

SUBCOMMITTEE RECOMMENDATION

Public Employees Retirement System 2024 Preliminary Earnings Crediting

To: Ways and Means Full Committee
From: General Government Subcommittee
Carrier: Representative Gomberg

On February 20th, the General Government Subcommittee received a report from the Public Employees Retirement System on 2024 Preliminary Earnings Crediting.

The PERS Board approved preliminary crediting of \$5.2 billion for calendar year 2024, which increases reserves from \$94.1 billion to \$99.4 billion. This represents a return of 5.54%, which is 1.36% below the assumed earnings rate of 6.9%.

Preliminary earnings crediting is expected to increase the Unfunded Actuarial Liability from \$24 billion to \$25.1 billion, or by \$1.1 billion, and reduce the system's funded status from 77.5% to 77%.

Employer contribution rates for the 2025-27 biennium and will remain unchanged. For the 2027-29 biennium, advisory employer contribution rates will be based on 2024 actual earnings crediting and final adopted rates will be based on 2025 actual earnings.

The General Government Subcommittee recommends acknowledging receipt of the report.