

TACOMA EMPLOYEES' RETIREMENT SYSTEM (TERS) ANNUAL FINANCIAL REPORT, AS OF 12/31/2022

This report has been designed to provide a summary of information for the Tacoma Employees' Retirement System (TERS) as of December 31, 2022.

It includes a summary of the System, financial and actuarial information, asset allocation, as well as the administrative organization

Further details on the plan and its financial and actuarial status can be found in the Annual Comprehensive Financial Report, available at the website www.cityoftacoma.org/ters.

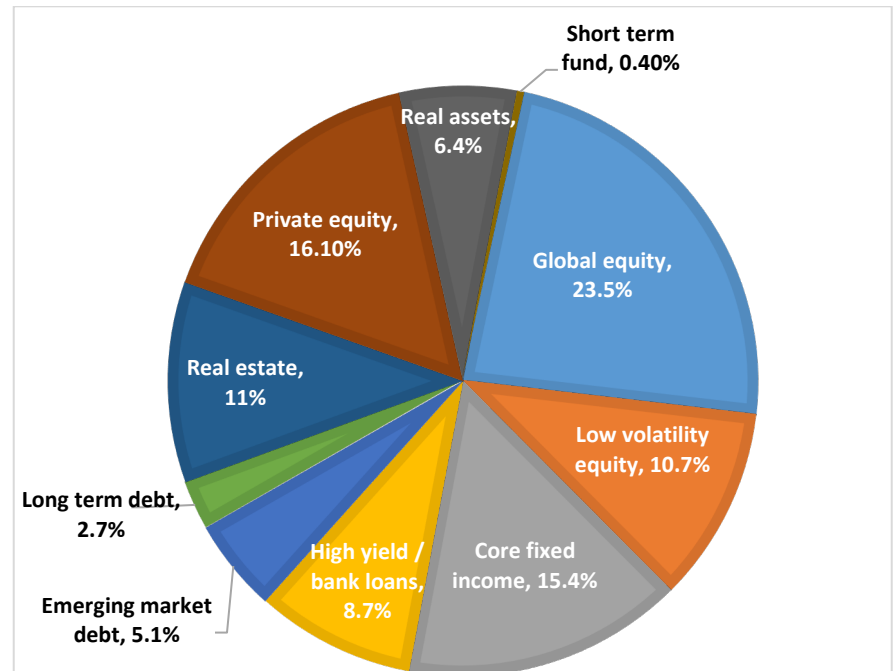
The Board of Administration conducts its monthly meeting on the second Thursday of the month. These meetings are open to the public, and held at the Tacoma Public Utilities Building, Room ABN-LT1. Please see the TERS website for information about the date and time of the next meeting.

If you have any questions regarding the Retirement System, please feel free to contact the Retirement Office at **(253) 502-8200**, or by email at TERSretirement@cityoftacoma.org.

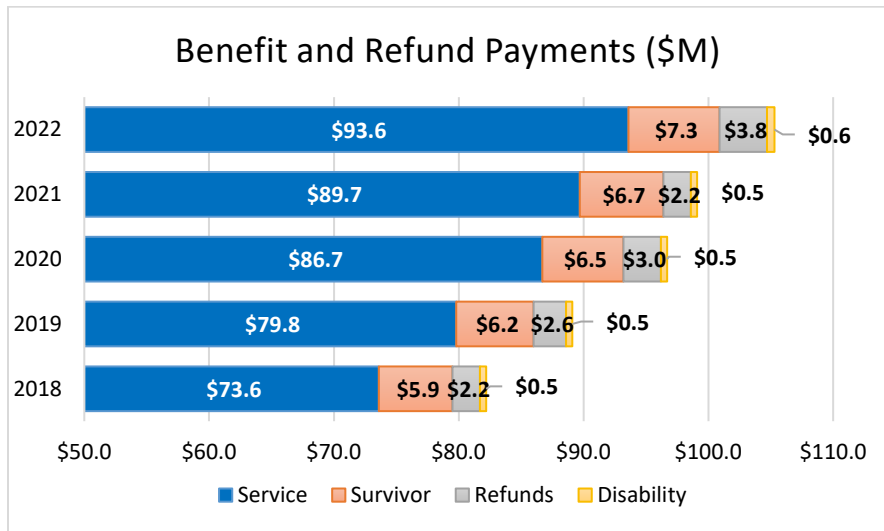
2022 Key Statistics

Membership	Active Members	3,201
	Benefit Recipients	2,765
	Terminated	918
Plan Assets	Fiduciary Net Position	\$2.0 B
Inflows/ Outflows	Benefits Paid	\$105.2 M
	Administrative Expense	\$2.3 M
	Member Contributions	\$29.9 M
	Employer Contributions	\$34.0 M
Financial	Funded Ratio	99.9%
	Investment Rate of Return	-8.02%

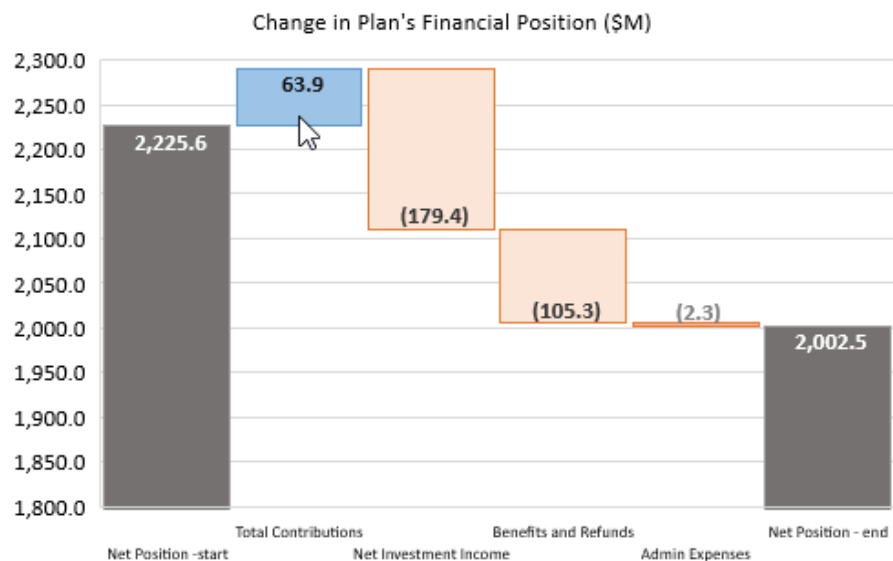
2022 Asset Allocation



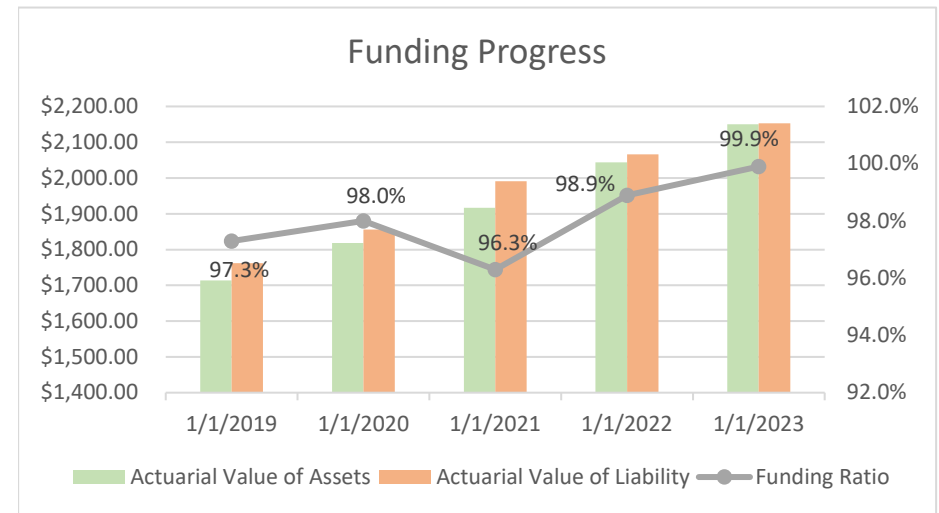
1. The below chart shows payments made by TERS in the past five calendar years, broken out by category. As can be seen, payments have grown significantly over this timeframe.



2. The next chart shows the net change in the TERS's asset base, by showing contributions (in blue) and investment losses, benefits and administrative expenses (in orange). In 2022, decreases outweighed increases, and the plan's financial position declined.



3. The final chart shows the actuarial liabilities and assets of the plan, as well as the funding ratio, which is actuarial assets divided by actuarial liabilities. A pension fund is considered well-funded when its assets are projected to meet future benefit payments, but this is dependent upon assumptions in the actuarial projections being accurate.



4. Finally, it is important to note the Tacoma Employees' Retirement System is organized under the Municipal Code of the City of Tacoma for the purpose of providing a uniform program of retirement, disability, and death benefits. The System is administered by the Board of Administration.

Board of Administration	
Mayor and Chair	Victoria Woodward
Director of Finance	Andrew Cherullo
Designee of the City Manager	Kathryn Johnston
Designee of TPU Director	James Sant
Employee Representative	Justin Angove
	Samuel Bencotter
	Gordon Cavanaugh
Retiree Representative	Kim Moore
Alternative Board Member	Wayne Reed
Resident Representative	Michael Hall