeper knowledge of the model's important dependencies and major sensitivities.

SUMMARY OF PLAN PROVISIONS

The summary of key plan provisions used in the actuarial valuation are provided in two sets of tables. The following tables contain plan provisions that can change frequently while the provisions that change less frequently can be found on our Summary of Plan Provisions webpage.

These tables and those on our website present high-level summaries and are not meant to be exhaustive lists. For complete details of plan provisions, please refer to the statutes governing the systems or contact the plan administrator (DRS). In the unlikely event that information contained in these summary tables conflicts with state law, the law takes precedence.

Summary of Frequently Changing Plan Provisions			
PERS	**Plan 1**	**Plan 2**	**Plan 3**
COLA	$2.94* per Month per YOS** on 7/1/25	Lesser of CPI** or 3%	Lesser of CPI** or 3%
Minimum Benefit per Month	$78.74 per YOS on 7/1/25, $2,336.94* for Select Annuitants	N/A	N/A
Material Plan Provision Changes since Last Rate-Setting Valuation	Plan 1 COLA 3% Increase on 7/1/24 (C 255, L 24)	None	None
Significant Plan Provisions Not Included in This Valuation	None	None	None

**Minimum COLA payable to qualified members only; increases by 3% annually. The Uniform COLA was removed under C 362, L 11.*

***Years of Service (YOS).*

****Consumer Price Index (CPI): Urban Wage Earners & Clerical Workers, Seattle-Tacoma-Bellevue, WA — All Items.*

Summary of Frequently Changing Plan Provisions *(Continued)*			
TRS	**Plan 1**	**Plan 2**	**Plan 3**
COLA	$2.94* per Month per YOS on 7/1/25	Lesser of CPI** or 3%	Lesser of CPI** or 3%
Minimum Benefit per Month	$78.74 per YOS on 7/1/25, $2,336.94* for Select Annuitants	N/A	N/A
Material Plan Provision Changes since Last Rate-Setting Valuation	Plan 1 COLA 3% Increase on 7/1/24 (C 255, L 24)	None	None
Significant Plan Provisions Not Included in This Valuation	None	None	None

**Minimum COLA payable to qualified members only; increases by 3% annually. The Uniform COLA was removed under C 362 L 11.*

***CPI: Urban Wage Earners & Clerical Workers, Seattle-Tacoma-Bellevue, WA — All Items.*

Summary of Frequently Changing Plan Provisions *(Continued)*		
SERS	**Plan 2**	**Plan 3**
COLA	Lesser of CPI* or 3%	Lesser of CPI* or 3%
Minimum Benefit per Month	N/A	N/A
Material Plan Provision Changes since Last Rate-Setting Valuation	None	None
Significant Plan Provisions Not Included in This Valuation	None	None

**CPI: Urban Wage Earners & Clerical Workers, Seattle-Tacoma-Bellevue, WA — All Items.*

Summary of Frequently Changing Plan Provisions *(Continued)*	
PSERS	**Plan 2**
COLA	Lesser of CPI* or 3%
Minimum Benefit per Month	N/A
Material Plan Provision Changes since Last Rate-Setting Valuation	Modified the definition of "Veteran" (C 18, L 23) & (C 146, L 24) Expansion of PSERS Eligibility (C 199, L 23) & (C 359, L 24)
Significant Plan Provisions Not Included in This Valuation	None

CPI: Urban Wage Earners & Clerical Workers, Seattle-Tacoma-Bellevue, WA —All Items.

Summary of Frequently Changing Plan Provisions *(Continued)*		
LEOFF	**Plan 1**	**Plan 2**
COLA	Full CPI*	Lesser of CPI* or 3%
Minimum Benefit per Month	N/A	N/A
Material Plan Provision Changes since Last Rate-Setting Valuation	None	Modified the Definition of "Veteran" (C 18, L 23) & (C 146, L 24) Modified Death Benefits, Definition of "Firefighter", Overpayment Management, & Disability Benefits (C 304, L 24)
Significant Plan Provisions Not Included in This Valuation	None	None

CPI: Urban Wage Earners & Clerical Workers, Seattle-Tacoma-Bellevue, WA — All Items.

Summary of Frequently Changing Plan Provisions *(Continued)*		
WSPRS	**Plan 1**	**Plan 2**
COLA	Lesser of CPI* or 3%	Lesser of CPI* or 3%
Minimum Benefit per Month**	$44.19 per YOS on 1/1/25	$44.19 per YOS on 1/1/25
Material Plan Provision Changes since Last Rate-Setting Valuation	Modified the Definition of "Veteran" (C 18, L 23) & (C 146, L 24)	Modified the Definition of "Veteran" (C 18, L 23) & (C 146, L 24)
Significant Plan Provisions Not Included in This Valuation	None	None

CPI: Urban Wage Earners & Clerical Workers, Seattle-Tacoma-Bellevue, WA — All Items.

**Amount increases by 3% annually.*

V. RESOURCES

THE OFFICE OF THE STATE ACTUARY'S WEBSITE

Our website contains additional information and educational material not included in this report. The site also contains an archive of prior AVRs and other recent studies that OSA has produced. The following is a list of materials found on our website that could be useful to the reader.

GLOSSARY

Definitions for frequently used actuarial and pension terms.

AGE DISTRIBUTIONS

Tables summarizing valuation statistics by system, plan, and member/annuitant age as of the latest rate-setting valuation.

HISTORICAL VALUATION DATA

Tables summarizing valuation statistics by retirement system and valuation period.

HISTORICAL VALUATIONS OF THE WASHINGTON RETIREMENT SYSTEMS

Archive of valuations over the past several years.

2023 ECONOMIC EXPERIENCE STUDY

Report examining the long-term economic assumptions.

2023 REPORT ON FINANCIAL CONDITION

Presentation examining the financial health of the retirement systems.

2013-2018 DEMOGRAPHIC EXPERIENCE STUDY

Report examining demographic behavior within each of the retirement systems.

RISK ASSESSMENT

Information examining the effect of unexpected experience on the retirement systems.

COMMENTARY ON RISK

Educational information on the risks inherent in our actuarial measurements and how these measurements could vary under different circumstances.

CONTRIBUTION RATE PROJECTIONS

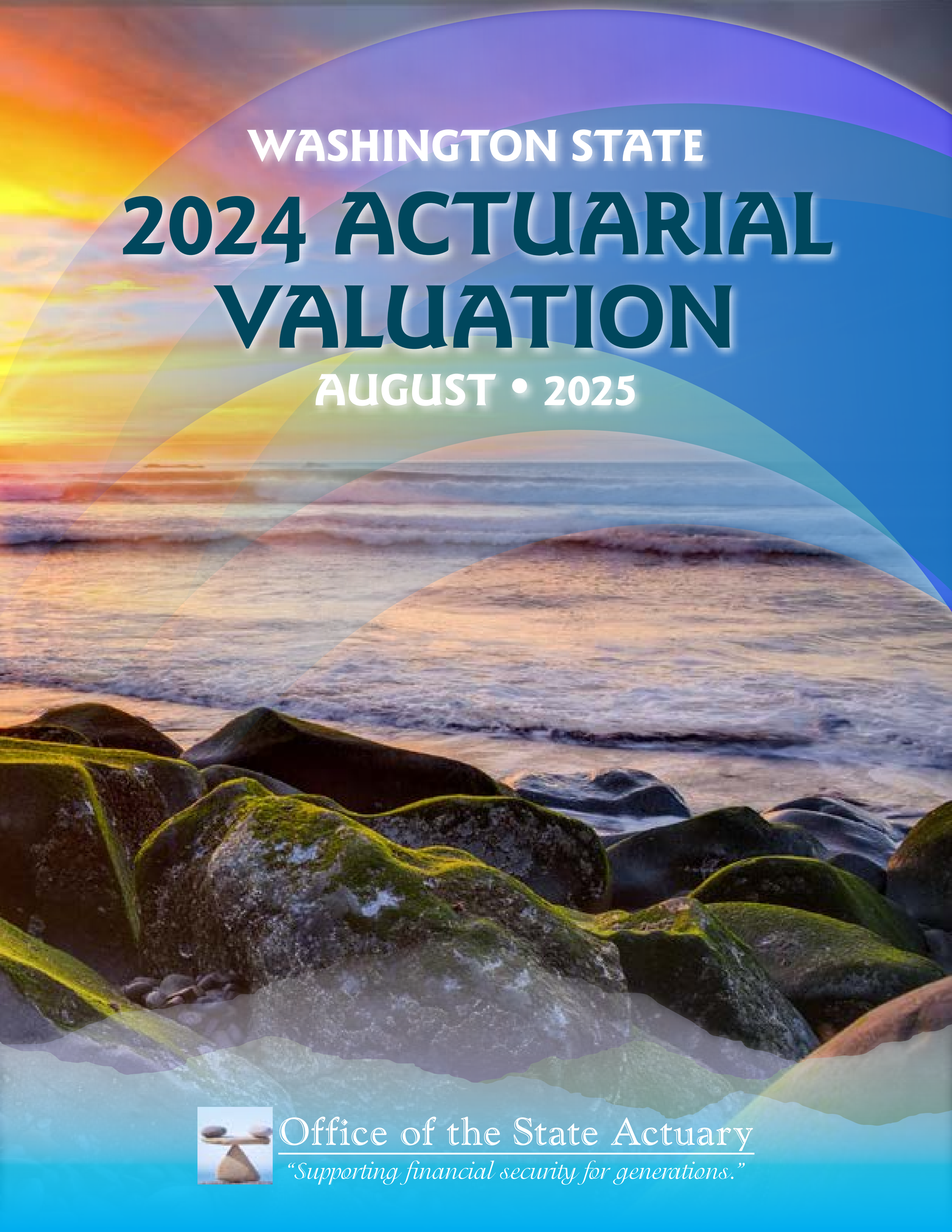
Forecasts for future contribution rates based on projected assets and liabilities.

INTERACTIVE REPORTS

Set of reports displaying funded status and projected benefit payments as of the latest rate-setting valuation.

PENSION EDUCATION

Educational material on Washington State pension plans and the work produced by OSA.



WASHINGTON STATE

2024 ACTUARIAL VALUATION

AUGUST • 2025

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