

***Via Electronic Mail***

March 12, 2024

Mr. Jon Salstrom  
Cincinnati Retirement System  
801 Plum Street, Suite 328  
Cincinnati, Ohio 45202

***Re: Schedule of Funded Ratios***

Dear Jon:

As requested, we have prepared the Schedule of Funded Ratios in compliance with the Collaborative Settlement Agreement based on the projection model accompanying the December 31, 2022 actuarial valuation. The funded ratios reflect the actuarial liabilities divided by the actuarial value of assets projected as of each of the December 31 measurement dates shown below. We have shown the projected funded ratios on the attachments under three scenarios:

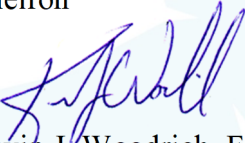
- Scenario A: City contributions increased incrementally to level needed for System to be fully funded as of December 31, 2045 (17.00% of full-time payroll increasing by 1.10% per year until 41.20% of full-time payroll)
- Scenario B: City contributions increased to level needed for System to be fully funded as of December 31, 2045 (27.40% of full-time payroll effective July 1, 2024)
- Scenario C: City contributions continue at current level (17.00% of full-time payroll)

The projected funded ratios in the attachment assume that all the assumptions in the December 31, 2022 actuarial valuation are realized. As advised by the System, we have reflected an assumed investment return of 11.7% for 2023 and 7.50% for all future years thereafter. In addition to the ongoing City contribution rate on full-time payroll, all projections reflect the City's contributions totaling \$2.7 million annually (last amount to be paid July 2035) for the Early Retirement Incentive Program and the \$2.0 million lump sum from the General Fund made in July 2023. Future projections may differ significantly from those presented in this letter due to such factors as the following: Plan experience differing from that anticipated by the assumptions, changes in assumptions, and changes in Plan provisions or applicable law.

In preparing these projections, we relied on the same census data, assumptions and methods used in performing the December 31, 2022 valuation. All the caveats in that report still apply.

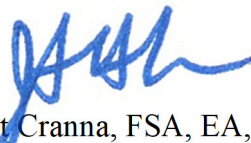
If you have any questions, please let us know.

Sincerely,  
Cheiron



Kevin J. Woodrich, FSA, EA, MAAA  
Principal Consulting Actuary

Attachment



Janet Cranna, FSA, EA, MAAA, FCA  
Principal Consulting Actuary

## ATTACHMENT

Calendar Year	Scenario A		Scenario B		Scenario C (Current)	
	City Contribution Rate (% of Full-Time Payroll) as of July 1,	Funded Ratio as of December 31,	City Contribution Rate (% of Full-Time Payroll) as of July 1,	Funded Ratio as of December 31,	City Contribution Rate (% of Full-Time Payroll) as of July 1,	Funded Ratio as of December 31,
2023	17.00%	68.8%	17.00%	68.8%	17.00%	68.8%
2024	18.10%	67.6%	27.40%	68.0%	17.00%	67.5%
2025	19.20%	66.4%	27.40%	67.7%	17.00%	66.2%
2026	20.30%	63.9%	27.40%	66.0%	17.00%	63.4%
2027	21.40%	63.8%	27.40%	66.8%	17.00%	62.9%
2028	22.50%	63.4%	27.40%	67.1%	17.00%	61.9%
2029	23.60%	63.2%	27.40%	67.6%	17.00%	60.9%
2030	24.70%	63.0%	27.40%	68.1%	17.00%	59.9%
2031	25.80%	63.1%	27.40%	68.8%	17.00%	58.8%
2032	26.90%	63.4%	27.40%	69.6%	17.00%	57.6%
2033	28.00%	63.8%	27.40%	70.6%	17.00%	56.4%
2034	29.10%	64.6%	27.40%	71.7%	17.00%	55.2%
2035	30.20%	65.6%	27.40%	73.0%	17.00%	53.9%
2036	31.30%	67.0%	27.40%	74.4%	17.00%	52.6%
2037	32.40%	68.6%	27.40%	76.0%	17.00%	51.2%
2038	33.50%	70.8%	27.40%	77.9%	17.00%	49.7%
2039	34.60%	73.4%	27.40%	80.1%	17.00%	48.3%
2040	35.70%	76.5%	27.40%	82.6%	17.00%	46.9%
2041	36.80%	80.2%	27.40%	85.4%	17.00%	45.5%
2042	37.90%	84.6%	27.40%	88.5%	17.00%	44.3%
2043	39.00%	89.7%	27.40%	92.0%	17.00%	43.1%
2044	40.10%	95.4%	27.40%	95.9%	17.00%	42.0%
2045	41.20%	102.0%	27.40%	100.2%	17.00%	41.1%