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SECTION TWO (CONTINUED)

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Required  
Supplementary  
Information Other  
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## STATE OF TEXAS

**Budgetary Comparison Schedule:  
General Fund**

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|  | Budgetary Amounts    |                      | Actual<br>Amounts    | Final<br>to Actual<br>Variance |
|--|----------------------|----------------------|----------------------|--------------------------------|
|  | Original             | Final                |                      |                                |
| <b>REVENUES</b>  |                      |                      |                      |                                |
| Taxes  | \$ 66,024,263        | \$ 66,024,263        | \$ 66,666,523        | \$ 642,260                     |
| Federal  | 64,162,298           | 107,117,255          | 75,240,777           | (31,876,478)                   |
| Licenses, Fees and Permits   | 2,814,054            | 2,934,136            | 3,335,843            | 401,707                        |
| Sales of Goods and Services  | 6,177,514            | 7,853,490            | 5,788,818            | (2,064,672)                    |
| Interest and Other Investment Income   | 162,465              | 162,509              | (139,599)            | (302,108)                      |
| Land Income  | 9,253                | 10,213               | 18,441               | 8,228                          |
| Settlement of Claims   | 648,425              | 649,240              | 627,925              | (21,315)                       |
| Other Revenues   | 8,019,824            | 8,129,311            | 9,522,312            | 1,393,001                      |
| Total Revenues   | <u>148,018,096</u>   | <u>192,880,417</u>   | <u>161,061,040</u>   | <u>(31,819,377)</u>            |
| <b>EXPENDITURES</b>  |                      |                      |                      |                                |
| General Government   | 10,764,461           | 28,001,675           | 5,488,366            | 22,513,309                     |
| Education  | 33,417,051           | 39,541,581           | 35,763,791           | 3,777,790                      |
| Employee Benefits  | 2,840,099            | 553,632              | 20,007               | 533,625                        |
| Teacher Retirement State Contributions   | 3,994,378            | 3,994,378            | 4,266,932            | (272,554)                      |
| Health and Human Services  | 56,307,063           | 87,421,695           | 86,805,942           | 615,753                        |
| Public Safety and Corrections  | 6,349,217            | 9,249,707            | 7,826,722            | 1,422,985                      |
| Transportation   | 50,850               | 133,400              | 244,609              | (111,209)                      |
| Natural Resources and Recreation   | 4,577,688            | 5,281,120            | 3,690,090            | 1,591,030                      |
| Regulatory Services  | 341,914              | 469,113              | 404,528              | 64,585                         |
| Total Expenditures   | <u>118,642,721</u>   | <u>174,646,301</u>   | <u>144,510,987</u>   | <u>30,135,314</u>              |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures                                     | <u>29,375,375</u>    | <u>18,234,116</u>    | <u>16,550,053</u>    | <u>(1,684,063)</u>             |
| <b>OTHER FINANCING SOURCES (USES)</b>  |                      |                      |                      |                                |
| Available Beginning Balances   | 40,821,279           | 40,821,279           | 40,821,279           |                                |
| Sale of Capital Assets   | 9,124                | 10,070               | 12,054               | 1,984                          |
| Insurance Recoveries   | 16,000               | 16,036               | 3,962                | (12,074)                       |
| Transfer In  | 2,747,685            | 2,401,380            | 10,131,260           | 7,729,880                      |
| Transfer Out   | (6,746,201)          | (7,465,761)          | (19,014,571)         | (11,548,810)                   |
| Total Other Financing Sources (Uses)   | <u>36,847,887</u>    | <u>35,783,004</u>    | <u>31,953,984</u>    | <u>(3,829,020)</u>             |
| Excess of Revenues and Other Financing,<br>Sources Over Expenditures and Other<br>Financing Uses | <u>\$ 66,223,262</u> | <u>\$ 54,017,120</u> | <u>\$ 48,504,037</u> | <u>\$ (5,513,083)</u>          |

STATE OF TEXAS

## Budgetary Comparison Schedule: Major Special Revenue Fund – State Highway Fund

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|  | Budgetary Amounts   |                     | Actual<br>Amounts    | Final<br>to Actual<br>Variance |
|--|---------------------|---------------------|----------------------|--------------------------------|
|  | Original            | Final               |                      |                                |
| <b>REVENUES</b>  |                     |                     |                      |                                |
| Taxes  | \$ 5,651,019        | \$ 5,651,019        | \$ 5,810,604         | \$ 159,585                     |
| Federal  | 4,803,138           | 4,803,138           | 4,349,158            | (453,980)                      |
| Licenses, Fees and Permits   | 1,815,728           | 1,815,741           | 1,816,897            | 1,156                          |
| Sales of Goods and Services  | 25,157              | 29,657              | 50,589               | 20,932                         |
| Interest and Other Investment Income   | 19,357              | 19,357              | 54,611               | 35,254                         |
| Land Income  | 20,027              | 20,027              | 30,446               | 10,419                         |
| Settlement of Claims   | 28,358              | 28,358              | 36,949               | 8,591                          |
| Other Revenues   | 294                 | 294                 | 44,088               | 43,794                         |
| Total Revenues   | <u>12,363,078</u>   | <u>12,367,591</u>   | <u>12,193,342</u>    | <u>(174,249)</u>               |
| <b>EXPENDITURES</b>  |                     |                     |                      |                                |
| General Government   | 17,761              | 18,831              | 7,797                | 11,034                         |
| Employee Benefits  | 160,194             | 52,020              |                      | 52,020                         |
| Transportation   | 16,078,438          | 17,326,675          | 12,440,013           | 4,886,663                      |
| Total Expenditures   | <u>16,256,393</u>   | <u>17,397,526</u>   | <u>12,447,810</u>    | <u>4,949,717</u>               |
| Excess (Deficiency) of Revenues  |                     |                     |                      |                                |
| Over (Under) Expenditures  | <u>(3,893,315)</u>  | <u>(5,029,935)</u>  | <u>(254,468)</u>     | <u>4,775,467</u>               |
| <b>OTHER FINANCING SOURCES (USES)</b>  |                     |                     |                      |                                |
| Available Beginning Balances   | 8,029,088           | 8,029,088           | 8,029,088            |                                |
| Sale of Capital Assets   | 9,467               | 9,467               | 3,833                | (5,634)                        |
| Transfer In  | 1,457,260           | 1,457,260           | 4,026,052            | 2,568,792                      |
| Transfer Out   |                     |                     | (752,932)            | (752,932)                      |
| Total Other Financing Sources (Uses)   | <u>9,495,815</u>    | <u>9,495,815</u>    | <u>11,306,041</u>    | <u>1,810,226</u>               |
| Excess of Revenues and Other Financing,<br>Sources Over Expenditures and Other<br>Financing Uses |                     |                     |                      |                                |
|  | <u>\$ 5,602,500</u> | <u>\$ 4,465,880</u> | <u>\$ 11,051,573</u> | <u>\$ 6,585,693</u>            |

## Note to Budgetary Comparison Schedule

The budgetary comparison schedule presents comparisons of the legally adopted budget with actual data on a budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles (GAAP), a reconciliation of these differences is presented in table RSI-1.

Medical Assistance program are not budgeted by the Texas Legislature. The activity for these programs is excluded from the budgetary comparison schedule.

- The beginning cash balances are included as other financing sources in the budgetary comparison schedule. The beginning fund balances are not included as financing sources on the GAAP financial statements.
- **Entity Differences:** Budgets are not established for sources from capital leases. These financing sources are not included in the budgetary comparison schedule.

| <b>Reconciliation of Budgetary Basis to GAAP Basis</b>   |                      |                     |
|--|----------------------|---------------------|
| <b>Table RSI-1</b>   |                      |                     |
| August 31, 2022 (Amounts in Thousands)   |                      |                     |
|  | General Fund         | State Highway Fund  |
| Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses – Actual Budgetary Basis | \$ 48,504,037        | \$ 11,051,573       |
| Basis of Accounting Differences:   |                      |                     |
| Receivables and Unearned Revenues  | 15,026,143           | 9,274               |
| Payables   | (3,194,438)          | (42,655)            |
| Perspective Differences:   |                      |                     |
| Beginning Cash Balances Reported as Other Financing Sources  | (40,821,279)         | (8,029,088)         |
| Revenues and Other Financing Sources Not Budgeted  | 1,456,688            | 16,002              |
| Expenditures and Other Financing Uses Not Budgeted   | (449,751)            | (75,919)            |
| Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses – GAAP Basis             | <u>\$ 20,521,400</u> | <u>\$ 2,929,187</u> |

### Excess of Actual Expenditures over Final Budget

**General fund**–The \$272 million variance in teacher retirement state contributions primarily stems from the Teacher Retirement System distributing one-time payments in fiscal year 2022, that didn't occur in fiscal year 2021, and the increased number of retirees eligible for payments. The \$122 million variance in transportation is primarily attributable to new federal pandemic funding to reimburse expenses in fiscal year 2022.

The major reconciling items between the budgetary comparison schedule actual and the GAAP financial statements are:

- **Basis of Accounting Differences:** Revenues and expenditures are reported on the cash basis of accounting in the budgetary comparison schedule but are reported on the modified accrual basis on the GAAP financial statements. Therefore, unearned revenues, receivables and payables are included as reconciling items.
- **Perspective Differences:** Certain revenues and expenditures, including debt service and the disproportionate share portion of the Federal

### Basis of Budgeting

The state's budget is prepared on a cash basis. The *Texas Constitution* limits appropriations from the state treasury to two years. The Legislative Budget Board (LBB) is required by statute to adopt an estimated rate of growth for the next biennium and calculate a limit on the amount of state tax revenue, not dedicated by the *Texas Constitution* that is available for spending in the next biennium. If the Texas Legislature, by adoption of a resolution approved by a record vote of a majority

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of the members of each house, finds that an emergency exists and identifies the nature of the emergency, the Texas Legislature may provide appropriations in excess of the adopted limit. The Governor's Budget Office and LBB initiate the process by submitting budget requests to the Texas Legislature. At final passage of the *General Appropriations Act* by the Texas Legislature, it is sent to the Texas Comptroller of Public Accounts (Comptroller) for certification. If the Comptroller certifies that appropriated amounts are within the amounts estimated to be available in the affected funds, the bill is sent to the governor. If not certified, the Texas Legislature may pass the bill with a four-fifths majority vote. The governor has the option of vetoing the total bill or specific items of appropriations, but does not have the authority to reduce an item of appropriation. Upon approval by the governor, the bill becomes law and is the budget authority for state agencies to spend state funds. The Comptroller is responsible for controlling, accounting and reporting expenditures in accordance with the expenditure budgets.

### **Legal Level of Budgetary Control**

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The *Texas Constitution* requires the Comptroller to submit a *Biennial Revenue Estimate* to the Texas Legislature prior to each regular session. This document contains an itemized estimate of beginning cash balances, anticipated revenues based on laws then in effect and estimated expenditures from prior appropriations. The *Texas Constitution* also requires the Comptroller to

submit supplementary revenue estimates at any special session of the Texas Legislature and at other necessary times to show probable changes.

The level of legal control for the budget is established at the strategy (line item) level by agency. For example, Highway Patrol and Vehicle Inspection Program are two of the strategies for the Texas Department of Public Safety. The legal level of budgetary control is defined as the level at which the governing body must approve any over-expenditure of appropriations or transfers of appropriated amounts. Agencies are authorized limited transfer authority between strategies, not to exceed 20 percent, by the *General Appropriations Act*. Transfers and expenditures are monitored against the original budget by the Comptroller's office to ensure the agency's authorized budget is not exceeded.

The level of legal control for all agencies is documented in the *Appropriation Summary Report*, which is available by request from the Comptroller's office. This separate document includes budget and actual data by appropriation line item for each state agency. State agencies cannot exceed approved appropriations. In certain emergency situations, the governor may authorize additional appropriations from deficiency and emergency appropriation reserves. Unexpended appropriations generally lapse 60 days after the fiscal year unless they are encumbered during the 60-day lapse period. Other appropriations referred to as reappropriated unexpended balances represent the continuation of a prior year's balances for completion of a program.

## Schedules of Changes in Net Pension Liability and Related Ratios

For each of the fiscal years presented, the measurement date for the information on the schedules of changes in net pension liability and related ratios was the prior fiscal year-end.

The schedules of changes in net pension liability and related ratios for the state's Employees Retirement System of Texas Plan (ERS Plan), Law Enforcement and Custodial Officer Supplemental Retirement Plan (LECOS Plan) and Judicial Retirement System of Texas Plan Two (JRS2 Plan) are presented in tables RSI-2, RSI-3 and RSI-4, respectively.

### Schedule of Changes in Net Pension Liability and Related Ratios<sup>3</sup>

Table RSI-2: Employees Retirement System of Texas Plan

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|  | 2022                | 2021                | 2020                | 2019                | 2018                | 2017                | 2016                | 2015                |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Total Pension Liability</b>   |                     |                     |                     |                     |                     |                     |                     |                     |
| Service Cost   | \$ 2,146,247        | \$ 1,827,864        | \$ 1,346,986        | \$ 1,445,557        | \$ 1,457,263        | \$ 1,146,791        | \$ 1,231,203        | \$ 1,139,451        |
| Interest on the Total Pension Liability                                | 2,376,688           | 2,516,723           | 2,694,084           | 2,559,723           | 2,510,128           | 2,522,625           | 2,373,850           | 2,324,180           |
| Benefit Changes  |                     |                     |                     |                     |                     |                     | (87,835)            |                     |
| Difference between Expected and Actual                                 |                     |                     |                     |                     |                     |                     |                     |                     |
| Experience of the Total Pension Liability                              | (747,551)           | 510,657             | (578,195)           | 91,881              | 115,632             | 133,557             | (284,751)           | (252,967)           |
| Assumption Changes <sup>1</sup>  | (22,817,318)        | 6,366,987           | 8,469,458           | (1,982,914)         | 2,219,672           | 5,301,965           | (3,429,167)         | 1,199,067           |
| Benefit Payments and Refunds   | (2,711,256)         | (2,621,737)         | (2,540,262)         | (2,406,362)         | (2,288,825)         | (2,147,307)         | (2,049,291)         | (1,963,481)         |
| <b>Net Change in Total Pension Liability</b>                           | <b>(21,753,190)</b> | <b>8,600,494</b>    | <b>9,392,071</b>    | <b>(292,115)</b>    | <b>4,013,870</b>    | <b>6,957,631</b>    | <b>(2,245,991)</b>  | <b>2,446,250</b>    |
| <b>Total Pension Liability – Beginning</b>                             | <b>65,936,877</b>   | <b>57,336,383</b>   | <b>47,944,312</b>   | <b>48,236,427</b>   | <b>44,222,557</b>   | <b>37,264,926</b>   | <b>39,510,917</b>   | <b>37,064,667</b>   |
| <b>Total Pension Liability – Ending</b>                                | <b>\$44,183,687</b> | <b>\$65,936,877</b> | <b>\$57,336,383</b> | <b>\$47,944,312</b> | <b>\$48,236,427</b> | <b>\$44,222,557</b> | <b>\$37,264,926</b> | <b>\$39,510,917</b> |
| <b>Plan Fiduciary Net Position</b>                                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Contributions – Employer   | \$ 739,573          | \$ 735,856          | \$ 712,648          | \$ 697,189          | \$ 700,078          | \$ 686,763          | \$ 500,395          | \$ 482,239          |
| Contributions – Member   | 718,357             | 713,985             | 694,789             | 683,933             | 685,461             | 674,678             | 462,160             | 430,595             |
| Pension Plan Net Investment Income                                     | 6,937,215           | 1,791,061           | 758,467             | 2,430,297           | 2,832,628           | 1,273,413           | 56,941              | 3,252,417           |
| Benefit Payments and Refunds   | (2,711,256)         | (2,621,737)         | (2,540,262)         | (2,406,362)         | (2,288,825)         | (2,147,307)         | (2,049,291)         | (1,963,481)         |
| Pension Plan Administrative Expense                                    | (21,852)            | (24,182)            | (27,752)            | (23,550)            | (23,095)            | (20,449)            | (21,840)            | (20,195)            |
| <b>Net Change in Plan Fiduciary Net Position</b>                       | <b>5,662,037</b>    | <b>594,983</b>      | <b>(402,110)</b>    | <b>1,381,507</b>    | <b>1,906,247</b>    | <b>467,098</b>      | <b>(1,051,635)</b>  | <b>2,181,575</b>    |
| <b>Plan Fiduciary Net Position – Beginning</b>                         | <b>27,946,207</b>   | <b>27,351,224</b>   | <b>27,753,334</b>   | <b>26,371,827</b>   | <b>24,465,580</b>   | <b>23,998,482</b>   | <b>25,050,117</b>   | <b>22,868,542</b>   |
| <b>Plan Fiduciary Net Position – Ending</b>                            | <b>\$33,608,244</b> | <b>\$27,946,207</b> | <b>\$27,351,224</b> | <b>\$27,753,334</b> | <b>\$26,371,827</b> | <b>\$24,465,580</b> | <b>\$23,998,482</b> | <b>\$25,050,117</b> |
| <b>Net Pension Liability – Beginning</b>                               | <b>\$37,990,670</b> | <b>\$29,985,159</b> | <b>\$20,190,978</b> | <b>\$21,864,600</b> | <b>\$19,756,977</b> | <b>\$13,266,444</b> | <b>\$14,460,800</b> | <b>\$14,196,125</b> |
| <b>Net Pension Liability – Ending</b>                                  | <b>\$10,575,443</b> | <b>\$37,990,670</b> | <b>\$29,985,159</b> | <b>\$20,190,978</b> | <b>\$21,864,600</b> | <b>\$19,756,977</b> | <b>\$13,266,444</b> | <b>\$14,460,800</b> |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 76.06%              | 42.38%              | 47.70%              | 57.89%              | 54.67%              | 55.32%              | 64.40%              | 63.40%              |
| Covered Payroll <sup>2</sup>   | \$ 7,188,368        | \$ 7,158,435        | \$ 6,947,625        | \$ 6,811,926        | \$ 6,859,707        | \$ 6,742,143        | \$ 6,150,195        | \$ 5,955,461        |
| Net Pension Liability as a Percentage of Covered Payroll               | 147.12%             | 530.71%             | 431.59%             | 296.41%             | 318.74%             | 293.04%             | 215.71%             | 242.82%             |

#### Notes to Schedule:

<sup>1</sup> The change in the total pension liability is due to the change in the single discount rate and included as an assumption change. Assumption changes for fiscal 2017 include the impact of new assumption changes adopted by the Board effective Aug. 31, 2017. Assumption changes for fiscal 2020 include the impact of new assumption changes adopted by the Board effective Aug. 31, 2020. Assumption changes for fiscal 2022 include changes due to moving from a fixed contribution rate structure to an actuarially determined structure.

<sup>2</sup> The covered payroll is the payroll on which contributions to pension plan are based for the measurement period.

<sup>3</sup> This schedule is intended to present 10 years of information. Currently only eight years of information are available. Information for future years will be added when it becomes available.

## Schedule of Changes in Net Pension Liability and Related Ratios<sup>3</sup>

**Table RSI-3: Law Enforcement and Custodial Officer Supplemental Retirement Plan**

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|  | 2022                | 2021                | 2020                | 2019                | 2018                | 2017                | 2016                | 2015                |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Total Pension Liability</b>   |                     |                     |                     |                     |                     |                     |                     |                     |
| Service Cost   | \$ 91,246           | \$ 96,690           | \$ 71,926           | \$ 79,309           | \$ 99,390           | \$ 71,429           | \$ 57,459           | \$ 54,528           |
| Interest on the Total Pension Liability  | 82,146              | 86,012              | 96,086              | 91,171              | 82,236              | 88,410              | 87,222              | 88,025              |
| Difference between Expected and Actual Experience of the Total Pension Liability | (27,962)            | (1,841)             | (54,148)            | (21,651)            | (17,532)            | (21,657)            | (9,640)             | (76,585)            |
| Assumption Changes <sup>1</sup>  | 82,179              | 158,946             | 427,818             | (87,015)            | (144,398)           | 375,371             | 148,114             | 68,228              |
| Benefit Payments and Refunds   | (91,669)            | (86,706)            | (82,250)            | (75,633)            | (69,756)            | (64,540)            | (61,344)            | (57,147)            |
| <b>Net Change in Total Pension Liability</b>                                     | <b>135,940</b>      | <b>253,101</b>      | <b>459,432</b>      | <b>(13,819)</b>     | <b>(50,060)</b>     | <b>449,013</b>      | <b>221,811</b>      | <b>77,049</b>       |
| <b>Total Pension Liability – Beginning</b>                                       | <b>2,862,456</b>    | <b>2,609,355</b>    | <b>2,149,923</b>    | <b>2,163,742</b>    | <b>2,213,802</b>    | <b>1,764,789</b>    | <b>1,542,978</b>    | <b>1,465,929</b>    |
| <b>Total Pension Liability – Ending</b>  | <b>\$ 2,998,396</b> | <b>\$ 2,862,456</b> | <b>\$ 2,609,355</b> | <b>\$ 2,149,923</b> | <b>\$ 2,163,742</b> | <b>\$ 2,213,802</b> | <b>\$ 1,764,789</b> | <b>\$ 1,542,978</b> |
| <b>Plan Fiduciary Net Position</b>   |                     |                     |                     |                     |                     |                     |                     |                     |
| Contributions – Employer   | \$ 20,294           | \$ 22,293           | \$ 25,864           | \$ 26,110           | \$ 26,583           | \$ 27,497           | \$ 26,728           | \$ 27,758           |
| Contributions – Member   | 9,078               | 8,950               | 9,098               | 9,275               | 9,583               | 9,539               | 8,376               | 8,180               |
| Pension Plan Net Investment Income   | 232,795             | 61,098              | 26,250              | 84,937              | 99,341              | 44,831              | 1,918               | 111,741             |
| Benefit Payments and Refunds   | (91,669)            | (86,706)            | (82,250)            | (75,633)            | (69,756)            | (64,540)            | (61,344)            | (57,147)            |
| Pension Plan Administrative Expense  | (1,781)             | (1,933)             | (2,167)             | (1,851)             | (1,811)             | (1,421)             | (1,412)             | (1,324)             |
| <b>Net Change in Plan Fiduciary Net Position</b>                                 | <b>168,717</b>      | <b>3,702</b>        | <b>(23,205)</b>     | <b>42,838</b>       | <b>63,940</b>       | <b>15,906</b>       | <b>(25,734)</b>     | <b>89,208</b>       |
| <b>Plan Fiduciary Net Position – Beginning</b>                                   | <b>947,324</b>      | <b>943,622</b>      | <b>966,827</b>      | <b>923,989</b>      | <b>860,049</b>      | <b>844,143</b>      | <b>869,877</b>      | <b>780,669</b>      |
| <b>Plan Fiduciary Net Position – Ending</b>                                      | <b>\$ 1,116,041</b> | <b>\$ 947,324</b>   | <b>\$ 943,622</b>   | <b>\$ 966,827</b>   | <b>\$ 923,989</b>   | <b>\$ 860,049</b>   | <b>\$ 844,143</b>   | <b>\$ 869,877</b>   |
| <b>Net Pension Liability – Beginning</b>   | <b>1,915,132</b>    | <b>1,665,733</b>    | <b>1,183,096</b>    | <b>1,239,753</b>    | <b>1,353,753</b>    | <b>920,646</b>      | <b>673,101</b>      | <b>685,260</b>      |
| <b>Net Pension Liability – Ending</b>  | <b>\$ 1,882,355</b> | <b>\$ 1,915,132</b> | <b>\$ 1,665,733</b> | <b>\$ 1,183,096</b> | <b>\$ 1,239,753</b> | <b>\$ 1,353,753</b> | <b>\$ 920,646</b>   | <b>\$ 673,101</b>   |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability           | 37.22%              | 33.09%              | 36.16%              | 44.97%              | 42.70%              | 38.85%              | 47.83%              | 56.38%              |
| Covered Payroll <sup>2</sup>   | \$ 1,586,537        | \$ 1,662,147        | \$ 1,682,633        | \$ 1,689,590        | \$ 1,746,349        | \$ 1,725,880        | \$ 1,506,028        | \$ 1,496,013        |
| Net Pension Liability as a Percentage of Covered Payroll                         | 118.65%             | 115.22%             | 99.00%              | 70.02%              | 70.99%              | 78.44%              | 61.13%              | 44.99%              |

### Notes to Schedule:

<sup>1</sup> The change in the total pension liability is due to the change in the single discount rate and included as an assumption change.

Assumption changes for fiscal 2017 include the impact of new assumption changes adopted by the Board effective Aug. 31, 2017.

Assumption changes for fiscal 2020 include the impact of new assumption changes adopted by the Board effective Aug. 31, 2020.

<sup>2</sup> The covered payroll is the payroll on which contributions to pension plan are based for the measurement period.

<sup>3</sup> This schedule is intended to present 10 years of information. Currently only eight years of information are available.

Information for future years will be added when it becomes available.

## Schedule of Changes in Net Pension Liability and Related Ratios<sup>3</sup>

Table RSI-4: Judicial Retirement System of Texas Plan Two

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|  | 2022              | 2021              | 2020              | 2019              | 2018              | 2017              | 2016              | 2015              |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Total Pension Liability</b>   |                   |                   |                   |                   |                   |                   |                   |                   |
| Service Cost   | \$ 37,434         | \$ 28,965         | \$ 16,415         | \$ 16,056         | \$ 20,420         | \$ 19,429         | \$ 16,244         | \$ 17,805         |
| Interest on the Total Pension Liability  | 32,800            | 35,247            | 36,104            | 34,440            | 31,671            | 30,980            | 30,786            | 28,004            |
| Benefit Changes  |                   |                   | (1,019)           |                   |                   |                   |                   |                   |
| Difference between Expected and Actual Experience of the Total Pension Liability | (1,793)           | (12,695)          | 26,592            | (1,463)           | 5,091             | (5,833)           | (10,067)          | (640)             |
| Assumption Changes <sup>1</sup>  | (86,361)          | 113,895           | 111,656           |                   | (56,699)          | 23,396            | 35,653            | (25,924)          |
| Benefit Payments and Refunds   | (35,142)          | (32,041)          | (29,220)          | (24,866)          | (23,361)          | (21,154)          | (19,238)          | (16,420)          |
| <b>Net Change in Total Pension Liability</b>                                     | <u>(53,062)</u>   | <u>133,371</u>    | <u>160,528</u>    | <u>24,167</u>     | <u>(22,878)</u>   | <u>46,818</u>     | <u>53,378</u>     | <u>2,825</u>      |
| <b>Total Pension Liability – Beginning</b>                                       | <u>781,670</u>    | <u>648,299</u>    | <u>487,771</u>    | <u>463,604</u>    | <u>486,482</u>    | <u>439,664</u>    | <u>386,286</u>    | <u>383,461</u>    |
| <b>Total Pension Liability – Ending</b>  | <u>\$ 728,608</u> | <u>\$ 781,670</u> | <u>\$ 648,299</u> | <u>\$ 487,771</u> | <u>\$ 463,604</u> | <u>\$ 486,482</u> | <u>\$ 439,664</u> | <u>\$ 386,286</u> |
| <b>Plan Fiduciary Net Position</b>   |                   |                   |                   |                   |                   |                   |                   |                   |
| Contributions – Employer   | \$ 14,322         | \$ 14,186         | \$ 13,100         | \$ 12,560         | \$ 12,495         | \$ 12,374         | \$ 12,457         | \$ 12,211         |
| Contributions – Member   | 8,759             | 8,634             | 6,463             | 5,940             | 6,017             | 5,754             | 5,465             | 5,195             |
| Pension Plan Net Investment Income   | 120,145           | 30,632            | 12,832            | 39,192            | 44,875            | 19,862            | 820               | 46,186            |
| Benefit Payments and Refunds   | (35,142)          | (32,041)          | (29,220)          | (24,866)          | (23,361)          | (21,155)          | (19,238)          | (16,420)          |
| Pension Plan Administrative Expense  | (235)             | (273)             | (363)             | (296)             | (295)             | (225)             | (284)             | (267)             |
| <b>Net Change in Plan Fiduciary Net Position</b>                                 | <u>107,849</u>    | <u>21,138</u>     | <u>2,812</u>      | <u>32,530</u>     | <u>39,731</u>     | <u>16,610</u>     | <u>(780)</u>      | <u>46,905</u>     |
| <b>Plan Fiduciary Net Position – Beginning</b>                                   | <u>477,331</u>    | <u>456,193</u>    | <u>453,381</u>    | <u>420,851</u>    | <u>381,120</u>    | <u>364,510</u>    | <u>365,290</u>    | <u>318,385</u>    |
| <b>Plan Fiduciary Net Position – Ending</b>                                      | <u>\$ 585,180</u> | <u>\$ 477,331</u> | <u>\$ 456,193</u> | <u>\$ 453,381</u> | <u>\$ 420,851</u> | <u>\$ 381,120</u> | <u>\$ 364,510</u> | <u>\$ 365,290</u> |
| <b>Net Pension Liability – Beginning</b>   | <u>\$ 304,339</u> | <u>\$ 192,106</u> | <u>\$ 34,390</u>  | <u>\$ 42,753</u>  | <u>\$ 105,362</u> | <u>\$ 75,154</u>  | <u>\$ 20,996</u>  | <u>\$ 65,076</u>  |
| <b>Net Pension Liability – Ending</b>  | <u>\$ 143,428</u> | <u>\$ 304,339</u> | <u>\$ 192,106</u> | <u>\$ 34,390</u>  | <u>\$ 42,753</u>  | <u>\$ 105,362</u> | <u>\$ 75,154</u>  | <u>\$ 20,996</u>  |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability           | 80.31%            | 61.07%            | 70.37%            | 92.95%            | 90.78%            | 78.34%            | 82.91%            | 94.56%            |
| Covered Payroll <sup>2</sup>   | \$ 89,583         | \$ 88,579         | \$ 79,711         | \$ 78,772         | \$ 78,190         | \$ 78,261         | \$ 77,501         | \$ 77,441         |
| Net Pension Liability as a Percentage of Covered Payroll                         | 160.11%           | 343.58%           | 241.00%           | 43.66%            | 54.68%            | 134.63%           | 96.97%            | 27.11%            |

### Notes to Schedule:

<sup>1</sup> The change in the total pension liability is due to the change in the single discount rate and included as an assumption change. Assumption changes for fiscal 2017 include the impact of new assumption changes adopted by the Board effective Aug. 31, 2017. Assumption changes for fiscal 2020 include the impact of new assumption changes adopted by the Board effective Aug. 31, 2020.

<sup>2</sup> The covered payroll is the payroll on which contributions to pension plan are based for the measurement period.

<sup>3</sup> This schedule is intended to present 10 years of information. Currently only eight years of information are available. Information for future years will be added when it becomes available.



## Schedules of Changes in Total Pension Liability and Related Ratios

The measurement date for the information on the schedule of changes in total pension liability and related ratios was the prior fiscal year-end.

The schedules of changes in total pension liability and related ratios for the state's Judicial Retirement System Plan One (JRS1 Plan) and Physician's Referral Service Supplemental Retirement Plan and Retirement Benefit Plan (SRP/RBP) are presented in tables RSI-5 and RSI-6, respectively.

### Schedule of Changes in Total Pension Liability and Related Ratios<sup>3,4</sup>

Table RSI-5: Judicial Retirement System of Texas Plan One

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|  | 2022              | 2021              | 2020              | 2019              | 2018              | 2017              |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Total Pension Liability</b>   |                   |                   |                   |                   |                   |                   |
| Service Cost   | \$ 307            | \$ 222            | \$ 319            | \$ 411            | \$ 378            | \$ 357            |
| Interest on the Total Pension Liability  | 5,142             | 6,186             | 9,032             | 9,071             | 8,977             | 11,265            |
| Difference between Expected and Actual Experience of the Total Pension Liability | (5,425)           | (3,862)           | (15,327)          | (1,643)           | (718)             | 5,488             |
| Assumption Changes <sup>2</sup>  | 7,040             | 2,195             | 17,173            | (5,968)           | (35,858)          | 26,760            |
| Benefit Payments and Refunds   | (18,712)          | (19,941)          | (21,479)          | (23,057)          | (24,281)          | (25,536)          |
| <b>Net Change in Total Pension Liability</b>                                     | <u>(11,648)</u>   | <u>(15,200)</u>   | <u>(10,282)</u>   | <u>(21,186)</u>   | <u>(51,502)</u>   | <u>18,334</u>     |
| <b>Total Pension Liability – Beginning</b>                                       | <u>229,874</u>    | <u>245,074</u>    | <u>255,356</u>    | <u>276,542</u>    | <u>328,044</u>    | <u>309,710</u>    |
| <b>Total Pension Liability – Ending</b>  | <u>\$ 218,226</u> | <u>\$ 229,874</u> | <u>\$ 245,074</u> | <u>\$ 255,356</u> | <u>\$ 276,542</u> | <u>\$ 328,044</u> |
| Covered Payroll <sup>1</sup>   | \$ 140            | \$ 180            | \$ 335            | \$ 449            | \$ 591            | \$ 577            |
| Total Pension Liability as a Percentage of Covered Payroll                       | 155,875.62%       | 127,884.19%       | 73,179.28%        | 56,868.89%        | 46,820.01%        | 56,891.02%        |

#### Notes to Schedule:

<sup>1</sup> The covered payroll is the actual annual payroll for the fiscal year as reported by ERS.

<sup>2</sup> The change in the total pension liability is due to the change in the single discount rate and included as an assumption change.

Assumption changes for fiscal 2017 include the impact of new assumption changes adopted by the Board effective Aug. 31, 2017.

Assumption changes for fiscal 2020 include the impact of new assumption changes adopted by the Board effective Aug. 31, 2020.

<sup>3</sup> There are no assets accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 73 to pay related benefits.

<sup>4</sup> This schedule is intended to present 10 years of information. Currently only six years of information are available.

Information for future years will be added when it becomes available.

## Schedule of Changes in Total Pension Liability and Related Ratios<sup>3, 4</sup>

### Table RSI-6: Physicians Referral Service Supplemental Retirement Plan and Retirement Benefit Plan

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|  | 2022         | 2021         |
|--|--------------|--------------|
| <b>Total Pension Liability</b>                             |              |              |
| Service Cost   | \$ 37,989    | \$ 32,368    |
| Interest on the Total Pension Liability                    | 22,899       | 28,255       |
| Assumption Changes <sup>2</sup>                            | 5,813        | 71,350       |
| Benefit Payments and Refunds                               | (47,006)     | (49,249)     |
| <b>Net Change in Total Pension Liability</b>               | 19,695       | 82,724       |
| <b>Total Pension Liability – Beginning</b>                 | 1,026,357    | 943,633      |
| <b>Total Pension Liability – Ending</b>                    | \$ 1,046,052 | \$ 1,026,357 |
| <br>   |              |              |
| Covered Payroll <sup>1</sup>                               | \$ 549,501   | \$ 520,631   |
| Total Pension Liability as a Percentage of Covered Payroll | 190.36%      | 197.14%      |

**Notes to Schedule:**

<sup>1</sup> The covered payroll is based on the participants' base salary for the fiscal year.

<sup>2</sup> Included Changes in Assumptions or Other Inputs: Assumptions changes reflect the changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal 2022 - 2.14%  
Fiscal 2021 - 2.20%

<sup>3</sup> There are no assets accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 73 to pay related benefits.

<sup>4</sup> This schedule is intended to present 10 years of information. Currently only two years of information are available.

### Schedules of Proportionate Share of Net Pension Liability

For each of the fiscal years presented, the measurement date for the information on the schedules of proportionate share of net pension liability was the prior fiscal year-end.

The schedules of proportionate share of the net pension liability for the state's Teacher Retirement System of Texas Plan (TRS Plan) for the state as an employer and as a nonemployer contributing entity are presented in tables RSI-7 and RSI-8, respectively.

## Schedule of Proportionate Share of Net Pension Liability<sup>2</sup>

**Table RSI-7: Teacher Retirement System of Texas Plan - State as Employer**

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|   | 2022 <sup>1</sup> | 2021         | 2020         | 2019         | 2018         | 2017         | 2016         | 2015         |
|---|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| State's proportion of the net pension liability   | 16.66%            | 16.76%       | 17.65%       | 16.42%       | 15.55%       | 14.86%       | 14.11%       | 16.97%       |
| State's proportionate share of the net pension liability  | \$ 4,241,505      | \$ 8,974,942 | \$ 9,176,758 | \$ 9,035,830 | \$ 4,974,134 | \$ 5,615,188 | \$ 4,989,195 | \$ 4,534,735 |
| State's covered payroll   | \$ 8,306,727      | \$ 8,132,532 | \$ 7,984,972 | \$ 7,165,045 | \$ 6,551,021 | \$ 6,054,185 | \$ 5,426,660 | \$ 6,221,452 |
| State's proportionate share of the net pension liability as a percentage of its covered payroll | 51.08%            | 110.36%      | 114.93%      | 126.11%      | 75.93%       | 92.75%       | 91.94%       | 72.89%       |
| Plan fiduciary net position as a percentage of the total pension liability                      | 88.79%            | 75.54%       | 75.24%       | 73.74%       | 82.17%       | 78.00%       | 78.43%       | 83.25%       |

**Notes to Schedule:**

<sup>1</sup> The state's proportionate share of the net pension liability for the state as an employer consists of \$1,021,565 reported in governmental activity and \$3,219,941 reported in business-type activity.

<sup>2</sup> This schedule is intended to present 10 years of information. Currently only eight years of information are available. Information for future years will be added when it becomes available.

## Schedule of Proportionate Share of Net Pension Liability<sup>1</sup>

**Table RSI-8: Teacher Retirement System of Texas Plan - State as Nonemployer Contributing Entity**

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|  | 2022          | 2021          | 2020          | 2019          | 2018          | 2017          | 2016          | 2015          |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| State's proportion of the net pension liability                            | 50.16%        | 51.09%        | 49.65%        | 50.96%        | 51.82%        | 52.74%        | 53.75%        | 60.37%        |
| State's proportionate share of the net pension liability                   | \$ 12,773,904 | \$ 27,362,962 | \$ 25,811,347 | \$ 28,051,905 | \$ 16,568,177 | \$ 19,929,042 | \$ 18,998,983 | \$ 16,129,760 |
| Plan fiduciary net position as a percentage of the total pension liability | 88.79%        | 75.54%        | 75.24%        | 73.74%        | 82.17%        | 78.00%        | 78.43%        | 83.25%        |

<sup>1</sup> This schedule is intended to present 10 years of information. Currently only eight years of information are available. Information for future years will be added when it becomes available.

The schedule of proportionate share of the net pension liability for the Texas Emergency Services Retirement System Plan (TESRS Plan) for the state as a nonemployer contributing entity is presented in table RSI-9.

## Schedule of Proportionate Share of Net Pension Liability<sup>1</sup>

**Table RSI-9: Texas Emergency Services Retirement System Plan - State as Nonemployer Contributing Entity**

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|  | 2022     | 2021     | 2020     | 2019     | 2018     | 2017      | 2016     | 2015     |
|--|----------|----------|----------|----------|----------|-----------|----------|----------|
| State's proportion of the net pension liability                            | 27.56%   | 28.51%   | 29.66%   | 27.75%   | 32.75%   | 34.57%    | 34.66%   | 33.79%   |
| State's proportionate share of the net pension liability                   | \$ 2,953 | \$ 7,188 | \$ 8,408 | \$ 6,009 | \$ 7,860 | \$ 10,070 | \$ 9,252 | \$ 6,140 |
| Plan fiduciary net position as a percentage of the total pension liability | 93.10%   | 83.20%   | 80.20%   | 84.30%   | 81.40%   | 76.30%    | 76.90%   | 83.50%   |

<sup>1</sup> This schedule is intended to present 10 years of information. Currently only eight years of information are available. Information for future years will be added when it becomes available.

## Schedules of Employer Contributions Related to Pension

The information on the schedules of employer contributions was determined as of the end of the fiscal years presented.

The schedules of employer contributions comparing the actuarially determined contributions and the contributions recognized by the pension plan in relation to the actuarially determined contributions for the state's ERS, LECOS and JRS2 Plans are presented in tables RSI-10, RSI-11 and RSI-12, respectively.

### Schedule of Employer Contributions<sup>4</sup>

**Table RSI-10: Employees Retirement System of Texas Plan**

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|   | 2022         | 2021         | 2020       | 2019       | 2018       | 2017       | 2016       | 2015       | 2014       |
|---|--------------|--------------|------------|------------|------------|------------|------------|------------|------------|
| Actuarially determined contributions <sup>1</sup>                     | \$ 1,259,883 | \$ 1,148,701 | \$ 985,001 | \$ 946,266 | \$ 933,915 | \$ 713,528 | \$ 679,806 | \$ 737,111 | \$ 727,892 |
| Contributions in relation to the actuarially determined contributions | 1,259,883    | 739,573      | 735,856    | 712,648    | 697,189    | 700,078    | 686,763    | 500,395    | 482,239    |
| Contribution deficiency (excess)                                      |              | 409,128      | 249,145    | 233,618    | 236,726    | 13,450     | (6,957)    | 236,716    | 245,653    |
| Covered payroll <sup>3</sup>  | 7,205,608    | 7,188,368    | 7,158,435  | 6,947,625  | 6,811,926  | 6,859,707  | 6,742,143  | 6,150,195  | 5,955,461  |
| Contributions as a percentage of covered payroll <sup>2</sup>         | 17.48%       | 10.29%       | 10.28%     | 10.26%     | 10.23%     | 10.21%     | 10.19%     | 8.14%      | 8.10%      |

### Notes to Schedule of Contributions

**Valuation Date** Actuarially determined contribution rates are calculated as of Aug. 31 of the fiscal year. Provisions of the Legacy Payment structure adopted during the 2021 legislative session were reflected in disclosures for the 2022 fiscal year.

#### Methods and Assumptions Used to Determine Contribution Rates

|                               |  |
|-------------------------------|--|
| Actuarial Cost Method         | Entry Age Normal   |
| Amortization Method           | Level Percentage of Payroll, plus Level Dollar Legacy Payment  |
| Remaining Amortization Period | UAAL to be eliminated by 2054  |
| Asset Valuation Method        | Marked to market as of Aug. 31, 2017. Future gains and losses each recognized over closed five-year period, with allowance of direct offsetting of deferrals by subsequent gains or losses.  |
| Inflation                     | 2.30%  |
| Salary Increases              | 0.00% to 8.80%   |
| Investment Rate of Return     | 7.00%  |
| Retirement Age                | Experience-based table of rates that are specific to the class of employee. Updated for the 2020 valuation pursuant to an experience study of the five-year period from Sept. 1, 2014 through Aug. 31, 2019.   |
| Mortality                     | 2020 State Retirees of Texas mortality table. Generational mortality improvements in accordance with the ultimate rates from the scale most recently published by Retirement Plans Experience Committee of the Society of Actuaries (Scale U-MP) and projected from the year 2020. Rates for male LECO members are set forward one year. |

#### Other Information:

<sup>1</sup> Actuarially determined contributions are adjusted for actual payroll and administrative expenses.

<sup>2</sup> Members and employers contribute based on statutorily fixed rates.

<sup>3</sup> The covered payroll is the payroll on which contributions to pension plan are based for the fiscal year being reported.

<sup>4</sup> This schedule is intended to present 10 years of information. Currently only nine years of information are available. Information for future years will be added when it becomes available.

## Schedule of Employer Contributions<sup>4</sup>

**Table RSI-11: Law Enforcement and Custodial Officer Supplemental Retirement Plan**

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|  | 2022      | 2021      | 2020      | 2019      | 2018      | 2017      | 2016      | 2015      | 2014      |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Actuarially determined contributions <sup>1</sup>                        | \$ 62,803 | \$ 59,019 | \$ 56,679 | \$ 54,854 | \$ 53,560 | \$ 45,332 | \$ 43,167 | \$ 38,131 | \$ 40,205 |
| Contributions in relation to the<br>actuarially determined contributions | 21,428    | 20,294    | 22,294    | 25,864    | 26,110    | 26,583    | 27,497    | 26,728    | 27,758    |
| Contribution deficiency  | 41,375    | 38,725    | 34,385    | 28,990    | 27,450    | 18,749    | 15,670    | 11,403    | 12,447    |
| Covered payroll <sup>3</sup>   | 1,581,950 | 1,586,537 | 1,662,147 | 1,682,633 | 1,689,590 | 1,746,349 | 1,725,880 | 1,506,028 | 1,496,013 |
| Contributions as a percentage of<br>covered payroll <sup>2</sup>         | 1.35%     | 1.28%     | 1.34%     | 1.54%     | 1.55%     | 1.52%     | 1.59%     | 1.77%     | 1.86%     |

### Notes to Schedule of Contributions

**Valuation Date** Actuarially determined contribution rates are calculated as of Aug. 31 of the fiscal year. A new set of assumptions were adopted for the Aug. 31, 2021 actuarial valuation and are first reflected for the actuarially determined employer contribution determined for the fiscal year ending 2022.

#### Methods and Assumptions Used to Determine Contribution Rates

|                               |  |
|-------------------------------|--|
| Actuarial Cost Method         | Entry Age Normal   |
| Amortization Method           | Level Percentage of Payroll, Open  |
| Remaining Amortization Period | 31 years   |
| Asset Valuation Method        | Marked to market as of Aug. 31, 2017. Future gains and losses each recognized over closed five-year period, with allowance of direct offsetting of deferrals by subsequent gains or losses.  |
| Inflation                     | 2.3%   |
| Salary Increases              | 3.75% to 8.50%   |
| Investment Rate of Return     | 7.00%  |
| Retirement Age                | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the five-year period from Sept. 1, 2014 through Aug. 31, 2019.  |
| Mortality                     | 2020 State Retirees of Texas mortality table. Generational mortality improvements in accordance with the ultimate rates from the scale most recently published by Retirement Plans Experience Committee of the Society of Actuaries (Scale U-MP) and projected from the year 2020. Rates for male LECO members are set forward one year. |

#### Other Information:

<sup>1</sup> Actuarially determined contributions are adjusted for actual payroll and administrative expenses.

<sup>2</sup> Members and employers contribute based on statutorily fixed rates.

<sup>3</sup> The covered payroll is the payroll on which contributions to pension plan are based for the fiscal year being reported.

<sup>4</sup> This schedule is intended to present 10 years of information. Currently only nine years of information are available. Information for future years will be added when it becomes available.

## Schedule of Employer Contributions<sup>4</sup>

**Table RSI-12: Judicial Retirement System of Texas Plan Two**

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|   | 2022      | 2021      | 2020      | 2019      | 2018      | 2017      | 2016      | 2015      | 2014      |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Actuarially determined contributions <sup>1</sup>                     | \$ 21,346 | \$ 21,383 | \$ 16,343 | \$ 13,057 | \$ 12,934 | \$ 12,444 | \$ 12,896 | \$ 13,107 | \$ 13,449 |
| Contributions in relation to the actuarially determined contributions | 14,385    | 14,322    | 14,186    | 13,100    | 12,560    | 12,494    | 12,374    | 12,457    | 12,211    |
| Contribution deficiency (excess)                                      | 6,961     | 7,061     | 2,157     | (43)      | 374       | (50)      | 522       | 650       | 1,238     |
| Covered payroll <sup>3</sup>  | 90,028    | 89,583    | 88,579    | 79,711    | 78,772    | 78,190    | 78,261    | 77,501    | 77,441    |
| Contributions as a percentage of covered payroll <sup>2</sup>         | 15.98%    | 15.99%    | 16.02%    | 16.43%    | 15.94%    | 15.98%    | 15.81%    | 16.07%    | 15.77%    |

### Notes to Schedule of Contributions

**Valuation Date** Actuarially determined contribution rates are calculated as of Aug. 31 of the fiscal year. A new set of assumptions were adopted for the Aug. 31, 2021 actuarial valuation and are first reflected for the actuarially determined employer contribution determined for the fiscal year ending 2022.

#### Methods and Assumptions Used to Determine Contribution Rates

|                               |  |
|-------------------------------|--|
| Actuarial Cost Method         | Entry Age Normal   |
| Amortization Method           | Level Percentage of Payroll, Open  |
| Remaining Amortization Period | 31 years   |
| Asset Valuation Method        | Marked to market as of Aug. 31, 2017. Future gains and losses each recognized over closed five-year period, with allowance of direct offsetting of deferrals by subsequent gains or losses.  |
| Inflation                     | 2.3%   |
| Salary Increases              | 2.30%  |
| Investment Rate of Return     | 7.00%  |
| Retirement Age                | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the five-year period from Sept. 1, 2014 through Aug. 31, 2019.  |
| Mortality                     | 2020 State Retirees of Texas mortality table. Generational mortality improvements in accordance with the ultimate rates from the scale most recently published by Retirement Plans Experience Committee of the Society of Actuaries (Scale U-MP) and projected from the year 2020. |

#### Other Information:

<sup>1</sup> Actuarially determined contributions are adjusted for actual payroll and administrative expenses.

<sup>2</sup> Members and employers contribute based on statutorily fixed rates.

<sup>3</sup> The covered payroll is the payroll on which contributions to pension plan are based for the fiscal year being reported.

<sup>4</sup> This schedule is intended to present 10 years of information. Currently only nine years of information are available. Information for future years will be added when it becomes available.

The schedules of employer contributions comparing the statutorily required contributions and the contributions recognized by the pension plan in relation to the statutorily required contributions for the state's TRS Plan for the state as an employer and as a nonemployer contributing entity are presented in tables RSI-13 and RSI-14, respectively.

## Schedule of Employer Contributions<sup>1</sup>

**Table RSI-13: Teacher Retirement System of Texas Plan - State as Employer**

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|   | 2022       | 2021       | 2020       | 2019       | 2018       | 2017       | 2016       | 2015       | 2014       |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Statutorily required contributions                                  | \$ 832,399 | \$ 703,233 | \$ 683,487 | \$ 612,078 | \$ 516,850 | \$ 495,500 | \$ 466,216 | \$ 417,698 | \$ 430,321 |
| Contributions in relation to the statutorily required contributions | 832,399    | 703,233    | 683,487    | 612,078    | 516,850    | 495,500    | 466,216    | 417,698    | 430,321    |
| Contribution deficiency (excess)                                    | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          |
| Covered payroll   | 8,774,868  | 8,355,310  | 8,567,320  | 7,425,351  | 6,789,858  | 6,257,506  | 5,750,539  | 5,408,293  | 6,221,452  |
| Contributions as a percentage of covered payroll                    | 9.49%      | 8.42%      | 7.98%      | 8.24%      | 7.61%      | 7.92%      | 8.11%      | 7.72%      | 6.92%      |

<sup>1</sup> This schedule is intended to present 10 years of information. Currently only nine years of information are available. Information for future years will be added when it becomes available.

## Schedule of Employer Contributions<sup>1</sup>

**Table RSI-14: Teacher Retirement System of Texas Plan - State as Nonemployer Contributing Entity**

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|   | 2022         | 2021         | 2020         | 2019         | 2018         | 2017         | 2016         | 2015         | 2014         |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Statutorily required contributions                                  | \$ 2,153,483 | \$ 2,140,553 | \$ 2,107,999 | \$ 1,737,853 | \$ 1,715,785 | \$ 1,697,963 | \$ 1,675,631 | \$ 1,591,483 | \$ 1,530,624 |
| Contributions in relation to the statutorily required contributions | 2,153,483    | 2,140,553    | 2,107,999    | 1,737,853    | 1,715,785    | 1,697,963    | 1,675,631    | 1,591,483    | 1,530,624    |
| Contribution deficiency (excess)                                    | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            |

<sup>1</sup> This schedule is intended to present 10 years of information. Currently only nine years of information are available. Information for future years will be added when it becomes available.



The schedule of contributions comparing the statutorily required contributions and the contributions recognized by the pension plan in relation to the statutorily required contributions for TESRS plan for the state as a nonemployer contributing entity is presented in table RSI-15.

## Schedule of Employer Contributions<sup>2</sup>

### Table RSI-15: Texas Emergency Services Retirement System Plan - State as Nonemployer Contributing Entity

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|  | 2022     | 2021     | 2020     | 2019     | 2018     | 2017     | 2016     | 2015     | 2014     |
|--|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Statutorily required contributions   | \$ 1,263 | \$ 1,329 | \$ 1,329 | \$ 1,329 | \$ 1,329 | \$ 1,584 | \$ 1,584 | \$ 1,637 | \$ 1,530 |
| Contributions in relation to the statutorily required contributions <sup>1</sup> | 1,263    | 1,329    | 1,329    | 1,329    | 1,329    | 1,584    | 1,584    | 1,637    | 1,530    |
| Contribution deficiency (excess)   | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |

**Notes to Schedule:**

<sup>1</sup> Texas Emergency Services Retirement System was appropriated \$1,329 in the following fiscal years 2018-2021.

<sup>2</sup> This schedule is intended to present 10 years of information. Currently only nine years of information is available. Information for future years will be added when it becomes available.

## Schedules of Proportionate Share of Net OPEB Liability

For each of the fiscal years presented, the measurement date for the information on the schedules of proportionate share of net OPEB liability was the prior fiscal year-end.

The schedule of proportionate share of the net OPEB liability for the state's Employees Retirement System of Texas State Retiree Health Plan (SRHP) for the state as an employer and as a nonemployer contributing entity is presented in table RSI-16.

### Schedule of Proportionate Share of Net OPEB Liability<sup>1</sup>

**Table RSI-16: State Retiree Health Plan**

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|   | 2022 <sup>6</sup>    | 2021 <sup>5</sup>    | 2020 <sup>4</sup>    | 2019 <sup>3</sup>    | 2018 <sup>2</sup>    |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| State as employer proportion of the net OPEB liability  | 85.32%               | 85.34%               | 85.41%               | 85.44%               | 89.45%               |
| <b>Proportionate Shares of the Net OPEB Liability</b>   |                      |                      |                      |                      |                      |
| State as employer   | \$ 30,608,879        | \$ 28,199,026        | \$ 29,518,613        | \$ 25,323,500        | \$ 30,477,926        |
| State as nonemployer contributing entity  | <u>2,197,472</u>     | <u>2,023,621</u>     | <u>2,183,063</u>     | <u>1,821,019</u>     | <u>1,637,246</u>     |
| Total net OPEB liability recognized by the state  | <u>\$ 32,806,351</u> | <u>\$ 30,222,647</u> | <u>\$ 31,701,676</u> | <u>\$ 27,144,519</u> | <u>\$ 32,115,172</u> |
| State's covered-employee payroll  | \$ 10,738,672        | \$ 10,799,504        | \$ 10,522,049        | \$ 10,293,511        | \$ 10,506,048        |
| State's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll | 285.03%              | 261.11%              | 280.54%              | 246.01%              | 290.10%              |
| Plan fiduciary net position as a percentage of the total OPEB liability                               | 0.38%                | 0.32%                | 0.17%                | 1.30%                | 2.00%                |

#### Notes to Schedule:

<sup>1</sup> This schedule is intended to present 10 years of information. Currently only five years of information are available. Information for future years will be added when it becomes available.

<sup>2</sup> Changes in assumptions for measurement year ended Aug. 31, 2017 include (a) demographic assumptions (including rates of retirement, disability, termination, and mortality, assumed salary increases and assumed age difference for future retirees and their spouses for select classes of State Agency members), (b) assumed aggregate payroll increases and rate of general inflation, (c) discount rate increased from 2.84% to 3.51%, (d) percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and their spouses who will elect to participate in the plan at the earliest date at which coverage can commence, (e) proportion of future retirees covering dependent children, (f) percentage of members assumed to be married and electing coverage for their spouse, and (g) assumptions for Expenses, Assumed Per Capita Health Benefit Costs and Health Benefit Cost Retiree Contribution, and Expense trends.

<sup>3</sup> Changes in assumptions for measurement year ended Aug. 31, 2018 include (a) demographic assumptions (including rates of retirement, disability, termination, and mortality, and assumed salary increases) for Higher Education members, (b) discount rate increased from 3.51% to 3.96%, (c) percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and their spouses who will elect to participate in the plan at the earliest date at which coverage can commence, (d) percentage of members assumed to be married and electing coverage for their spouse, and (e) assumptions for Expenses, Assumed Per Capita Health Benefit Costs and Health Benefit Cost Retiree Contribution, and Expense trends.

<sup>4</sup> Changes in assumptions for measurement year ended Aug. 31, 2019 include (a) discount rate decreased from 3.96% to 2.97%, (b) percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and their spouses who will elect to participate in the plan at the earliest date at which coverage can commence, (c) percentage of male members assumed to be married and electing coverage for their spouse, (d) percentage of future retirees and future retiree spouses assumed to use tobacco, and (e) assumptions for Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends.

<sup>5</sup> Changes in assumptions for measurement year ended Aug. 31, 2020 include (a) demographic assumptions (including rates of retirement, termination and mortality and assumed salary increases for select classes of State Agency members), (b) assumed aggregate payroll increases and rate of general inflation, (c) discount rate decreased from 2.97% to 2.20%, (d) percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and their spouses who will elect to participate in the plan at the earliest date at which coverage can commence, (e) percentage of female members assumed to be married and electing coverage for their spouse, (f) proportion of future retirees assumed to cover dependent children, (g) assumed PCORI fees and (h) assumptions for Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends.

<sup>6</sup> Changes in assumptions for measurement year ended Aug. 31, 2021 include (a) discount rate decreased from 2.20% to 2.14%, (b) percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and their spouses who will elect to participate in the plan at the earliest date at which coverage can commence, (c) percentage of members assumed to be married and electing coverage for their spouse, (d) proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement, (e) the percentage of Higher Education vested terminated members assumed to have terminated less than one year before the valuation date, (f) the annual rate of increase in the Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act and (g) assumptions for Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends. In addition, the assumption for expenses directly related to the payment of GBP HealthSelect medical benefits has been updated to reflect recent contract revisions.

The schedule of proportionate share of the net OPEB liability for the state's Teacher Retirement System of Texas Public School Retired Employees Group Insurance Program (TRS-Care) for the state as a nonemployer contributing entity is presented in table RSI-17.

## Schedule of Proportionate Share of Net OPEB Liability<sup>3</sup>

**Table RSI-17: TRS-Care Plan - State as Nonemployer Contributing Entity**

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|   | 2022          | 2021          | 2020          | 2019          | 2018          |
|---|---------------|---------------|---------------|---------------|---------------|
| State's proportion of the net OPEB liability                            | 57.26%        | 57.33%        | 57.05%        | 57.43%        | 58.44%        |
| State's proportionate share of the net OPEB liability <sup>1,2</sup>    | \$ 22,088,083 | \$ 21,795,060 | \$ 26,983,897 | \$ 28,673,029 | \$ 25,413,891 |
| Plan fiduciary net position as a percentage of the total OPEB liability | 6.18%         | 4.99%         | 2.66%         | 1.57%         | 0.91%         |

### Notes to Schedule:

<sup>1</sup> Changes of assumptions include:

- 2021 change in assumption assumed a discount rate change from 2.33% as of Aug. 31, 2020 to 1.95% as of Aug. 31, 2021,
- 2020 change in assumption assumed a discount rate change from 2.63% as of Aug. 31, 2019 to 2.33% as of Aug. 31, 2020, lowering the participation rate assumption for employees who retire after the age of 65, and lowering the ultimate health care trend assumption to reflect the repeal of the excise (Cadillac) tax on high-cost employer health plans.
- 2019 change in assumption assumed a discount rate change from 3.69% as of Aug. 31, 2018 to 2.63% as of Aug. 31, 2019, lower participation rates, and updates to the health care trend assumptions as of Aug. 31, 2019.
- 2018 change in assumption assumed an updated health care trend assumption, revised demographic and economic assumptions based on the TRS experience study and a discount rate change from 3.42% as of Aug. 31, 2017 to 3.69% as of Aug. 31, 2018.
- 2017 change in assumption assumed a discount rate change from 2.98% as of Aug. 31, 2016 to 3.42% as of Aug. 31, 2017, and assumed Medicare Part D reimbursements will continue (removing the phase out assumption).

<sup>2</sup> Changes of benefit terms—effective Jan. 1, 2018, only one health plan option is offered and all retirees are required to contribute monthly premiums for coverage.

<sup>3</sup> This schedule is intended to present 10 years of information. Currently only five years of information are available. Information for future years will be added when it becomes available.

## Schedule of Changes in Total OPEB Liability and Related Ratios

The measurement date for the information on the schedule of changes in total OPEB liability and related ratios is presented in each of the following tables for both plans.

The schedule of changes in total OPEB liability and related ratios for the state's Texas A&M University System Retiree Group Insurance Program (A&M Plan) and University of Texas System Employee Group Insurance Program (UT Plan) are presented in tables RSI-18 and RSI-19, respectively.

| <b>Schedule of Changes in Total OPEB Liability and Related Ratios<sup>1,4</sup></b>   |                            |                            |                            |                            |                            |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <b>Table RSI-18: Texas A&amp;M University System Plan</b>   |                            |                            |                            |                            |                            |
| For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)  |                            |                            |                            |                            |                            |
|   | <b>2022</b>                | <b>2021</b>                | <b>2020</b>                | <b>2019</b>                | <b>2018</b>                |
| <b>Measurement Date</b>   | Sept. 1, 2021              | Sept. 1, 2020              | Sept. 1, 2019              | Sept. 1, 2018              | Sept. 1, 2017              |
| <b>Total OPEB Liability</b>   |                            |                            |                            |                            |                            |
| Service Cost  | \$ 193,377                 | \$ 149,149                 | \$ 127,112                 | \$ 173,615                 | \$ 248,902                 |
| Interest on the Total OPEB Liability  | 101,058                    | 115,360                    | 137,392                    | 163,593                    | 159,723                    |
| Changes of benefit terms  |                            |                            |                            | (1,050,344)                |                            |
| Difference between Expected and Actual Experience in the measurement of the Total OPEB Liability  | (373,018)                  |                            | (111,380)                  |                            | (95,295)                   |
| Changes of assumptions or other inputs <sup>3</sup>   | 552,762                    | 473,101                    | 309,034                    | (361,071)                  | (1,128,792)                |
| Benefit Payments (employer) <sup>2</sup>  | <u>(75,817)</u>            | <u>(69,061)</u>            | <u>(70,025)</u>            | <u>(71,054)</u>            | <u>(73,981)</u>            |
| <b>Net Change in Total OPEB Liability</b>   | <b>398,362</b>             | <b>668,549</b>             | <b>392,133</b>             | <b>(1,145,261)</b>         | <b>(889,443)</b>           |
| <b>Total OPEB Liability – Beginning</b>   | <u>4,438,095</u>           | <u>3,769,546</u>           | <u>3,377,413</u>           | <u>4,522,674</u>           | <u>5,412,117</u>           |
| <b>Total OPEB Liability – Ending</b>  | <u><b>\$ 4,836,457</b></u> | <u><b>\$ 4,438,095</b></u> | <u><b>\$ 3,769,546</b></u> | <u><b>\$ 3,377,413</b></u> | <u><b>\$ 4,522,674</b></u> |
| Covered-Employee Payroll  | \$ 1,738,640               | \$ 1,833,341               | \$ 1,770,957               | \$ 1,619,640               | \$ 1,607,611               |
| Total OPEB Liability as a Percentage of Covered-Employee Payroll  | 278.17%                    | 242.08%                    | 212.85%                    | 208.53%                    | 281.33%                    |
| <b>Notes to Schedule:</b>   |                            |                            |                            |                            |                            |
| <sup>1</sup> There are no assets accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75 to pay related benefits.  |                            |                            |                            |                            |                            |
| <sup>2</sup> Included Changes in benefit terms: Adopted in Jan. 2018 and effective Jan. 1, 2019, prescription drug coverage for all Medicare-primary participants is provided through a self-funded Employer Group Waiver Plan with Commercial Wrap (EGWP plus Wrap).   |                            |                            |                            |                            |                            |
| <sup>3</sup> Included Changes in Assumptions or Other Inputs: Changes of assumptions and other inputs reflect the changes in the discount rate each period. The following are the discount rates used in each period:<br>Fiscal 2022 - 2.14%<br>Fiscal 2021 - 2.20%<br>Fiscal 2020 - 2.97%<br>Fiscal 2019 - 3.96%<br>Fiscal 2018 - 3.51%<br>Fiscal 2017 - 2.84%   |                            |                            |                            |                            |                            |
| In fiscal 2018, amounts reflect a 1-percentage-point decrease in the assumed rate of general inflation and adjustments to assumptions for expenses, assumed per capita health benefit costs and assumed trend for health benefit costs, retiree contributions and expenses. In fiscal 2019, the Assumed Per Capital Health Benefit Costs were updated to reflected the changes in benefit terms due to the implementation of EGWP plus Wrap. In fiscal 2020, amounts reflect updated assumed rates of retirement, disability, termination and mortality, assumed inflation and salary increases, assumed expenses, assumed per capita health benefit costs and assumed trend for health benefit costs, retiree contributions and expenses. In fiscal 2022, amounts reflect updated assumed rates of participation by eligible terminated employees as a result of A&M System being their last state employer, adjustments to assumptions for expenses, assumed per capital health benefit costs and assumed trend for health benefit costs and retiree contributions. |                            |                            |                            |                            |                            |
| <sup>4</sup> This schedule is intended to present 10 years of information. Currently only five years of information are available. Information for future years will be added when it becomes available.  |                            |                            |                            |                            |                            |

## Schedule of Changes in Total OPEB Liability and Related Ratios<sup>1,4</sup>

### Table RSI-19: University of Texas System Plan

For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)

|  | 2022                | 2021 <sup>3</sup>   | 2020                | 2019                | 2018                |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Measurement Date</b>  | Dec. 31, 2021       | Dec. 31, 2020       | Dec. 31, 2019       | Dec. 31, 2018       | Dec. 31, 2017       |
| <b>Total OPEB Liability</b>  |                     |                     |                     |                     |                     |
| Service Cost   | \$ 864,121          | \$ 700,647          | \$ 593,495          | \$ 692,255          | \$ 737,751          |
| Interest on the Total OPEB Liability   | 325,444             | 350,396             | 556,673             | 498,239             | 552,440             |
| Difference between Expected and Actual Experience in the Measurement of the Total OPEB Liability | 196,327             |                     | (112,255)           |                     | (177,101)           |
| Changes of assumptions or other inputs <sup>2</sup>  | 2,173,265           | 1,552,998           | 601,825             | (1,805,442)         | (1,012,995)         |
| Benefit Payments (employer)  | (221,214)           | (187,994)           | (191,309)           | (193,743)           | (177,742)           |
| <b>Net Change in Total OPEB Liability</b>  | <u>3,337,943</u>    | <u>2,416,047</u>    | <u>1,448,429</u>    | <u>(808,691)</u>    | <u>(77,647)</u>     |
| <b>Total OPEB Liability – Beginning</b>  | <u>14,597,602</u>   | <u>12,181,555</u>   | <u>13,079,604</u>   | <u>13,888,295</u>   | <u>13,965,942</u>   |
| <b>Total OPEB Liability – Ending</b>   | <u>\$17,935,545</u> | <u>\$14,597,602</u> | <u>\$14,528,033</u> | <u>\$13,079,604</u> | <u>\$13,888,295</u> |
| Covered-Employee Payroll   | \$ 9,457,442        | \$ 6,791,262        | \$ 6,425,556        | \$ 6,062,198        | \$ 5,820,998        |
| Total OPEB Liability as a Percentage of Covered-Employee Payroll                                 | 189.64%             | 214.95%             | 226.10%             | 215.76%             | 238.59%             |

#### Notes to Schedule:

<sup>1</sup> There are no assets accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75 to pay related benefits.

<sup>2</sup> Included Changes in Assumptions or Other Inputs: Changes of assumptions and other inputs reflect the changes in the discount rate each period. The following are the discount rates used in each period:

- Fiscal 2022 - 2.06%
- Fiscal 2021 - 2.12%
- Fiscal 2020 - 2.74%
- Fiscal 2019 - 4.10%
- Fiscal 2018 - 3.44%
- Fiscal 2017 - 3.78%

In fiscal 2018, amounts reflect a 1-percentage-point decrease in the assumed rate of general inflation and adjustments to assumptions for expenses, assumed per capita health benefit costs and assumed trend for health benefit costs, retiree contributions and expenses.

In fiscal 2020, amounts reflect updated assumed rates of retirement, disability, termination and mortality, and assumed inflation and salary increases, adjustments to assumptions for expenses, percentage of future retirees assumed to be married and electing coverage for their spouse, proportion of future retirees covering dependent children, percentage of future retirees and future retiree spouses assumed to use tobacco, percentage of future Service Retirees assumed to elect health coverage at retirement and remain covered until death, assumed per capita health benefit costs and assumed trend for health benefit costs and retiree contributions.

In fiscal 2022, amounts reflect adjustments to assumptions for expenses, assumed per capita health benefit costs and assumed trend for health benefit costs and retiree contributions.

<sup>3</sup> The Total OPEB Liability (TOL) was revised to reflect changes resulting from data corrections and a related modification to the last state employer assumption for terminated employees eligible for OPEB. The impact of this revision on the TOL was reflected in the fiscal 2020 total OPEB expense.

<sup>4</sup> This schedule is intended to present 10 years of information. Currently only five years of information are available. Information for future years will be added when it becomes available.

## Schedules of Employer Contributions Related to OPEB

The information on the schedules of employer contributions was determined as of the end of the fiscal years presented.

The schedule of employer contributions comparing the statutorily required contributions and the contributions recognized by the OPEB plan in relation to the statutorily required contributions for the SRHP plan for the state as an employer is presented in table RSI-20.

| <b>Schedule of Employer Contributions<sup>1</sup></b>               |             |             |             |             |             |             |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Table RSI-20: State Retiree Health Plan - State as Employer</b>  |             |             |             |             |             |             |
| For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)    |             |             |             |             |             |             |
|   | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>2018</b> | <b>2017</b> |
| Statutorily required contributions                                  | \$ 577,892  | \$ 631,381  | \$ 614,312  | \$ 330,295  | \$ 288,822  | \$ 837,982  |
| Contributions in relation to the statutorily required contributions | 577,892     | 631,381     | 614,312     | 330,295     | 288,822     | 837,982     |
| Contribution deficiency (excess)                                    | 0           | 0           | 0           | 0           | 0           | 0           |
| Covered-employer payroll  | 10,864,723  | 10,740,744  | 10,808,345  | 10,526,653  | 10,776,055  | 10,506,048  |
| Contributions as a percentage of covered-employee payroll           | 5.80%       | 6.42%       | 6.23%       | 3.43%       | 2.70%       | 7.98%       |

<sup>1</sup> This schedule is intended to present 10 years of information. Currently only five years of information are available. Information for future years will be added when it becomes available.

The schedule of employer contributions comparing the state as a nonemployer contributing entity's proportionate share of the net OPEB liability and contributions recognized in the SRHP plan is presented in table RSI-21.

| <b>Schedule of Employer Contributions<sup>1</sup></b>                                     |              |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|
| <b>Table RSI-21: State Retiree Health Plan - State as Nonemployer Contributing Entity</b> |              |              |              |              |              |
| For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)                          |              |              |              |              |              |
|   | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019</b>  | <b>2018</b>  |
| State's proportionate share of the net OPEB liability                                     | \$ 2,197,472 | \$ 2,023,621 | \$ 2,183,063 | \$ 1,821,019 | \$ 1,637,246 |
| Contributions recognized by the OPEB plan during the fiscal year                          | \$ 45,128    | \$ 49,362    | \$ 48,140    | \$ 19,884    | \$ 45,016    |

<sup>1</sup> This schedule is intended to present 10 years of information. Currently only five years of information are available. Information for future years will be added when it becomes available.

The schedule of contributions comparing the statutorily required contributions and the contributions recognized by the OPEB plan in relation to the statutorily required contributions for TRS-Care plan for the state as a nonemployer contributing entity is presented in table RSI-22.

| <b>Schedule of Employer Contributions<sup>1</sup></b>                         |            |            |            |            |            |            |
|---|------------|------------|------------|------------|------------|------------|
| <b>Table RSI-22: TRS-Care Plan - State as Nonemployer Contributing Entity</b> |            |            |            |            |            |            |
| For the Fiscal Year Ended August 31, 2022 (Amounts in Thousands)              |            |            |            |            |            |            |
|   | 2022       | 2021       | 2020       | 2019       | 2018       | 2017       |
| Statutorily required contributions  | \$ 451,341 | \$ 452,858 | \$ 666,526 | \$ 478,578 | \$ 790,189 | \$ 319,320 |
| Contributions in relation to the statutorily required contributions           | 451,341    | 452,858    | 666,526    | 478,578    | 790,189    | 319,320    |
| Contribution deficiency (excess)  | 0          | 0          | 0          | 0          | 0          | 0          |

<sup>1</sup> This schedule is intended to present 10 years of information. Currently only six years of information are available. Information for future years will be added when it becomes available.

## Significant Factors Affecting the Comparability of Amounts Reported

### Pension Plans

The state implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*, in fiscal 2015. The state implemented GASB Statement No. 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*, in fiscal 2017. Paragraph 7 of GASB Statement No. 82 is not applicable to the state. All pension schedules related to ERS, LECOS, JRS2, TRS and TESRS plans present information in accordance with the GASB Statement No. 68 and 82 standards. The state implemented GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, in fiscal 2017. Pension schedule for JRS1 plan presents information in accor-

dance with GASB Statement No. 73. The state implemented GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, in fiscal 2022. Pension schedules related to the SRP/RBP plan present information in accordance with GASB Statement No. 73 and 97 standards.

More detailed information on each pension plans' actuarial methods, assumptions and benefits may be obtained from Note 9.

### OPEB Plans

The state implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, in fiscal 2018.

More detailed information on each OPEB plans' actuarial methods, assumptions and benefits may be obtained from Note 11.