

City of Phoenix Employees' Retirement System

GASB Statement Nos. 67 and 68 Accounting and Financial
Reporting for Pensions
June 30, 2021



Executive Summary as of June 30, 2021

(Amounts in Thousands)

2021

Actuarial Valuation Date	June 30, 2021
Measurement Date of the Net Pension Liability	June 30, 2021
Employer's Fiscal Year Ending Date (Reporting Date)	June 30, 2021

Membership

Number of	
- Retirees and Beneficiaries	7,587
- Inactive, Nonretired Members	1,053
- Active Members	7,969
- Total	16,609
Covered Payroll	\$ 580,451

Net Pension Liability

Total Pension Liability	\$ 4,541,799
Plan Fiduciary Net Position	3,438,027
Net Pension Liability	\$ 1,103,772
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	75.70 %
Net Pension Liability as a Percentage of Covered Payroll	190.16 %

Development of the Single Discount Rate

Single Discount Rate	7.00 %
Long-Term Expected Rate of Investment Return	7.00 %
Long-Term Municipal Bond Rate*	1.92 %
Last year ending June 30 in the 2022 to 2121 projection period for which projected benefit payments are fully funded	2121

Total Pension Expense	\$ 60,877
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Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 15,748	\$ 58,653
Changes in assumptions	0	37,432
Net difference between projected and actual earnings on pension plan investments	102,286	336,453
Total	\$ 118,034	\$ 432,538

*Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of June 30, 2021. In describing this index, Fidelity notes that the municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax exempt securities.

