DATE: 07/08/2026 **TIME:** 10:00 a.m. **LOCATION:** Executive Boardroom

COMMITTEE MEMBERS: Chadrick Kennedy, Chair | Joseph Peychaud, Vice Chair | Kimberly Thomas | Tyler Antrup | Ariane Greenidge |Dexter Joseph | Rebecca Johnsey | Jackie Shine | Mubashir Maqbool

PENSION MEETING AGENDA

PUBLIC MEETING

All meetings are open to the public, and we encourage your attendance.
Those interested can join in person or virtually.

Join In-Person: Executive Board Room, Second Floor
625 St. Joseph St., New Orleans, LA 70165

Join Virtually: https://www.swbno.org/BoardMeetings

E-Public comments will be accepted via https://www.swbno.org/BoardMeetings.
All e-public comments must be received at least 2 hours prior to the meeting. Comments will be read verbatim into the record.

I. Roll Call

II. Presentation Item

A. Employees' Retirement Systems of the Sewerage & Water Board of New Orleans Actuarial Valuation Report as of January 1, 2026– Mitchell Bilbe, Rudd & Wisdom

III. Action Items

A. Resolution (R-094-2026) – Accept 2026 Contribution to the Employees' Retirement System of the Sewerage & Water Board of New Orleans

B. Resolution (R-066A-2026) – Authorization of Managers for Designated Asset Class of Global Infrastructure

IV. Information Items

A. May 2026 Investment Report and June 2026 Flash Report - Marquette & Associates, Inc.

B. 2026 Plan Year Actuarial Funding Report

V. Public Comment

VI. Adjournment

Pension Committee Meeting: January 1, 2026 Actuarial Funding Valuation Results

R&W | Rudd and Wisdom, Inc.

July 8, 2026

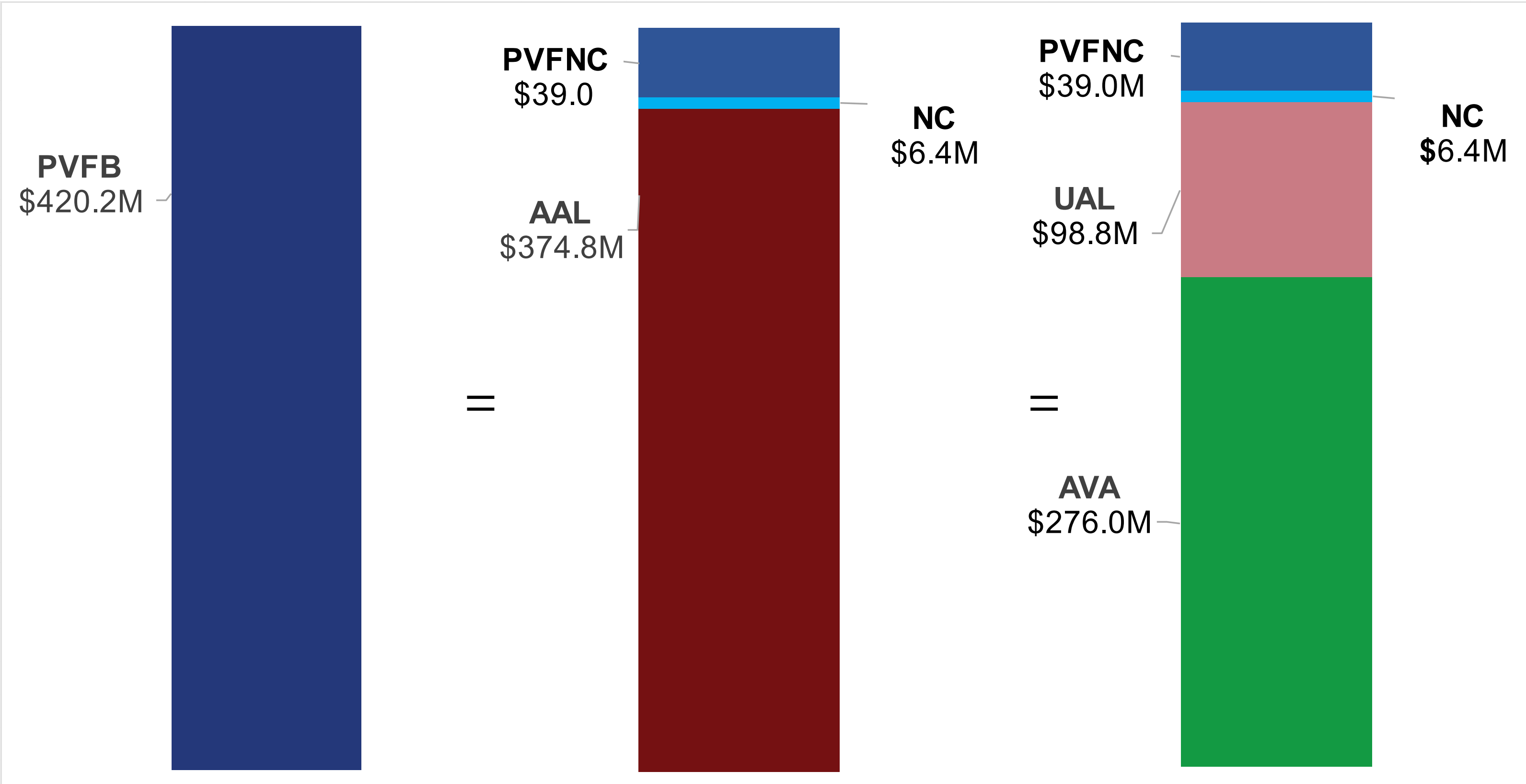
Prepared for

Mitchell L. Bilbe, FSA, EA

Agenda

- 2026 Pension Plan Valuation Results
  - Results and Funding Policy
  - Mortality Assumption Update
  - History of Contributions, Benefit Payments and Funded Ratios
  - What’s Next?
- Q/A

Funding Liabilities and Assets
As of January 1, 2026



PVFB = Present Value of Future Benefits
PVFNC = Present Value of Future Normal Costs (Past and Future Service)
AAL = Actuarial Accrued Liability (Past Service)
NC = Normal Cost (Current Year of Service)

AVA = Actuarial Value of Assets
UAL = Unfunded Actuarial Accrued Liability = AAL – AVA

Funded Ratio (not shown above) = AVA / AAL
= $276.0 / $374.8 = 73.6%

Prepared For

Pension Plan Funding Policy and Methods

- Funding Policy adopted by BOT in 2021
- Asset Method – 7-year deferral of gains/losses relative to assumed 7% return with 70%/130% corridor
  - Plan Asset value can be neither less than 70% nor greater than 130% of the market value on the valuation date
- Amortization Method of Unfunded Accrued Liability (UAL) – closed amortization in layers as shown below

Source of UAL Amortization Layer	Closed Amortization Period as Level Dollar[1]
Actuarial Experience Gain/Loss	25 years
Assumption and Method Changes	25 years
Plan Amendments	15 years
Transition to LCAM Policy effective 1/1/2021	29 years[2]

[1] Level Cost Amortization Method (LCAM) follows guidance of Conference of Consulting Actuaries' white paper for funding public pension plans.

[2] Effective January 1, 2021 ERS of SWBNO funding policy changed from a 30-year open period to a 30-year closed period on the amount of UAL at transition. The 30-year amortization amount from the January 1, 2020 valuation was carried forward to January 1, 2021 and amortized over the 29 years remaining on that amount. As of January 1, 2026, 24 years remain.

Plan Membership[1]

Member Category	As of January 1, 2024	As of January 1, 2025	As of January 1, 2026
Actives	1,190	1,224	1,162
Vested Terminated	80	85	84
Nonvested Terminated	291	288	311
Retirees and Beneficiaries[2]	908	909	941
Total	2,469	2,506	2,498

[1] See page VII-1 of 2026 valuation report for details of changes in membership from 1/1/2025 to 1/1/2026.
[2] Includes DROP Retirees. There were 63 DROP Retirees as of January 1, 2024, 62 DROP Retirees as of January 1, 2025, and 91 DROP Retirees as of January 1, 2026.

Actuarial Accrued Liability

	(in $millions)
1. Actuarial Accrued Liability as of January 1, 2025	$368.0
2. Normal Cost on January 1, 2025	6.5
3. Interest Cost	25.3
4. Liability Actuarial (Gains)/Losses	0.8
5. Assumption Changes	(0.6)
6. Benefit Payments	(26.6)
7. City and other Transfers	1.4
8. Actuarial Accrued Liability as of January 1, 2026	$374.8

Prepared For

Assumption Change to be Adopted Effective January 1, 2026

- Experience Study Performed in 2024
  - Multiple Assumptions Updated
  - Next Experience Study will be performed in 2029
- Monitor Assumptions Between Experience Studies
  - Update Assumptions in interim if warranted
- Current SWBNO Mortality Assumption
  - Pub-2010 Mortality Tables with Mortality Projection Scale MP-2021
  - Tables and Projection Scale adjusted for Higher Mortality in Louisiana compared to National Average
- New Society of Actuaries Pub-2016 Mortality Study
  - Published May 2025
  - Based on Public Pension Plans Mortality Experience between 2013 and 2019
  - Same Construction of Mortality Tables as Pub-2016 Tables
  - Result: Mortality is slightly higher than expected relative to Pub-2010 Tables
- Update SWBNO Mortality Assumption to Pub-2016 Tables
  - Pub-2016 Mortality Tables with Mortality Projection Scale MP-2021
  - Use same adjustments to Tables and Projection Scale for Higher Mortality in Louisiana as developed in 2024 Experience Study

Assumption Change to be Adopted Effective January 1, 2026

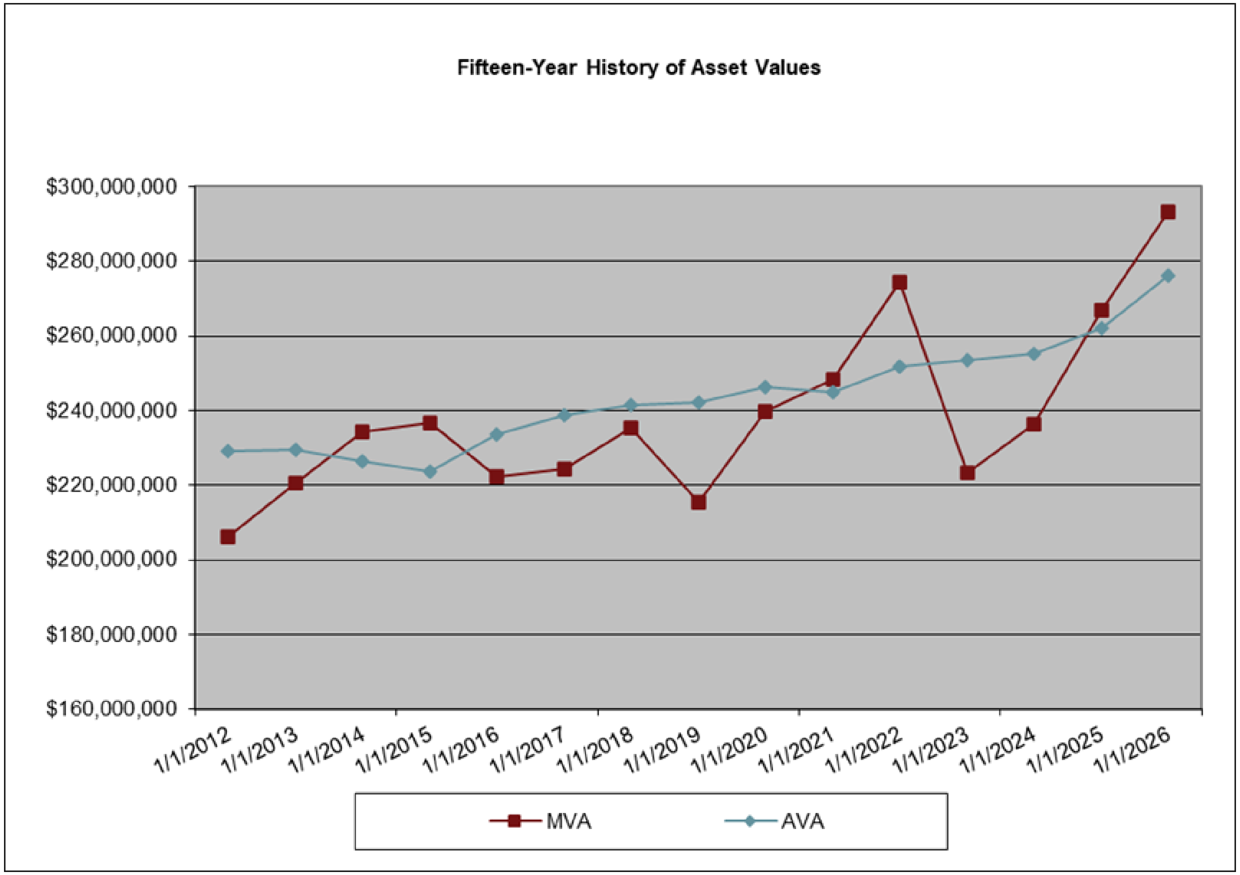
	AAL (in $millions)	Normal Cost (in $millions)
1. January 1, 2026 Before Assumption Changes	$375.4	$6.4
2. Effect of Updated Mortality Rates	(0.6)	0.0
3. January 1, 2026 After Assumption Changes (1. + 2.)	$374.8	$6.4

Pension Plan Assets

	2024 (in $millions)	2025 (in $millions)
1. Market Value of Assets at Beginning of Year	$236.4	$267.0
2. Employer Contributions	12.8	12.2
3. Employee Contributions	3.8	3.9
4. Net Investment Income	38.9	35.2
5. Benefit Payments	(26.4)	(26.6)
6. City and other Transfers	1.5	1.4
7. Market Value of Assets at End of Year	$267.0	$293.1
8. Rate of Return (Net of Expenses)	17.0%	13.5%

Recent Asset History
Market Value vs. Actuarial Value

- As of 1/1/2026, Cumulative Asset Gains of $17.1M are deferred and not yet recognized in Actuarial Value of Assets (AVA) due to smoothing
  - (*As shown on page II-4 of 2026 valuation report.*)



Pension Plan Funding Results

- Unfunded Accrued Liability (UAL) as of January 1, 2026
  - (*As presented on page III-2 of 2026 valuation report*):

	January 1, 2026
1. Prior Year Actual Unfunded Accrued Liability	$ 105,975,160
2. Prior Year Normal Cost as of Beginning of Year	6,547,481
3. Interest on above amounts[1]	7,876,585
4. Expected Employer and Employee Contributions for Prior Year (with credited interest)[2]	(16,137,400)
5. Current Year Expected Unfunded Accrued Liability	$ 104,261,826
6. Current Year Actual Unfunded Accrued Liability	$ 98,764,049
7. Actuarial (Gain)/Loss [(6) – (5)]	$ (5,497,777)
8. Sources of Actuarial (Gain)/Loss	
a. Plan Amendments	$ 0
b. Change in Actuarial Assumptions	(559,736)
c. Change in Actuarial Methods	0
d. Experience (Gain)/Loss[3]	(296,506)
e. Asset (Gain)/Loss	(4,641,535)
f. Total (Gain)/Loss	$ (5,497,777)

[1] Interest calculated using 7% for a full year.

[2] Interest calculated using 7% for a half year since contributions are assumed to be made throughout the year.

[3] Includes both (i) demographic (gains)/losses and (ii) (gains)/losses arising from actual contributions (in excess of)/less than expected contributions.

Pension Plan Funding Results

- Unfunded Accrued Liability (UAL) Amortization Layers
  - (*As presented on page III-3 of 2026 valuation report*):

As of January 1, 2026						
			Amortization Period			
UAL Source	Date Established	Initial Amount	Initial Years	Years Remaining	Outstanding Balance	Annual Amortization Payment
Transition to New Policy	January 1, 2020	$ 99,176,322	30	24	$ 91,665,934	$ 7,469,405
Actuarial (Gain)/Loss	January 1, 2021	(5,304,129)	25	20	(4,821,867)	(425,374)
Assumption Changes	January 1, 2021	6,514,569	25	20	5,922,249	522,447
Method Changes	January 1, 2021	1,663,565	25	20	1,512,309	133,413
Actuarial (Gain)/Loss	January 1, 2022	(1,116,128)	25	21	(1,037,779)	(89,510)
Actuarial (Gain)/Loss	January 1, 2023	6,044,144	25	22	5,736,925	484,721
Actuarial (Gain)/Loss	January 1, 2024	6,185,725	25	23	5,983,280	496,075
Actuarial (Gain)/Loss	January 1, 2025	4,491,141	25	24	4,420,134	360,175
Assumption Changes	January 1, 2025	(5,201,599)	25	24	(5,119,359)	(417,151)
Actuarial (Gain)/Loss	January 1, 2026	(4,938,041)	25	25	(4,938,041)	(396,015)
Assumption Changes	January 1, 2026	(559,736)	25	25	(559,736)	(44,889)
Total					$ 98,764,049	$ 8,093,297[1]

1 Amount determined as of beginning of the year. The total Annual Amortization Payment with interest to the middle of the year is **$8,371,772**.

Prepared For

Pension Plan Funding Results

- Employer Contribution Comparison of 2025 to 2026
  - (*As presented on page II-1 of 2026 valuation report*):

	Annual Contribution		Increase / (Decrease)
	2025	**2026**	
1. Total Funding Policy Contribution			
a. Normal Cost (includes mid-year interest)	$ 6,773,000	$ 6,640,000	$ (133,000)
b. UAL Amortization	8,827,000	8,372,000	(455,000)
c. Total	$15,600,000	$15,012,000	$ (588,000)
2. Employee Funding Policy Contribution[1]	(3,853,000)	(3,728,000)	125,000
3. Employer Funding Policy Contribution	$11,747,000	$11,284,000	$(463,000)
4. Projected Pension Payroll for Valuation Year[2]	$64,233,000	$62,134,000	(3.3)%
5. Employer Funding Policy Contribution as a Percent of Payroll [(3.) / (4.)]	**18.288%**	**18.160%**	**(0.128)%**

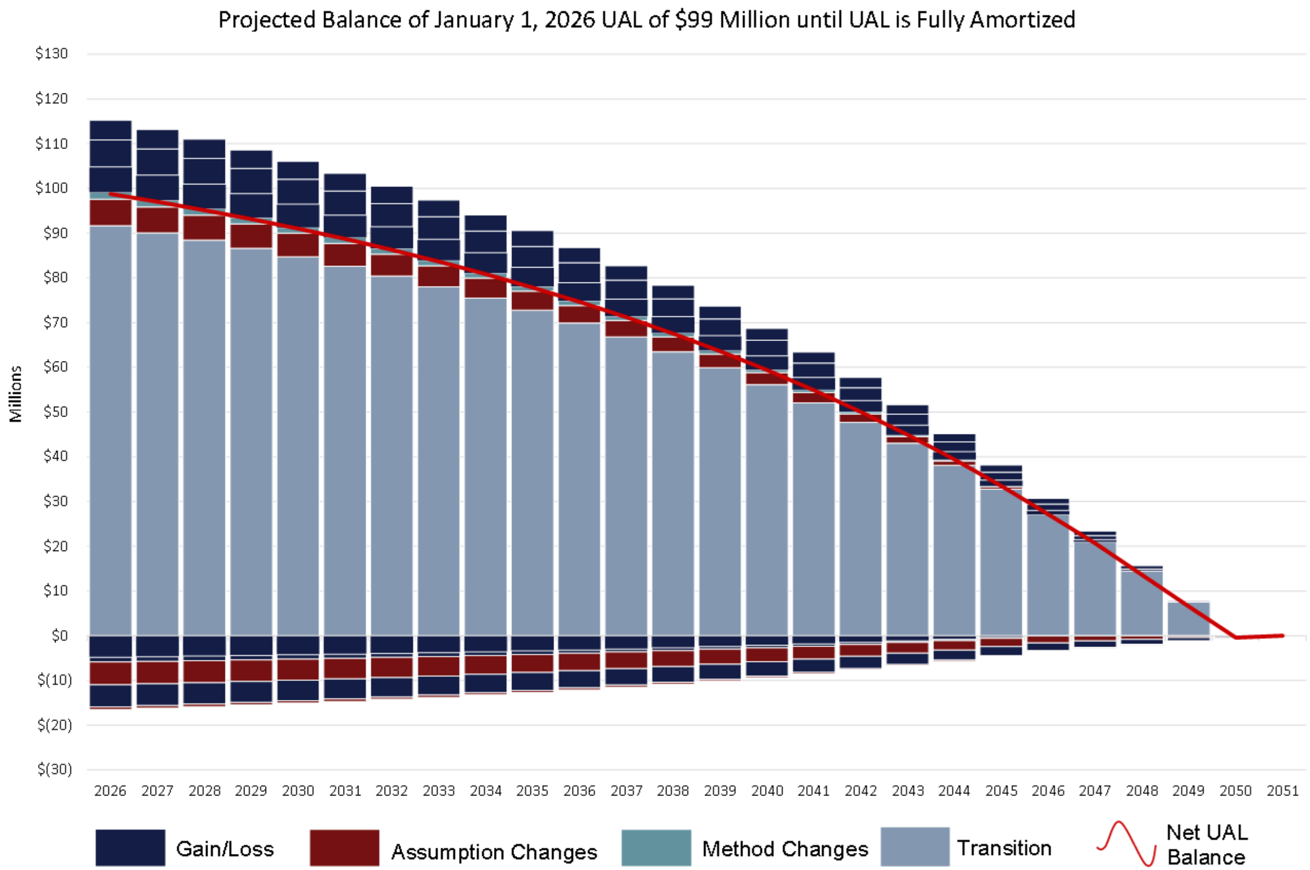
1 The Employer's portion of the ADC is determined by offsetting the total ADC by the actual Employee Contributions of 6% of Earnable Compensation.

2 Number of covered employees decreased by 5% from 1,224 as of January 1, 2025 to 1,162 as of January 1, 2026.

Prepared For

Funding Policy

- Projection of Unfunded Accrued Liability (UAL)



Recent History of Cash Flows and Investment Return

Year	Employer Portion of Actuarially Determined Contribution (ADC)[1] (in $millions)	Actual Employer Contribution[2] (in $millions)	Employee Contribution (in $millions)	Benefit Payments (in $millions)	Investment Return Net of Expenses (in $millions)
2019	$ 10.2	$ 10.5	$ 2.8	$ (22.9)	$ 33.7
2020	10.3	10.4	3.0	(26.3)	20.9
2021	10.6	9.9	3.0	(24.1)	36.9
2022	10.6	10.9	3.0	(27.6)	(38.7)
2023	11.2	12.1	3.4	(27.4)	23.6
2024	12.1	12.8	3.7	(26.4)	38.9
2025	11.7	12.3	3.9	(26.6)	35.3
2026	11.3	11.3[3]	3.7[3]	TBD	TBD

[1] Prior to 2021, based on 30-year open period, level dollar amortization of Unfunded Accrued Liability. For 2021+, based on Layered Closed Period Amortization (Layers over 15, 25 and 30 years). Amount determined based on estimated payroll each year.

[2] Amount based on actual payroll each year.

[3] Assumed contributions based on estimated payroll for 2026.

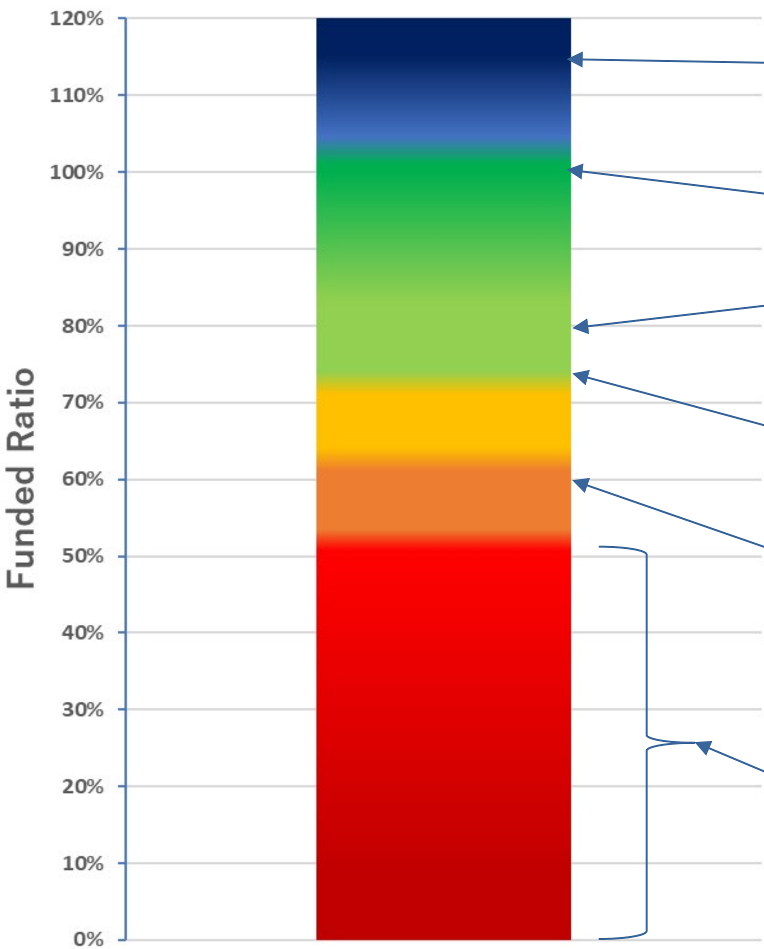
Funded Ratio – A Measure of Plan Financial Health

- Funded Ratio = Plan Assets / Actuarial Accrued Liability
  - Funding Policy Targets a Funded Ratio of 100% over next 24 years
    - History: Funding Policy targeted 29 years at the time of adoption of policy in 2021
    - 24 years of original 29-year period remaining at January 1, 2026
  - Gains/(Losses) can accelerate (or extend) remaining 24-year period
  - Indicator of financial health of pension plan
    - not sole determinant of financial health
    - measurement as of a single point in time
    - useful for tracking plan funding trajectory over long periods of time
- Other Considerations for Pension Plan Financial Health
  - Magnitude of Unfunded Accrued Liability (UAL) = Plan Assets – AAL relative to employer's revenue, assets or payroll
  - Employer's adherence to Funding Policy
  - Financial health of employer measured by debt level, profit or budget surplus
  - Sustainability of annual contributions to Pension Plan
  - Anticipated trajectory of funded ratio
  - Degree of conservatism in the major actuarial assumptions used to calculate the plan liability

Funded Ratio – Recent History

Year	(A) Actuarial Value of Assets (in $millions)	(B) Actuarial Accrued Liability (in $millions)	(C) = (A) / (B) Funded Ratio
2024	$ 255.1	$ 363.4	70.20%
2025	262.0	368.0	71.20%
2026	276.0	374.8	73.65%

Guide to Funded Ratios



115%+ Funded Ratio means no UAL and contributions could be less than NC.

100% Funded Ratio means no UAL (i.e., amortization payments are $0) and only NC must be contributed.

80% Funded Ratio for private ERISA plans: Plan cannot be amended to improve benefits unless full cost of amendment is immediately funded. This rule DOES NOT apply to public plans like this plan.

SWBNO Pension Plan Funded Ratio = 73.7% as of 1/1/2026.

60% Funded Ratio for private ERISA plans: All benefit accruals must be frozen. This rule DOES NOT apply to public plans like this plan.

<60% Funded Ratio: Concerns about asset depletion as funded ratio decreases. Will sufficient funds be available to pay benefits when due?

Next Steps

- Annual Employer Contribution Resolution for 2026
  - Adopts the updated mortality assumption to utilize the Pub-2016 mortality tables as adjusted for Louisiana's higher mortality
  - Decreases Employer Contribution Percentage to 18.160% and ensures no less than such percentage is contributed for 2026 plan year

What's Next

- July/August – issue annual employee benefit statements for 2026 with various benefit projection dates for each active member
- July – issue COLA calculations as of January 1, 2026
- Pension Portal
  - Went live January 2025
  - Automatically updated with payroll feeds every month
  - 2026 Employee Benefit Statements will be posted on portal concurrent with their delivery in July/August
- Next Experience Study scheduled in Fall 2029

2026 CONTRIBUTION TO THE EMPLOYEES' RETIREMENT SYSTEM OF THE SEWERAGE & WATER BOARD OF NEW ORLEANS

WHEREAS, the Employees' Retirement System of the Sewerage & Water Board of New Orleans ("Plan") is an actuarially funded qualified governmental defined benefit pension plan under the Internal Revenue Code; and

WHEREAS, an annual 2026 Actuarial Valuation report of the Plan was presented on July 15, 2026; and

WHEREAS, the most recent actuarial experience study was performed for the plan in 2024 and, subsequent to that study, the Society of Actuaries published new public pension plan mortality tables in 2025 called the "Pub-2016" mortality tables; and

WHEREAS, the 2026 Actuarial Valuation report of the Plan updates the mortality table assumption to use the Pub-2016 tables with the same adjustments for Louisiana's higher mortality as adopted by the Board of Trustees in 2024 as a result of the 2024 actuarial experience study; and

WHEREAS, the report reflects an actuarial valuation using the Entry Age Normal funding method; and

WHEREAS, the "minimum contribution", adopted by the Board of Trustees in 2021 under the Plan's funding policy, for a plan year equals the Normal Cost plus the amount necessary to amortize the Unfunded Actuarial Liability over 15-year to 30-year closed period amortization layers; and

WHEREAS, the Normal Cost for the plan year beginning January 1, 2026, is $**6,639,590**; and

WHEREAS, the Actuarial Valuation report includes the required "amortization" contribution for the Plan to amortize the January 1, 2026 Unfunded Actuarial Liability of **$98,764,049** using closed period amortization layers over periods that currently do not exceed 25 years, and presently range from 20 to 25 years, at a 7% annual effective interest rate; and

WHEREAS, the net annual charge required for amortization of the Unfunded Actuarial Liability in such layers beginning January 1, 2026 is **$8,371,772**; and

WHEREAS, the total Plan contribution as of January 1, 2026 is $15,011,362 (Normal Cost - **$6,639,590** plus amortization of Unfunded Actuarial Liability - **$8,371,772**), which is **24.16%** of the projected Earnable Compensation of **$62,134,350**; and

WHEREAS, the annual estimated employee plan contribution as of January 1, 2026 is **$3,728,061**, which is 6% of the projected Earnable Compensation as required under Board Resolution R-140-2020; and

WHEREAS, the annual Employer Contribution reflecting the continued utilization of the Entry Age Normal funding method less the Plan determined employee contribution is estimated to be **$11,283,301** for 2026, which is **18.16**% of the projected Earnable Compensation; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of the Sewerage & Water Board of New Orleans hereby adopts the updated mortality assumption and approves the employer contribution of **18.16**% of Earnable Compensation for the Plan Year beginning January 1, 2026, where the projected contribution is **$11,283,301** based on projected Earnable Compensation for 2026; and

BE IT FURTHER RESOLVED, that the employer contribution will be determined through active payroll based on a percentage of **18.16%** of Earnable Compensation for the remainder of Plan Year 2026; and

BE IT FURTHER RESOLVED, the Employees' Retirement System of the Sewerage and Water Board of New Orleans accepts the 2026 Actuarial Valuation Report as submitted by Rudd & Wisdom, the Retirement System's actuary, in the presentation to the Pension Committee on July 8, 2026.

I, Randy Hayman, Esq., Executive Director,
Sewerage and Water Board of New Orleans, do hereby
certify that the above and foregoing is a true and
correct copy of a resolution adopted at the Regular
Monthly Meeting of said Board of Trustees duly called and held,
according to law, on
July 15, 2026.

Randy E. Hayman, Esq.
EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS

Authorization of Managers for Designated Asset Class of Global Infrastructure

WHEREAS, the Investment Policy Statement (as amended February 16, 2022) ("IPS") of the Employees' Retirement System of the Sewerage and Water Board of New Orleans ("Plan") provides for target allocations of the Plan's investment portfolio into various asset classes of investments as part of the overall investment program to guide the Board of Trustees in effectively supervising, monitoring and evaluating the investment of Plan assets; and

WHEREAS, the specific target class allocations of the IPS include the following:

7% - Global Infrastructure

WHEREAS, the IPS states that the process for selecting investment managers will consist of the Plan's investment consultant pre-search development of criteria which consider both quantitative and qualitative characteristics for the specific asset class, and that the Board of Trustees will adopt and diligently apply these criteria in its selection of managers including regulatory oversight, correlation to style or peer group, performance relative to peer group, performance relative to assumed risk, minimum track record, assets under management, holdings consistent with style, stability of the organization, and investment management fee in line with or below the industry average; and

WHEREAS, in accordance with the IPS, the Plan's investment consultant, Marquette Associates, initiated a search process on 4/19/2023, for managers in asset class above; and

WHEREAS, the search process resulted in 12 responses received which Marquette evaluated using IPS criteria to recommend two (4) top tier candidates to provide formal presentations and proposal materials to the Pension Committee for recommendation of specific firms as managers within each respective asset class; and

WHEREAS, formal presentations were made to the Pension Committee on March 31, 2026; and

WHEREAS, Marquette provided asset class information, response summaries and comparisons for review and consideration for recommendation of managers; the investment strategies presented were compared to the Investment Policy Statement, prescribed financial objectives, including long-term investment horizon such that risks and duration of investment losses are carefully weighed against the long-term potential for appreciation of assets; and

WHEREAS, Marquette recommended that the following managers be assigned the following respective amounts for investment, selected identified through the due diligence processes outlined in the Investment Policy Statement to achieve the Plan's investment objectives:

For asset class Global Infrastructure
IFM $5,000,000.00
Brookfield $5,000,000.00; and

WHEREAS, on May 12, 2026, the Pension Committee accepted the foregoing recommendations motions to accept the managers recommended in the following amounts:

For asset class Global Infrastructure
IFM $5,000,000.00
Brookfield $5,000,000.00; and

WHEREAS, on May 20, 2026, the Board of Trustees adopted motions to accept the managers recommended in the following amounts:

For asset class Global Infrastructure
IFM $5,000,000.00
Brookfield $5,000,000.00;

NOW THEREFORE, BE IT RESOLVED, the Board of Trustees approves and confirms the selection of the firms set forth below as Global Infrastructure asset class managers for the assets of the Plan within the Global Infrastructure asset class, with equal allocation of funds to meet the target allocations defined in the Plan's Investment Policy Statement, and authorizes the President, President Pro Tem, or Chief Financial Officer of the Board to execute all necessary and appropriate documentation to implement the following selections and allocations:

For asset class Global Infrastructure
IFM $5,000,000.00
Brookfield $5,000,000.00

I, Randy E. Hayman, Esq., Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and a correct copy of a Resolution adopted at the Regular Meeting of said Board of Trustees, duly called and held, according to law, on
July 15, 2026.

____

Randy E. Hayman, Esq.
EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS

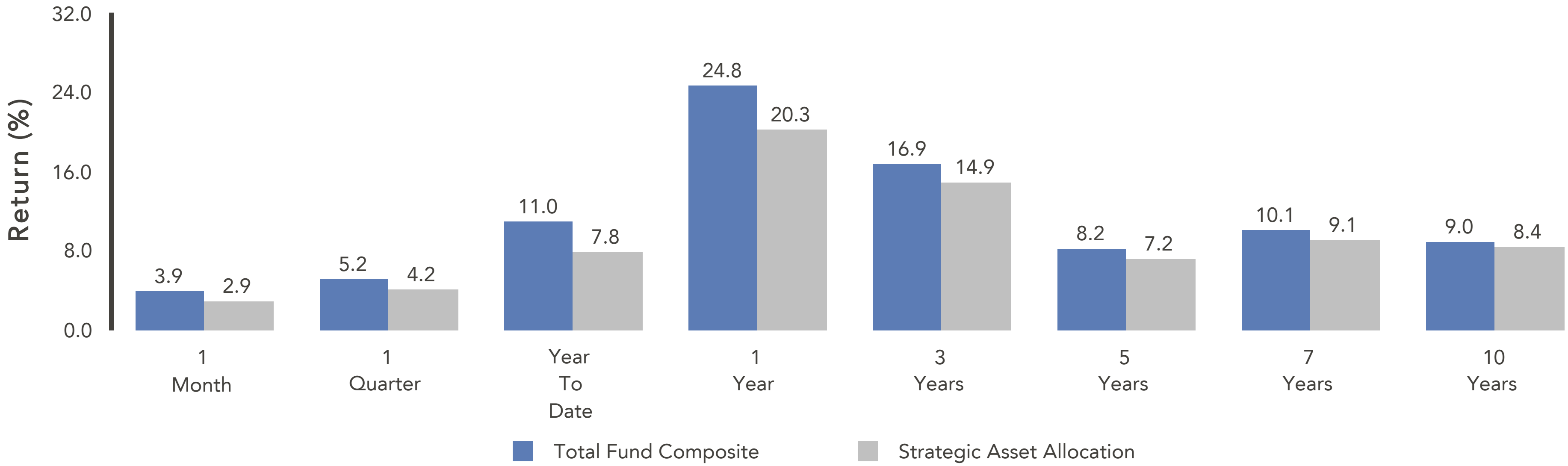
Marquette Associates

The Sewerage & Water Board of New Orleans

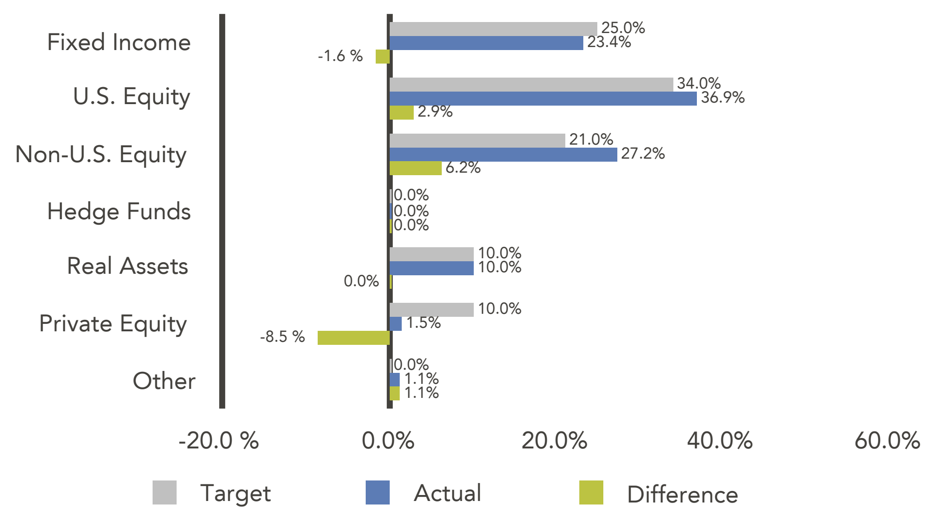
Employees' Retirement System Performance Report

Executive Summary
May 31, 2026

Investment Manager	Asset Class	Status	Reason
Fidelity (Pyramis Global Advisors)	Core Plus Fixed Income	In Compliance	--
Loop Capital Core Plus Fund	Core Plus Fixed Income	In Compliance	--
BNYM AFL-CIO Large Cap Index	Large-Cap Core	In Compliance	--
BNYM AFL-CIO Mid Cap Index	Mid-Cap Core	In Compliance	--
BNYM AFL-CIO Small Cap Index	Small-Cap Core	In Compliance	--
Earnest Partners	Non-U.S. Large-Cap Core	In Compliance	--
BNYM ACWI ex-US Small Cap Index	Non-U.S. Small-Cap Core	In Compliance	--
BNYM Emerging Markets Index	Emerging Markets	In Compliance	--
GQG Partners Emerging Markets Equity Fund	Emerging Markets	In Compliance	--
Earnest Mid Cap Core	Mid-Cap Core	In Compliance	--
Channing Capital Small Cap Value	Small-Cap Value	In Compliance	--
Fidelity Real Estate Index Fund	U.S. REIT	In Compliance	--
Cohen and Steers Global Infrastructure Fund	Global Infrastructure	In Compliance	--
Mesirow Private Equity Fund IX	Global Divers. PE FoF	In Compliance	--
Sango Private Equity IV LP	Private Equity	In Compliance	--
Cash	Cash & Equivalents	In Compliance	--



Total Fund Composite vs Target Allocation



Summary of Cash Flows

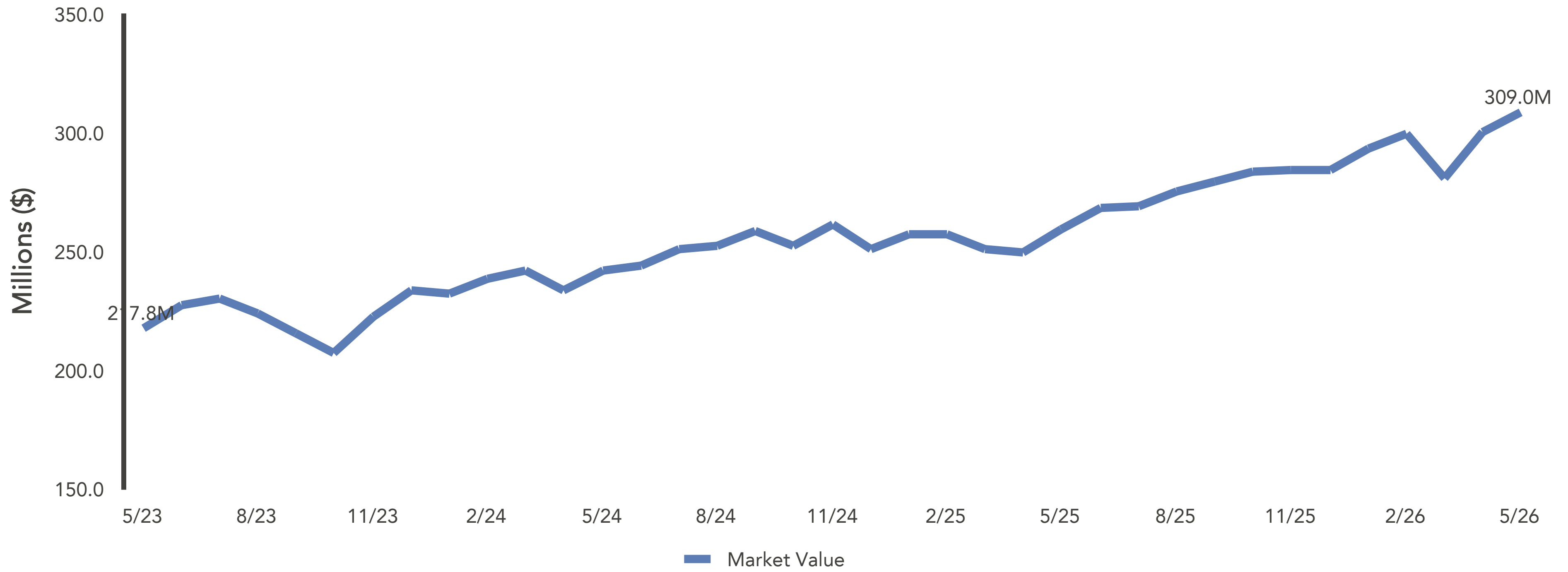
	1 Year ($)	3 Years ($)	5 Years ($)
Beginning Market Value	259,524,669	217,756,441	257,397,853
Net Cash Flow	-13,656,821	-31,151,084	-34,658,448
Gain/Loss	63,140,443	122,402,935	86,268,885
Ending Market Value	309,008,291	309,008,291	309,008,291

Month Ending May 31, 2026

	Asset Class	Net Cash Flow ($)	Market Value ($)	% of Portfolio	Policy (%)
Total Fund Composite		-3,029,416	309,008,291	100.0	100.0
Fixed Income Composite		-	72,159,512	23.4	25.0
Fidelity (Pyramis Global Advisors)	Core Plus Fixed Income	-	38,324,670	12.4	25.0
Loop Capital Core Plus Fund	Core Plus Fixed Income	-	33,834,841	10.9	-
Equity Composite		-	198,104,667	64.1	55.0
BNYM AFL-CIO Large Cap Index	Large-Cap Core	-	84,416,761	27.3	25.0
BNYM AFL-CIO Mid Cap Index	Mid-Cap Core	-	7,090,601	2.3	4.0
Earnest Mid Cap Core	Mid-Cap Core	-	5,324,209	1.7	-
BNYM AFL-CIO Small Cap Index	Small-Cap Core	-	10,520,819	3.4	5.0
Channing Capital Small Cap Value	Small-Cap Value	-	6,571,777	2.1	-
Earnest Partners	Non-U.S. Large-Cap Core	-	60,341,170	19.5	15.0
BNYM ACWI ex-US Small Cap Index	Non-U.S. Small-Cap Core	-	11,328,189	3.7	3.0
BNYM Emerging Markets Index	Emerging Markets	-4,000,000	8,511,140	2.8	3.0
GQG Partners Emerging Markets Equity Fund	Emerging Markets	4,000,000	4,000,000	1.3	-
Real Estate Composite		-	9,145,949	3.0	3.0
Fidelity Real Estate Index Fund	U.S. REIT	-	9,145,949	3.0	3.0

	Asset Class	Net Cash Flow ($)	Market Value ($)	% of Portfolio	Policy (%)
Global Infrastructure Composite		**-**	**21,624,089**	**7.0**	**7.0**
Cohen and Steers Global Infrastructure Fund	Global Infrastructure	-	21,624,089	7.0	7.0
Private Equity Composite		**1,016,769**	**4,578,642**	**1.5**	**-**
Mesirow Private Equity Fund IX	Global Divers. PE FoF	-	3,223,700	1.0	-
Sango Private Equity IV LP	Private Equity	1,016,769	1,354,942	0.4	-
Cash Composite		**-4,046,185**	**3,395,432**	**1.1**	**0.0**
Cash	Cash & Equivalents	-4,046,185	3,395,432	1.1	0.0

Market Value History



Summary of Cash Flows

	1 Year ($)	3 Years ($)	5 Years ($)
Beginning Market Value	259,524,669	217,756,441	257,397,853
Net Cash Flow	-13,656,821	-31,151,084	-34,658,448
Net Investment Change	63,140,443	122,402,935	86,268,885
Ending Market Value	309,008,291	309,008,291	309,008,291

Employees' Retirement System-Total Fund Composite

Annualized Performance (Net of Fees)

As of May 31, 2026

	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
Total Fund Composite	**3.9**	**5.2**	**11.0**	**24.8**	**16.9**	**8.2**	**10.1**	**9.0**	**7.4**	**Aug 02**
Strategic Asset Allocation	2.9	4.2	7.8	20.3	14.9	7.2	9.1	8.4	6.9	
Fixed Income Composite	**0.4**	**-1.0**	**0.8**	**5.6**	**4.8**	**0.9**	**2.4**	**-**	**2.7**	**Feb 18**
Fixed Income Balanced Index	0.3	-1.3	0.4	5.1	3.9	0.2	-	-	-	
Equity Composite	**6.5**	**9.1**	**16.2**	**35.3**	**23.1**	**11.8**	**15.5**	**14.4**	**10.2**	**Jul 06**
Equity Balanced Index	5.1	6.9	13.7	32.5	22.3	11.4	14.7	13.1	-	
Real Estate Composite	**-0.6**	**0.9**	**8.9**	**11.0**	**10.3**	**3.1**	**5.5**	**5.6**	**8.1**	**May 10**
MSCI U.S. REIT Index (Net)	-0.2	2.3	13.6	15.4	11.7	4.5	5.4	5.2	7.4	
Global Infrastructure Composite	**-3.0**	**-3.3**	**9.6**	**17.0**	**13.8**	**-**	**-**	**-**	**9.9**	**Dec 22**
FTSE Global Core Infrastructure 50/50 Index (Net)	-2.3	-3.1	9.4	15.5	12.8	7.2	7.1	7.8	9.4	

	YTD (%)	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)
Total Fund Composite	**11.0**	**17.2**	**11.1**	**15.7**	**-15.3**	**14.0**	**10.5**	**18.8**	**-3.6**
Strategic Asset Allocation	7.8	16.1	10.7	14.9	-15.4	11.6	11.0	18.9	-3.8
Fixed Income Composite	**0.8**	**7.7**	**2.4**	**6.5**	**-12.9**	**0.0**	**9.5**	**10.0**	**-**
Fixed Income Balanced Index	0.4	7.3	1.3	5.5	-13.0	-1.5	-	-	-
Equity Composite	**16.2**	**21.7**	**15.0**	**22.7**	**-17.1**	**20.8**	**21.1**	**24.3**	**1.2**
Equity Balanced Index	13.7	22.2	15.7	21.1	-16.2	20.1	15.2	27.0	-8.3
Real Estate Composite	**8.9**	**3.0**	**5.0**	**11.9**	**-25.4**	**40.4**	**-4.4**	**29.2**	**-5.8**
MSCI U.S. REIT Index (Net)	13.6	1.7	7.5	12.3	-25.4	41.7	-8.7	24.3	-5.8
Global Infrastructure Composite	**9.6**	**14.7**	**11.7**	**2.4**	**-**	**-**	**-**	**-**	**-**
FTSE Global Core Infrastructure 50/50 Index (Net)	9.4	14.4	9.5	2.2	-4.9	14.9	-4.1	25.1	-4.0

Annualized Performance (Net of Fees)
As of May 31, 2026

	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
Total Fund Composite	**3.9**	**5.2**	**11.0**	**24.8**	**16.9**	**8.2**	**10.1**	**9.0**	**7.4**	**Aug 02**
Strategic Asset Allocation	2.9	4.2	7.8	20.3	14.9	7.2	9.1	8.4	6.9	
Fixed Income Composite	**0.4**	**-1.0**	**0.8**	**5.6**	**4.8**	**0.9**	**2.4**	**-**	**2.7**	**Feb 18**
Fixed Income Balanced Index	0.3	-1.3	0.4	5.1	3.9	0.2	-	-	-	
Fidelity (Pyramis Global Advisors)	0.2	-1.2	0.7	6.9	5.2	1.1	2.6	2.9	4.1	May 07
Blmbg. U.S. Aggregate Index	0.3	-1.3	0.4	5.1	3.9	0.2	1.4	1.7	3.1	
Loop Capital Core Plus Fund	0.5	-0.8	0.9	-	-	-	-	-	0.9	Jan 26
Blmbg. U.S. Aggregate Index	0.3	-1.3	0.4	5.1	3.9	0.2	1.4	1.7	0.4	
Equity Composite	**6.5**	**9.1**	**16.2**	**35.3**	**23.1**	**11.8**	**15.5**	**14.4**	**10.2**	**Jul 06**
Equity Balanced Index	5.1	6.9	13.7	32.5	22.3	11.4	14.7	13.1	-	
BNYM AFL-CIO Large Cap Index	5.1	10.0	10.9	28.8	23.3	-	-	-	23.1	Mar 23
Russell 1000 Index	5.1	10.0	10.9	28.8	23.3	13.3	17.0	15.4	23.2	
BNYM AFL-CIO Mid Cap Index	2.4	4.5	13.2	25.8	17.4	-	-	-	13.4	Mar 23
S&P MidCap 400 Index	2.5	4.6	13.3	25.9	17.4	8.1	12.6	11.3	13.4	
Earnest Mid Cap Core	-0.3	1.7	-	-	-	-	-	-	6.2	Feb 26
Russell Midcap Index	2.9	4.5	11.8	22.4	18.5	8.1	12.5	11.7	8.5	
BNYM AFL-CIO Small Cap Index	4.3	11.2	18.2	43.2	20.3	-	-	-	15.7	Mar 23
Russell 2000 Index	4.4	11.3	18.2	43.1	20.3	6.6	11.8	11.2	15.8	
Channing Capital Small Cap Value	-2.1	-3.0	-	-	-	-	-	-	0.9	Feb 26
Russell 2000 Value Index	2.8	8.6	18.3	44.4	20.2	7.3	11.7	10.5	10.7	

	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
Earnest Partners	11.2	12.1	24.6	44.8	24.9	11.9	14.2	12.3	9.5	Jul 10
MSCI AC World ex USA (Net)	5.0	2.7	14.4	32.8	20.8	8.8	11.2	9.8	8.0	
BNYM ACWI ex-US Small Cap Index	4.1	1.5	13.9	31.5	-	-	-	-	19.1	Sep 23
MSCI AC World ex USA Small Cap (Net)	3.8	1.3	13.5	30.7	19.3	7.0	11.0	9.2	18.8	
BNYM Emerging Markets Index	9.7	9.5	26.0	55.1	-	-	-	-	26.2	Sep 23
MSCI Emerging Markets (Net)	9.7	9.4	25.6	54.3	25.2	7.5	11.0	10.7	26.2	
GQG Partners Emerging Markets Equity Fund	-	-	-	-	-	-	-	-	-	Jun 26
MSCI Emerging Markets (Net)	9.7	9.4	25.6	54.3	25.2	7.5	11.0	10.7	-	
Real Estate Composite	**-0.6**	**0.9**	**8.9**	**11.0**	**10.3**	**3.1**	**5.5**	**5.6**	**8.1**	**May 10**
MSCI U.S. REIT Index (Net)	-0.2	2.3	13.6	15.4	11.7	4.5	5.4	5.2	7.4	
Fidelity Real Estate Index Fund	-0.6	0.9	8.9	11.0	10.3	-	-	-	6.6	Dec 22
MSCI U.S. REIT Index (Net)	-0.2	2.3	13.6	15.4	11.7	4.5	5.4	5.2	8.2	
Global Infrastructure Composite	**-3.0**	**-3.3**	**9.6**	**17.0**	**13.8**	**-**	**-**	**-**	**9.9**	**Dec 22**
FTSE Global Core Infrastructure 50/50 Index (Net)	-2.3	-3.1	9.4	15.5	12.8	7.2	7.1	7.8	9.4	
Cohen and Steers Global Infrastructure Fund	-3.0	-3.3	9.6	17.0	13.8	-	-	-	9.9	Dec 22
FTSE Global Core Infrastructure 50/50 Index (Net)	-2.3	-3.1	9.4	15.5	12.8	7.2	7.1	7.8	9.4	

Employees' Retirement System-Total Fund Composite

Calendar Performance (Net of Fees)
As of May 31, 2026

	YTD (%)	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)
Total Fund Composite	**11.0**	**17.2**	**11.1**	**15.7**	**-15.3**	**14.0**	**10.5**	**18.8**	**-3.6**
Strategic Asset Allocation	7.8	16.1	10.7	14.9	-15.4	11.6	11.0	18.9	-3.8
Fixed Income Composite	**0.8**	**7.7**	**2.4**	**6.5**	**-12.9**	**0.0**	**9.5**	**10.0**	**-**
Fixed Income Balanced Index	0.4	7.3	1.3	5.5	-13.0	-1.5	-	-	-
Fidelity (Pyramis Global Advisors)	0.7	9.0	2.4	6.5	-12.9	0.0	9.7	10.2	-0.3
Blmbg. U.S. Aggregate Index	0.4	7.3	1.3	5.5	-13.0	-1.5	7.5	8.7	0.0
Loop Capital Core Plus Fund	0.9	-	-	-	-	-	-	-	-
Blmbg. U.S. Aggregate Index	0.4	7.3	1.3	5.5	-13.0	-1.5	7.5	8.7	0.0
Equity Composite	**16.2**	**21.7**	**15.0**	**22.7**	**-17.1**	**20.8**	**21.1**	**24.3**	**1.2**
Equity Balanced Index	13.7	22.2	15.7	21.1	-16.2	20.1	15.2	27.0	-8.3
BNYM AFL-CIO Large Cap Index	10.9	17.3	24.4	-	-	-	-	-	-
Russell 1000 Index	10.9	17.4	24.5	26.5	-19.1	26.5	21.0	31.4	-4.8
BNYM AFL-CIO Mid Cap Index	13.2	7.5	13.9	-	-	-	-	-	-
S&P MidCap 400 Index	13.3	7.5	13.9	16.4	-13.1	24.8	13.7	26.2	-11.1
Earnest Mid Cap Core	-	-	-	-	-	-	-	-	-
Russell Midcap Index	11.8	10.6	15.3	17.2	-17.3	22.6	17.1	30.5	-9.1
BNYM AFL-CIO Small Cap Index	18.2	12.9	11.5	-	-	-	-	-	-
Russell 2000 Index	18.2	12.8	11.5	16.9	-20.4	14.8	20.0	25.5	-11.0
Channing Capital Small Cap Value	-	-	-	-	-	-	-	-	-
Russell 2000 Value Index	18.3	12.6	8.1	14.6	-14.5	28.3	4.6	22.4	-12.9

	YTD (%)	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)
Earnest Partners	24.6	31.7	5.5	17.8	-13.2	12.0	12.9	22.2	-16.4
MSCI AC World ex USA (Net)	14.4	32.4	5.5	15.6	-16.0	7.8	10.7	21.5	-14.2
BNYM ACWI ex-US Small Cap Index	13.9	29.8	3.1	-	-	-	-	-	-
MSCI AC World ex USA Small Cap (Net)	13.5	29.3	3.4	15.7	-20.0	12.9	14.2	22.4	-18.2
BNYM Emerging Markets Index	26.0	34.0	7.3	-	-	-	-	-	-
MSCI Emerging Markets (Net)	25.6	33.6	7.5	9.8	-20.1	-2.5	18.3	18.4	-14.6
GQG Partners Emerging Markets Equity Fund	-	-	-	-	-	-	-	-	-
MSCI Emerging Markets (Net)	25.6	33.6	7.5	9.8	-20.1	-2.5	18.3	18.4	-14.6
Real Estate Composite	**8.9**	**3.0**	**5.0**	**11.9**	**-25.4**	**40.4**	**-4.4**	**29.2**	**-5.8**
MSCI U.S. REIT Index (Net)	13.6	1.7	7.5	12.3	-25.4	41.7	-8.7	24.3	-5.8
Fidelity Real Estate Index Fund	8.9	3.0	5.0	11.9	-	-	-	-	-
MSCI U.S. REIT Index (Net)	13.6	1.7	7.5	12.3	-25.4	41.7	-8.7	24.3	-5.8
Global Infrastructure Composite	**9.6**	**14.7**	**11.7**	**2.4**	**-**	**-**	**-**	**-**	**-**
FTSE Global Core Infrastructure 50/50 Index (Net)	9.4	14.4	9.5	2.2	-4.9	14.9	-4.1	25.1	-4.0
Cohen and Steers Global Infrastructure Fund	9.6	14.7	11.7	2.4	-	-	-	-	-
FTSE Global Core Infrastructure 50/50 Index (Net)	9.4	14.4	9.5	2.2	-4.9	14.9	-4.1	25.1	-4.0

Employees' Retirement System-Total Fund Composite

($)

As of May 31, 2026

Investments		Commitments		Contributions & Distributions		Valuations		Performance			
Vintage Year	Manager	Commitment ($)	Unfunded Commitment ($)	Cumulative Contributions ($)	Cumulative Distributions ($)	Valuation ($)	Total Value ($)	DPI	RVPI	TVPI	Since Inception (%)
2024											
2024	Mesirow Financial Private Equity Advisors, Inc.	15,000,000	12,375,000	2,625,000	-	3,223,700	3,223,700	-	1.2	1.2	21.4
2024	Sango Capital Partners, L.P.	5,000,000	3,421,509	1,578,491	-	1,354,942	1,354,942	-	0.9	0.9	-35.7
		20,000,000	**15,796,509**	**4,203,491**	**-**	**4,578,642**	**4,578,642**	**-**	**1.1**	**1.1**	**12.2**

Asset Class	Investment Manager	Fee Schedule	Est. Annual Fee[1]	Expense Ratio	Industry Median[2]
Core Plus Fixed Income	Fidelity (Pyramis Global Advisors)	30 bps on the first $100 million 23 bps on the next $400 million 13 bps on the Balance	$114,974	0.30%	0.32%
Core Plus Fixed Income	Loop Capital Core Plus Fund	0.20% on the balance	$67,670	0.20%	0.30%
Large-Cap Core	BNYM AFL-CIO Large Cap Index	0.01% on the balance	$8,442	0.01%	0.04%
Mid-Cap Core	BNYM AFL-CIO Mid Cap Index	0.01% on the balance	$709	0.01%	0.06%
Mid-Cap Core	Earnest Mid Cap Core	0.65% on the balance	$34,607	0.65%	0.70%
Small-Cap Core	BNYM AFL-CIO Small Cap Index	0.01% on the balance	$1,052	0.01%	0.05%
Small-Cap Value	Channing Capital Small Cap Value	75 bps on the first $25 million 65 bps on the next $25 million 60 bps on the next $50 million 55 bps on the Balance	$49,288	0.75%	0.90%
Non-U.S. Large-Cap Core	Earnest Partners	85 bps on the first $15 million 70 bps on the next $60 million 65 bps on the next $50 million 55 bps on the Balance	$444,888	0.74%	0.61%
Non-U.S. Small-Cap Core	BNYM ACWI ex-US Small Cap Index	0.12% on the balance	$13,594	0.12%	0.14%
Emerging Markets	GQG Partners Emerging Markets Equity Fund	0.90% on the balance	$36,000	0.90%	0.85%
Emerging Markets	BNYM Emerging Markets Index	0.08% on the balance	$6,809	0.08%	0.13%
U.S. REIT	Fidelity Real Estate Index Fund	0.07% on the balance	$6,402	0.07%	0.90%
Global Infrastructure	Cohen and Steers Global Infrastructure Fund	0.87% on the balance	$188,130	0.87%	1.13%
Global Divers. PE FoF	Mesirow Private Equity Fund IX	0.88% on Commited Capital	$132,000	4.09%	4.65%
Private Equity	Sango Private Equity IV LP	1.00% on Commited Capital	$50,000	3.69%	3.69%
Total Investment Management Fees			$1,154,565	0.37%	0.43%

[1] Expense Ratio & Estimated Annual Fee are Based on Market Value as of Month End.
[2] Source: Marquette Associates Investment Management Fee Study.

Investment Manager Evaluation Terminology

The following terminology has been developed by Marquette Associates to facilitate efficient communication among the Investment Manager, Investment Consultant, and the Plan Sponsor. Each term signifies a particular status with the Fund and any conditions that may require improvement. In each case, communication is made only after consultation with the Trustees and/or the Investment Committee of the Plan.

In Compliance – Marquette has not been notified of any issues or changes to the investment manager that would materially impede upon its ability to execute the investment strategy or adhere to any applicable investment guidelines.

Alert – The investment manager has experienced a problem in performance (usually relative to a benchmark), a change in investment characteristics, an alteration in management style, ownership, or key investment professionals, and/or any other irregularities that may impede upon its ability to execute the investment strategy or adhere to any applicable investment guidelines.

On Notice – The investment manager has experienced continued concern with one or more Alert issues. Failure to improve upon stated issues within a certain time frame may justify termination.

Termination – The investment manager has been terminated and transition plans are in place.

PREPARED BY MARQUETTE ASSOCIATES

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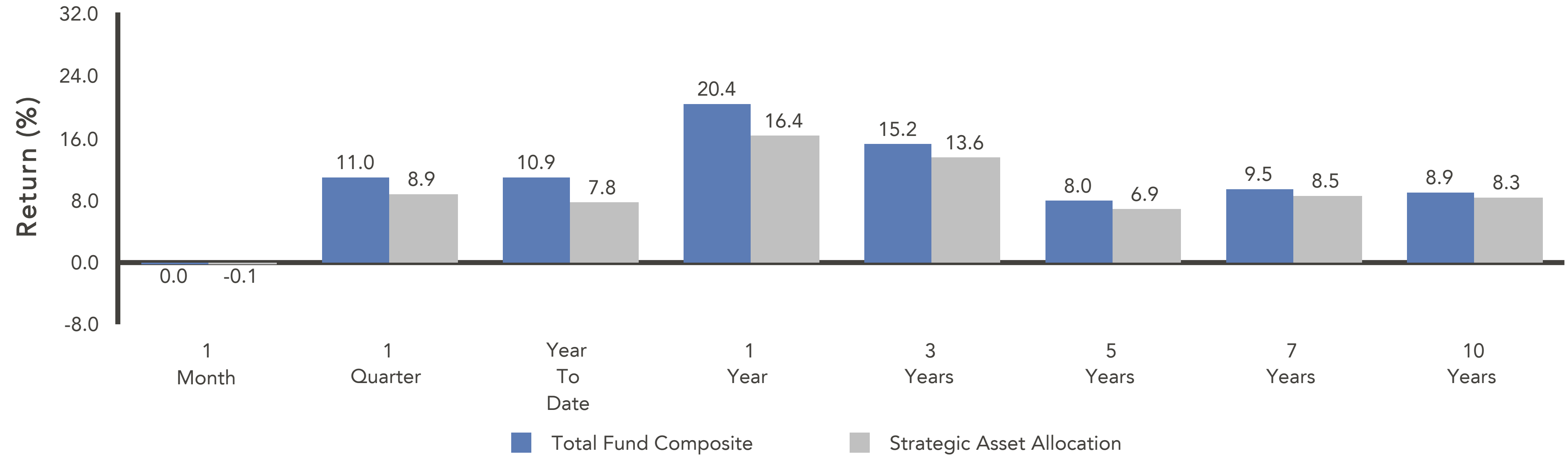
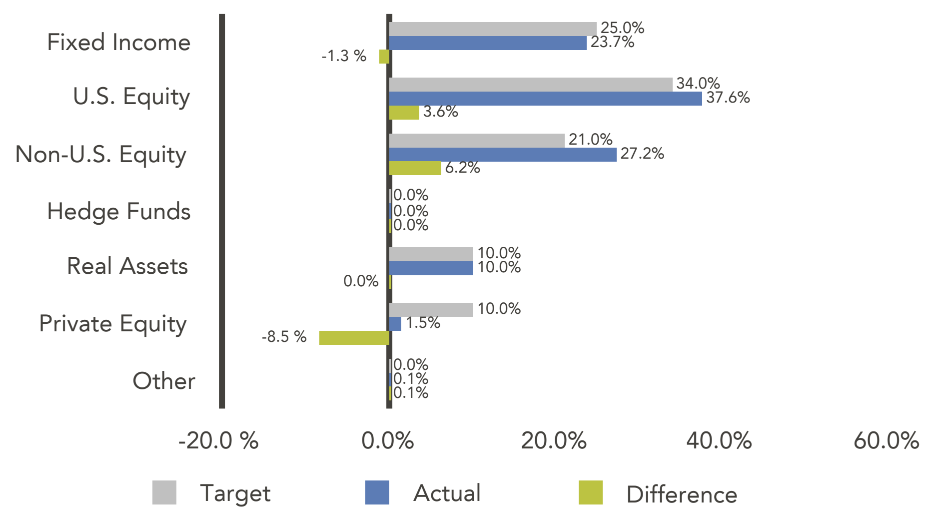
Employees' Retirement System-Total Fund Composite

Performance Summary
As of June 30, 2026



Total Fund Composite vs Target Allocation



Summary of Cash Flows

	1 Year ($)	3 Years ($)	5 Years ($)
Beginning Market Value	269,025,224	227,534,126	259,606,179
Net Cash Flow	-16,810,039	-34,251,036	-37,808,554
Gain/Loss	53,508,737	112,440,832	83,926,297
Ending Market Value	305,723,923	305,723,923	305,723,923

Employees' Retirement System of the Sewerage and Water Board of New Orleans

Actuarial Valuation

As of January 1, 2026

Rudd and Wisdom, Inc.

www.ruddwisdom.com

9500 Arboretum Blvd., Suite 200
Austin, Texas 78759
Phone: 512-346-1590
Fax: 512-345-7437

Rudd and Wisdom, Inc.
Consulting Actuaries

May 14, 2026

PERSONAL AND CONFIDENTIAL

Board of Trustees
Sewerage and Water Board of New Orleans
625 St. Joseph Street
New Orleans, Louisiana 70165

Re: Actuarial Valuation as of January 1, 2026

Members of the Board of Trustees:

Enclosed is the Actuarial Valuation of the Employees' Retirement System of the Sewerage and Water Board of New Orleans (the "Plan") as of January 1, 2026. The purpose of this report is to evaluate the funded status of the plan and to determine an actuarially reasonable contribution level that comports with the employer's funding policy for the plan year beginning January 1, 2026.

Note: This report may be provided to third parties only if distributed in its entirety.

Funding Policy

The ultimate goal of a funding policy is to ensure that plan assets will be sufficient to pay all benefits to all plan participants and their beneficiaries as payments come due. A funding policy that requires contributions that are sufficient to pay the plan's Normal Cost and to amortize the plan's Unfunded Accrued Liability (UAL) over a reasonable period of time should be adequate to achieve this goal, subject to the risks inherent in any pension plan as further discussed below in the "Variability in Future Actuarial Measurement and Related Risks" section of this letter.

The Sewerage and Water Board of New Orleans has utilized a funding policy that determines the Normal Cost and Accrued Liability using the Entry Age Normal (EAN) funding method. The UAL is the difference between this Entry Age Normal Accrued Liability and the Actuarial Value of Plan Assets as of the valuation date.

Under the funding policy adopted by the Board of Trustees in 2021 under Board Resolution R-061-2021, the employer is required to make an annual Actuarially Determined Contribution (ADC) sufficient to fund the sum of the Normal Cost under the EAN funding method and a level dollar amortization of the UAL utilizing a closed period, layered amortization approach. The UAL is comprised of various sources, and under the layered amortization approach each component source of UAL is amortized over a separate closed period as follows:

Source of UAL Amortization Layers	UAL Closed Amortization Period[1]
Actuarial Experience Gain/Loss	25 years
Assumption and Method Changes	25 years
Plan Amendments	15 years
Transition to New Policy	29 years[2]

1 Each layer is amortized using the level dollar approach over the specified closed period.
2 The current funding policy became effective on January 1, 2021. As of January 1, 2026, the remaining amortization period for the Transition amortization layer is 24 years.

The total ADC (i.e., the sum of the Normal Cost and the amortization amounts for each of the UAL layers) is determined as a percentage of total estimated *Earnable Compensation*, where such term is defined under the Rules and Regulations of the Plan, for the calendar year containing the valuation date. The Employer's portion of the total ADC is equal to the difference between the total ADC and the Employee Members' portion of the ADC and is also expressed as a percentage of total estimated Earnable Compensation. The Employer's contribution each year is determined by applying the percentage so determined to the actual Earnable Compensation paid during the year. The table below summarizes the current and prior year ADC.

	Annual Contribution		Increase / (Decrease) from 2025 to 2026
	2025	2026	
1. **Total Funding Policy Contribution**			
a. Normal Cost[1]	$ 6,772,767	$ 6,639,590	
b. UAL Amortization[1]	8,827,846	8,371,772	
c. Total	$ 15,600,613	$ 15,011,362	
2. **Employee Contribution[2]**	(3,853,952)	(3,728,061)	
3. **Employer Contribution (ADC)**	$ 11,746,661	$ 11,283,301	$ (463,360)
4. **Projected Pension Payroll[3]**	$ 64,232,532	$ 62,134,350	(3.3)%
5. **Employer ADC as a Percent of Pension Payroll (Line 3. / Line 4.)**	**18.288%**	**18.160%**	**(0.128)%**

[1] Includes interest to middle of year to reflect payment of contributions throughout the year.
[2] In accordance with Board Resolution R-140-2020 the Employer's portion of the ADC is determined by offsetting the total ADC by the actual Employee Contributions of 6% of Earnable Compensation.
[3] Based on projected Earnable Compensation (i.e., Pension Payroll) for each plan year. Earnable Compensation is not equal to Total Compensation. For example, Earnable Compensation excludes overtime pay. (See page VI-10 of this report for the definition of Earnable Compensation.)

The Employer Contribution reflecting the current funding policy for the 2026 plan year is 18.160% of 2026 Earnable Compensation. This amount is in addition to the Employee Member Contributions of 6.0% of Earnable Compensation. (See page III-1 of this report for the development of the Employer Contribution and page VI-10 for the definition of Earnable Compensation.)

As shown in the table above, the expected employer contribution for 2026 is approximately $463,000 less than the expected employer contribution for 2025 primarily due to asset gains resulting from positive investment experience during the 2025 plan year. However, the projected pension payroll decreased 3.3% from 2025 to 2026 in large part due to a reduction in the active member population by 5.1% from 1,224 active members as of January 1, 2025 to 1,162 active members as of January 1, 2026. The net effect of these two changes results in the employer contribution when expressed as a percentage of Earnable Compensation only decreasing by (0.128)% from 2025 to 2026.

Lastly, the funded status of the plan (i.e., the ratio of the Plan Assets to the Plan Liabilities as determined for funding purposes) increased by 2.45% from 71.20% as of January 1, 2025 to 73.65% as of January 1, 2026. This increase is attributable to a $5.5M Net Actuarial Gain which decreased the UAL from an expected value of $104.3M to an actual value of $98.8M. The Net Actuarial Gain is comprised of Assumption Change Gains of $0.6M (i.e., liabilities using the updated mortality assumption as further discussed in the next section of this cover letter) in addition to Experience Gains of $0.3M (i.e., actual liabilities and contributions differing from expected liabilities and contributions based upon actuarial assumptions) and Asset Gains of $4.6M (i.e., actual returns on the Actuarial Value of Assets (AVA) being greater than expected returns). The plan's Market Value of Assets (MVA) experienced investment gains of 13% in 2025, and due to the asset smoothing methodology, the AVA experienced a return of 9%. The purpose of this asset smoothing (as developed on page IV-3 of this report) is to mitigate volatility in the ADC in years in which there are substantial investment gains or losses on the MVA.

Changes in Actuarial Assumptions

Since the last valuation was prepared for this plan, mortality assumptions have been updated to reflect tables recently published by the Society of Actuaries (SOA). In 2019, the SOA's Retirement Plans Experience Committee (RPEC) published a mortality study of public pension plans called the "Pub-2010 Public Retirement Plans Mortality Tables Report". These mortality tables were developed using the mortality experience of public pension plans across the United States for the period from 2008 through 2013, and the name of the tables used "2010" since it was the central year of the study period. As the result of an actuarial experience study, the Board of Trustees of SWBNO adopted a mortality assumption based on these Pub-2010 tables with an adjustment to reflect the higher mortality rates of Louisiana relative the average mortality rates of all fifty states.

In May of 2025 the SOA published an updated report with new mortality tables called the "Pub-2016 Public Retirement Plans Mortality Tables Report" using more recent public pension plan experience during the period from 2013 to 2020, and the name of the tables uses "2016" since it is the central year of the study period. The RPEC used the same methodology as the Pub-2010 study to develop the tables based on public pension plans across the U.S. These Pub-2016 tables reflect slightly higher mortality than expected using the Pub-2010 mortality tables projected to 2016 with a mortality improvement scale. Thus, the Pub-2016 tables produce slightly higher rates of mortality, and thus slightly lower liabilities, than the Pub-2010 tables with projection.

The liabilities developed in this report as of January 1, 2026 use these new Pub-2016 mortality tables with the same adjustment factors developed in the last actuarial experience study report since Louisiana's mortality remains higher than the average mortality across the U.S. The resultant plan liability is reduced by $0.6M (or 0.15% of total liability) relative to the liability determined using the Pub-2010 tables. While this reduction is small, it better reflects current mortality expectations.

Normally, assumptions are updated following an actuarial experience study provided that the Board of Trustees resolves to update the valuation assumptions using the recommended assumptions from the study. However, as we have discussed with the Board in the past, the assumptions can be updated between actuarial experience studies if circumstances warrant a revaluation of any assumption. The updated mortality assumption is recommended at this time rather than waiting for the completion of the next experience study which is slated to occur in 2029. **Thus, when the Board of Trustees resolves to accept the results of this valuation report, the Board will also need to incorporate the use of this new assumption in its resolution provided the Board agrees with utilizing the updated mortality assumption effective with the January 1, 2026 actuarial valuation.**

For a complete list of assumptions and methods, see Section V of this report.

Action Items

The following list contains certain action items for company management:

1. Review the Management Summary (Section II) of this report.

2. As soon as administratively possible, change the rate of the Employer Contribution to 18.160% of Earnable Compensation for each payroll period.

3. Notify us of any activities during the remainder of the 2026 plan year that could require updates to the next valuation on January 1, 2027 (e.g., a plan amendment, a change in the funding policy or a change in the investment policy, etc.).

Variability in Future Actuarial Measurement and Related Risks

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following:

- Plan experience differing from that anticipated by the current economic or demographic assumptions;
- Increases or decreases expected as part of the natural operation of the methodology used for these measurements;
- Changes in economic or demographic assumptions; and
- Changes in plan provisions.

Risks that may reasonably be anticipated to significantly affect the plan's future financial condition include:

- Investment Risk (i.e., the potential that investment returns will be different than expected);

  Adverse investment experience can increase employer contribution requirements in future years. Favorable investment experience can have the opposite effect.

- Asset/Liability mismatch (i.e., the potential that changes in asset values are not matched by changes in the value of liabilities);

  Mismatches can produce effects similar to adverse investment experience, but they can be amplified by assets and liabilities moving in opposite directions. This plan's assets are not matched to its liabilities. Instead, the employer has elected to invest with an asset mix intended to produce higher long-term returns on average than might be expected with an asset/liability matched portfolio, but this will frequently produce short term variances between asset growth and liability growth.

- Longevity and other demographic risks (i.e., the potential that mortality or other demographic experience will be different than expected);

  Adverse longevity and other demographic experience can increase employer contribution requirements in future years. Favorable demographic experience can have the opposite effect.

- Contribution risk (i.e., the potential that actual future contributions deviate from expected future contributions).

  If employer contributions are made below the level required by the funding policy contemplated in this valuation, the employer contribution requirements will grow in the future, compounded with interest.

We can provide more detailed assessments of one or more of the above risks upon request. Assessment methods may include, but are not limited to, scenario tests and sensitivity tests. We have not been asked to perform and have not performed any stochastic or deterministic sensitivity analyses of the potential ranges of such future measurements, nor any of the more detailed assessments described above. If you have an interest in the results of any such analysis, please let us know.

If you have any questions concerning this information, please do not hesitate to call or write.

Respectfully submitted,

RUDD AND WISDOM, INC.

Mitchell L. Bilbe, F.S.A.

Christopher S. Johnson, F.S.A.

MLB/CSJ:bdt
Enclosures
cc: Kimberly Batiste
Stephanie Chambliss
Randy Hayman
E. Grey Lewis
Latressia Matthews

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ACTUARIAL VALUATION

AS OF

JANUARY 1, 2026

RUDD AND WISDOM, INC.
AUSTIN, TEXAS

MAY 2026

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Section I – Certification of Actuarial Valuation as of January 1, 2026

At the request of the Sewerage and Water Board of New Orleans (SWBNO), we have performed an actuarial valuation of the Employees' Retirement System of the Sewerage and Water Board of New Orleans as of January 1, 2026. The purpose of this report is to evaluate the funded status of the plan and to determine an actuarially reasonable contribution level for the plan year ending December 31, 2026 that comports with the employer's funding policy.

We have based our valuation on current employee, former employee and retiree data as of January 1, 2026 provided by the SWBNO, asset information as of January 1, 2026 provided by Capital One, Whitney Hancock and LAMP, financial statements provided by the SWBNO and plan provisions as of January 1, 2026 provided by the SWBNO. We have used the actuarial methods and assumptions described in Section V of this report. The actuarial valuation has been performed on the basis of the plan benefits described in Section VI.

To the best of our knowledge, all current employees eligible to participate in the plan as of the valuation date and all other individuals who have a remaining vested benefit or a remaining nonvested benefit under the plan have been included in the valuation. Further, all plan benefits have been considered in the development of plan costs.

The plan sponsor remains solely responsible for the accuracy and comprehensiveness of the data provided. However, to the best of our knowledge, no material biases exist with respect to any imperfections in the data provided by these sources. To the extent that any data imperfections exist in the historical compensation database, we have addressed the imperfections by application of the increase assumptions specified in Section V. To the extent any imperfections exist in service records, we have relied on best estimates provided by the employer. We have not audited the data provided, but have reviewed it for reasonableness and consistency relative to previously provided information. We have utilized software licensed from Winklevoss Technologies, LLC in the development of the liabilities summarized in the report. We have independently confirmed the model developed by Winklevoss and have sufficiently tested it to ensure the model is an accurate representation of the plan's liabilities.

To the best of our knowledge, the actuarial information supplied in this report is complete and accurate. In our opinion the assumptions used, in the aggregate and individually, are reasonably related to the experience of the plan and to reasonable expectations. The assumptions represent a reasonable estimate of anticipated experience of the plan over the long-term future, and their selection complies with the applicable actuarial standards of practice. We are neither aware of any material inconsistencies among the assumptions nor are we aware of any unreasonable results caused by the aggregation of the assumptions.

We hereby certify that we are members of the American Academy of Actuaries who meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Mitchell L. Bilbe, F.S.A.
Enrolled Actuary Number 26-6302
Member of American Academy of Actuaries

Christopher S. Johnson, F.S.A.
Enrolled Actuary Number 26-7100
Member of American Academy of Actuaries

Section II – Management Summary

All employer liabilities presented throughout this report have been determined based upon the actuarial methods and assumptions outlined in Section V and the plan provisions outlined in Section VI.

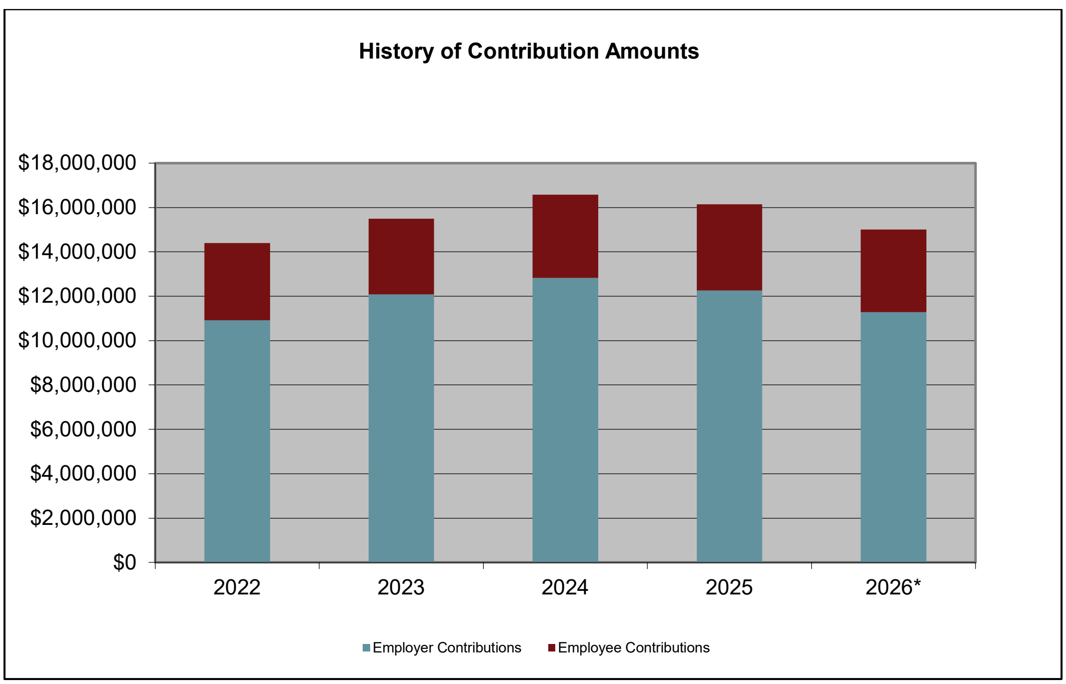
A. Contribution Amount Under Employer's Funding Policy

	Annual Contribution	
	2025	2026
1. **Total Funding Policy Contribution**		
a. Normal Cost[1]	$ 6,772,767	$ 6,639,590
b. UAL Amortization[1]	8,827,846	8,371,772
c. Total	$ 15,600,613	$ 15,011,362
2. **Employee Funding Policy Contribution[2]**	(3,853,952)	(3,728,061)
3. **Employer Funding Policy Contribution**	$ 11,746,661	$ 11,283,301
4. **Employer Funding Policy Contribution as a Percent of Pension Payroll[3]**	18.288%	18.160%

1 Includes interest to middle of year to reflect payment of contributions throughout the year.
2 In accordance with Board Resolution R-140-2020 the Employer's portion of the ADC is determined by offsetting the total ADC by the actual Employee Contributions of 6% of Earnable Compensation.
3 Based on projected Earnable Compensation (i.e., Pension Payroll) of $64,232,532 for 2025 and $62,134,350 for 2026.

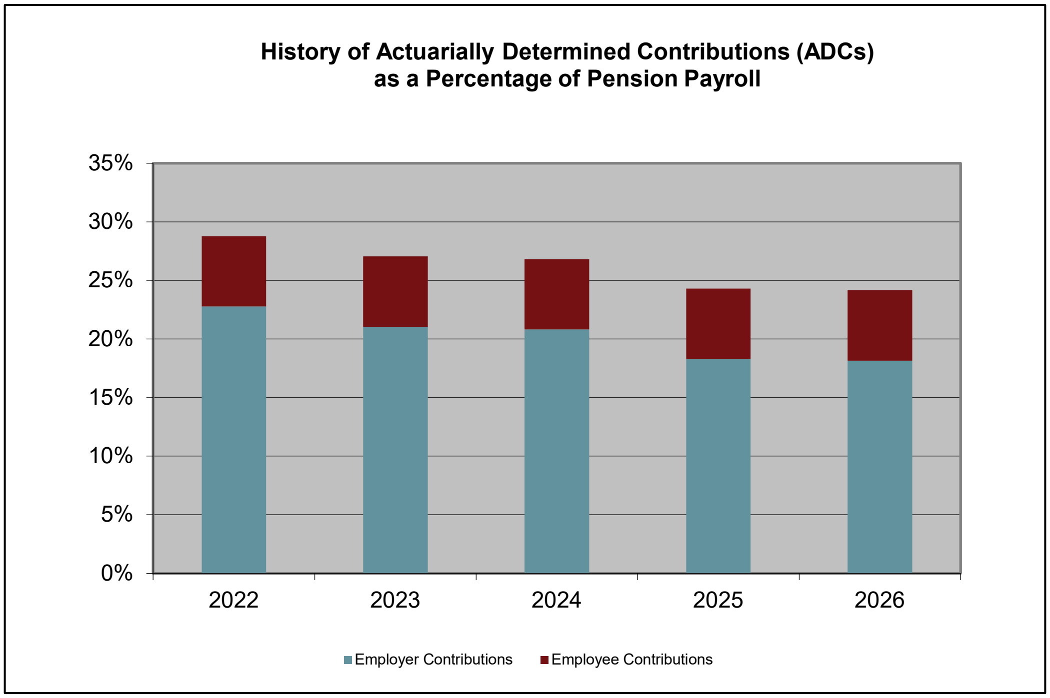
The employer's Funding Policy determines the annual contribution amount as the sum of the **Normal Cost** and a closed period layered amortization of the **Unfunded Accrued Liability** (UAL), where the UAL is the difference between the **Actuarial Value of Assets** and the **Actuarial Accrued Liability** (AAL). (See page III-3 of this report for details about the sources of the amortization layers.) The AAL and the Normal Cost are determined using the **Entry Age Normal** (EAN) actuarial funding method as described in Section V.A. of this report.

A 5-year history of the plan's actual contribution amounts under the employer's Funding Policy is shown below.



* Assuming the funding policy contribution from this report is contributed by employer.

Below is a history of the Plan's Actuarially Determined Contributions (ADCs) determined under the funding policy in effect for each year and shown as a percentage of Pension Payroll.



B. Participant Demographics as of January 1, 2026

Participants	Number	Estimated Earnable Compensation for 2026
Actives	**1,162**	**$ 62,134,350**
Vested Terminated	**84**	**N/A**
Nonvested Terminated	**311** [1]	**N/A**
Retirees and Beneficiaries	**941** [2]	**N/A**
Total	**2,498**	**$ 62,134,350**

[1] Nonvested Terminated and deceased members whose employee contribution account balances have not yet been refunded as of the valuation date.

[2] Includes 91 DROP participants whose period of participation in the DROP has not yet expired as of the valuation date.

C. Funding Liabilities and Assets

	As of January 1, 2025	As of January 1, 2026
1. a. Market Value of Assets	$ 267,027,954	$ 293,140,306
b. Actuarial Value of Assets	$ 262,026,510	$ 276,069,201
2. Discount Rate	7.00%	7.00%
3. Present Value of Future Benefits		
a. Actives	$ 160,271,368	$ 152,609,005
b. Retirees[1] and Beneficiaries	209,632,116	207,872,139
c. DROP[2] Retirees	30,858,897	47,902,067
d. Disabled Retirees	7,039,756	6,706,619
e. Vested Terminated	4,522,914	4,274,064
f. Nonvested Terminated	663,404	822,416
g. Total	$ 412,988,455	$ 420,186,310
h. Funded Status [1.b./3.g.]	63.45%	65.70%
4. Entry Age Normal Accrued Liabilities		
a. Actives	$ 115,284,583	$ 107,255,945
b. Retirees[1] and Beneficiaries	209,632,116	207,872,139
c. DROP[2] Retirees	30,858,897	47,902,067
d. Disabled Retirees	7,039,756	6,706,619
e. Vested Terminated	4,522,914	4,274,064
f. Nonvested Terminated	663,404	822,416
g. Total	$ 368,001,670	$ 374,833,250
h. Funded Status [1.b./4.g.][3]	71.20%	73.65%

1 Excludes DROP Retirees whose DROP balance has not been paid as of the valuation date.
2 DROP Retirees whose DROP balance has not been paid as of the valuation date.
3 The Funded Status measured based on the Market Value of Assets would be 72.56% as of January 1, 2025 and 78.21% as of January 1, 2026.

1. Liabilities

The **Present Value of Future Benefits** (PVFB) is the actuarial present value of the cost to finance projected benefits payable in the future, discounted to reflect the expected effects of the time value (present value) of money and the probabilities of payment.

The **Entry Age Normal Accrued Liability** attributes a portion of the PVFB to the past service of each individual, where the amount attributed to each year is spread on a level basis over the earnings of an individual from their plan entry date to their assumed exit dates from the plan.

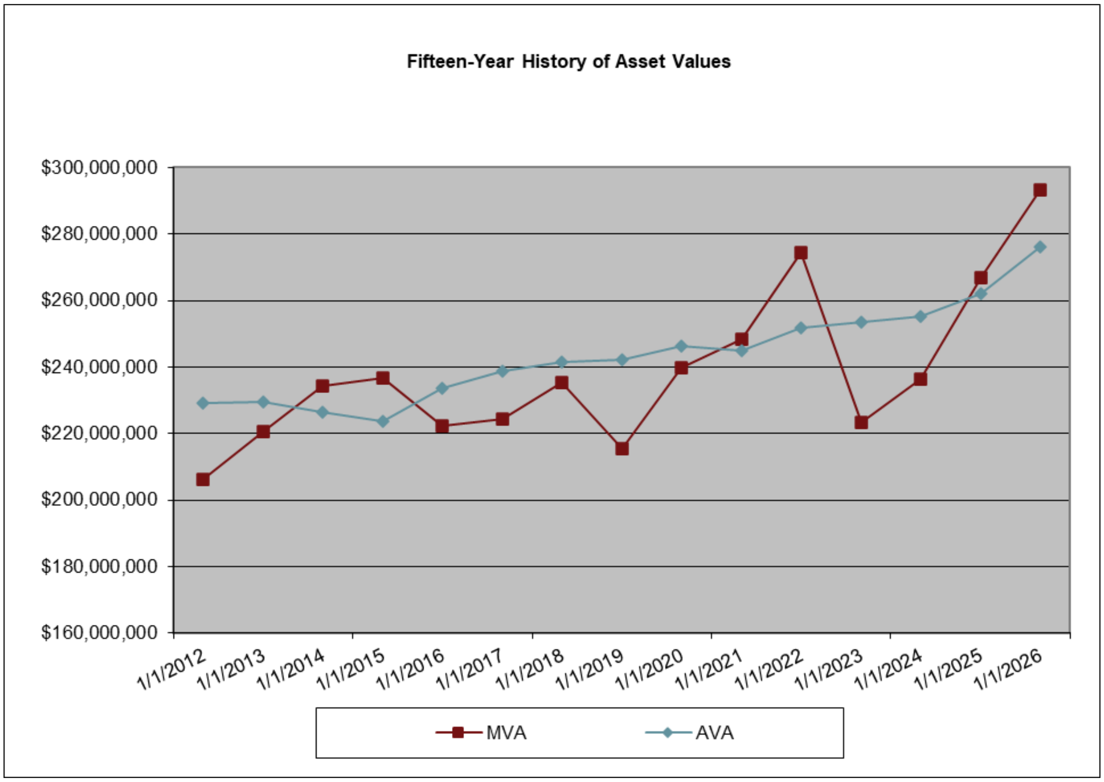
The liability measurements in this report are not appropriate for assessing the sufficiency of plan assets to cover the cost of settling plan obligations in the event the plan is terminated.

Further, additional contributions from the employer could be needed in the future even if asset values were equal to 100% of liabilities as measured for funding purposes.

2. Assets

The **Actuarial Value of Assets (AVA)** smooths the volatility of the Market Value of Assets (MVA) by deferring recognition of asset gains or losses over a seven-year period. This smoothing of the MVA in turn reduces the year over year fluctuation of Employer Contributions and can make it easier for the employer to budget its contribution each year.

Below is a 15-year history of the MVA and the AVA.



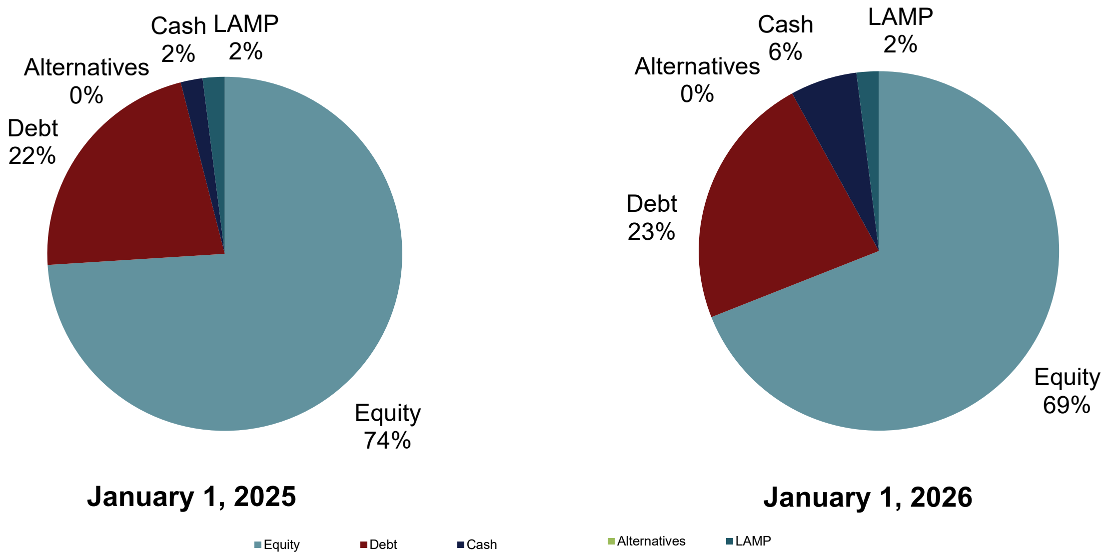
The investment policy's targeted weighted-average asset allocations by asset class are as follows:

Investment Policy Targeted Asset Allocations			
Asset Class	**Minimum Allocation**	**Target Allocation**	**Maximum Allocation**
Equity Securities	**45%**	**55%**	**65%**
Debt Securities	**20%**	**25%**	**30%**
Alternatives[1]	**7%**	**20%**	**35%**
Cash	**0%**	**0%**	**0%**
Total	**N/A**	**100%**	**N/A**

1 Real Estate/REITs, Private Equity and Global Infrastructure investments.

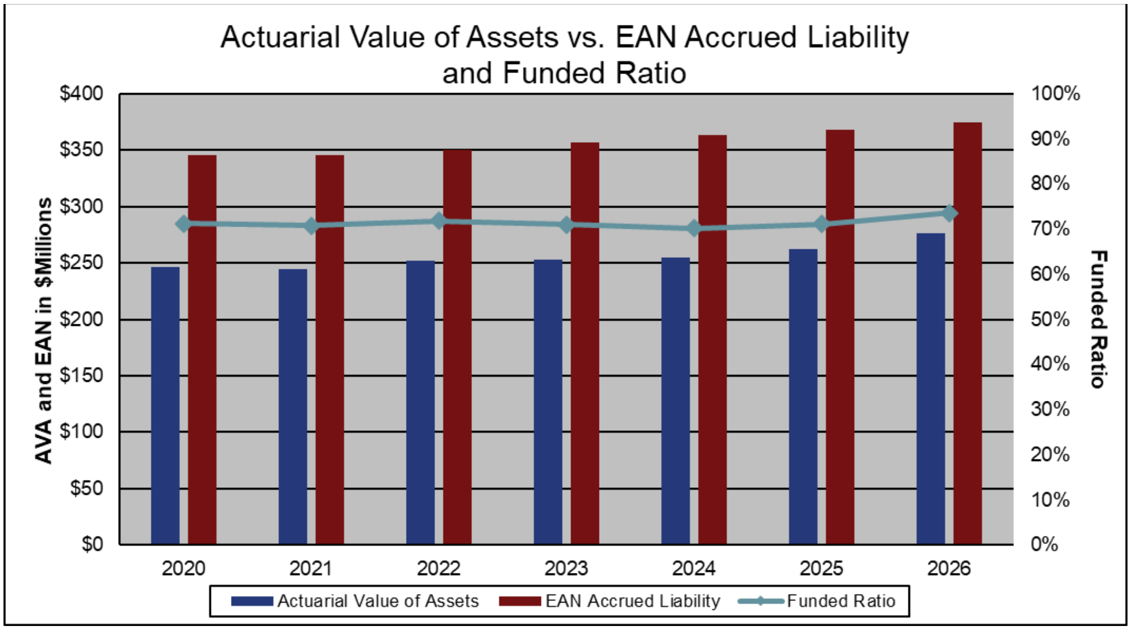
The target asset allocation above should be reviewed periodically against actual asset allocations as shown below. Furthermore, from time to time the plan's investment policy itself should be reviewed to ensure that the objectives stated in the policy are consistent with the plan sponsor's investment goals and risk tolerance, particularly as the plan approaches the point at which the value of plan assets equals or exceeds PVFB.

Asset Allocation as of Prior and Current Valuation Dates



D. Funded Status Based on Entry Age Normal Accrued Liability

The **Funded Status** compares a measure of a plan's liabilities to its assets. The graph below compares the Actuarial Value of Assets to the EAN Accrued Liability for each of the last seven years.



E. No Changes in Plan Provisions

This valuation reflects identical plan provisions to those recognized in the prior valuation prepared for the plan. Plan provisions are summarized in Section VI.

F. Changes in Actuarial Methods and Assumptions

This valuation reflects different actuarial assumptions from those recognized in the prior valuation prepared for the plan. Mortality assumptions have been updated to reflect tables recently published by the Society of Actuaries (SOA). Actuarial methods and assumptions are summarized in Section V.

G. Plan Maturity Measures

The following measures may help the employer assess the relative risks associated with a particular asset mix for the trust's portfolio, a particular funding policy, whether to consider or reconsider asset/liability matching for all or a portion of the portfolio, and other risks disclosed in the transmittal letter to this report.

Measure	2026	2025	2024	2023	2022	2021	2020
1. Ratio of Retired Life Accrued Liability to Total Accrued Liability	70.0%	67.3%	68.1%	69.1%	71.4%	70.6%	70.3%
Commentary: Retired participants account for approximately 70% of plan liabilities in 2026. This means that the plan is considered mature. Mature plans are more sensitive to investment volatility. Over the past several years this ratio has decreased slightly. However, the ratio has increased this year, which reflects a reduction in the active population in the plan.							
2. Ratio of Prior Year Net Cash Flows to Market Value of Assets	(3.4)%	(3.5)%	(4.7)%	(5.2)%	(4.3)%	(5.1)%	(4.3)%
Commentary: Net Cash Flows divided by assets is a benchmark for how quickly assets are being liquidated relative to the investment return assumption. When net cash flows are negative but such ratio is less than the investment return assumption, then investment returns should be sufficient to maintain or improve the plan's funded status on a market value basis. The plan's net cash flows for the most recent year are equal to approximately (3.4)% of the plan's market asset value, an amount below the current long-term rate of return assumption of 7.0%.							
3. Duration of Accrued Liability[1]	9.6	9.7	9.6	9.6	9.4	9.5	9.0
Commentary: Duration is an indicator of the impact of small changes in discount rates on plan liabilities. The higher the duration, the more sensitive a plan's obligations are to changes in discount rates. The typical duration for an on-going pension plan is about 10-15 years. Plans with a higher proportion of retirees will tend to have shorter durations. This measure has been increasing recently until this year, which is a result of a reduction of the active population in the plan.							

[1] Modified duration of the plan's Accrued Liability (AL) estimated by examining the impact of a 25 basis point shift in discount rates on AL. We used the following formula for this purpose:

$$[1 - (\frac{AL_1}{AL_2})] \,/\, (i_1 - i_2)$$

H. Low-Default-Risk Obligation Measure

This funding report is required to comport with all applicable Actuarial Standards of Practice (ASOPs), including ASOP No. 4 - *Measuring Pension Obligations and Determining Pension Plan Costs or Contributions*. ASOP No. 4 was revised in December of 2021 with an effective date for funding reports with measurement dates on or after February 15, 2023. Thus, this report (with a January 1, 2026 measurement date) must meet the requirements of the revised ASOP, including a new disclosure of a Low-Default-Risk Obligation Measure (LDROM) as described below.

The plan invests in a diversified portfolio of stocks, bonds, real estate, and private equity with the objective of maximizing investment returns at a reasonable level of risk. The potential for investment returns to be different than expected is a key risk for the plan. Reducing the plan's investment risk by investing solely in bonds, however, would also likely reduce the plan's investment returns thereby increasing the amount of contributions needed over the long run.

The LDROM represents what the funding liability would be if the plan invested its assets solely in a portfolio of low-default-risk fixed income securities whose cash flows match the expected pattern of benefits (accrued as of the measurement date) expected to be paid in the future.

When calculating this measure, an immediate gain actuarial cost method is used along with a discount rate or discount rates derived from low-default-risk fixed income securities. Examples of discount rates that may meet this requirement include:

1. US Treasury yields;
2. Rates implicit in settlement of pension obligations including purchases of annuities from insurance companies;
3. Yields on corporate or tax-exempt general obligation municipal bonds that receive one of the two highest ratings given by a recognized ratings agency;
4. Non-stabilized ERISA funding rates for single employer plans; and
5. Multiemployer current liability rates.

We have used the entry age normal funding method and 4.50% as the discount rate in our calculation of the LDROM. All other assumptions used in determining the obligation measure are the same assumptions as those used in the funding valuation. The LDROM is shown below:

Low-Default-Risk Obligation Measure	**$ 488,487,836** [1,2]

1 Determined using 4.50% discount rate based on annuity purchase rates as of January 1, 2026.
2 Compares to a liability of $374,833,250 determined using the 7.00% discount rate utilized in this report.

Investing in a diversified portfolio is expected to produce lower contribution requirements over time. Comparing the LDROM to the funding actuarial accrued liability illustrates the expected reduction in future funding obligations achieved by investing in a diversified portfolio with appropriate levels of risk instead of solely in fixed income securities.

Low-default-risk investments are still subject to market volatility and investing solely in low-default-risk investments may or may not be considered a prudent investment strategy. Switching to investing solely in high quality bonds could result in unnecessarily high contributions in the near term.

Because plan assets are not invested in all bond-portfolios, the LDROM does not accurately reflect the plan's funding status, nor does it offer insights into required plan contributions or the security of participant benefits.

Section III – Detailed Actuarial Valuation Results

A. Determination of Employer Contribution

		January 1, 2026	As a % of Pension Payroll
1.	**Projected Participant Earnable Compensation for Current Plan Year (i.e., Pension Payroll)**	$ 62,134,350	
2.	**Present Value of Future Benefits**	$ 420,186,310	
3.	**Accrued Liability**	$ 374,833,250	
4.	**Actuarial Value of Assets**	$ 276,069,201	
5.	**Unfunded Accrued Liability (UAL) (Item 3. – Item 4.)**	$ 98,764,049	
6.	**Present Value of Future Normal Costs (Item 2. – Item 3.)**	$ 45,353,060	
7.	**Normal Cost at Beginning of Year**	$ 6,418,734	10.330%
8.	**Total Funding Policy Actuarially Determined Contribution (ADC)**		
	a. Normal Cost[1]	$ 6,639,590	10.686%
	b. Amortization of UAL[1,2]	8,371,772	13.474%
	c. Total	$ 15,011,362	24.160%
9.	**Employee Funding Policy Portion of ADC[3] (Item 1. x 6%)**	$ 3,728,061	6.000%
10.	**Employer Funding Policy Portion of ADC (Item 8.c. – Item 9.)**	$ 11,283,301	18.160%

1 Includes interest to middle of year to reflect payment of contributions throughout the year.
2 Calculated using a layered amortization approach with different closed amortization periods for each layer. (See page III–3 for details.)
3 In accordance with Board Resolution R-140-2020, the Employer Portion of the ADC is determined using actual employee contributions of 6% of Earnable Compensation to offset the total ADC.

B. Development of Expected Unfunded Accrued Liability and Actuarial (Gain)/Loss

	January 1, 2026
1. Prior Year Actual Unfunded Accrued Liability	$ 105,975,160
2. Prior Year Normal Cost as of Beginning of Year	6,547,481
3. Interest on above amounts[1]	7,876,585
4. Expected Employer and Employee Contributions for Prior Year (with credited interest)[2]	(16,137,400)
5. Current Year Expected Unfunded Accrued Liability	$ 104,261,826
6. Current Year Actual Unfunded Accrued Liability	$ 98,764,049
7. Actuarial (Gain)/Loss [(6) – (5)]	$ (5,497,777)
8. Sources of Actuarial (Gain)/Loss	
a. Plan Amendments	$ 0
b. Change in Actuarial Assumptions	(559,736)
c. Change in Actuarial Methods	0
d. Experience (Gain)/Loss[3]	(296,506)
e. Asset (Gain)/Loss	(4,641,535)
f. Total (Gain)/Loss	$ (5,497,777)

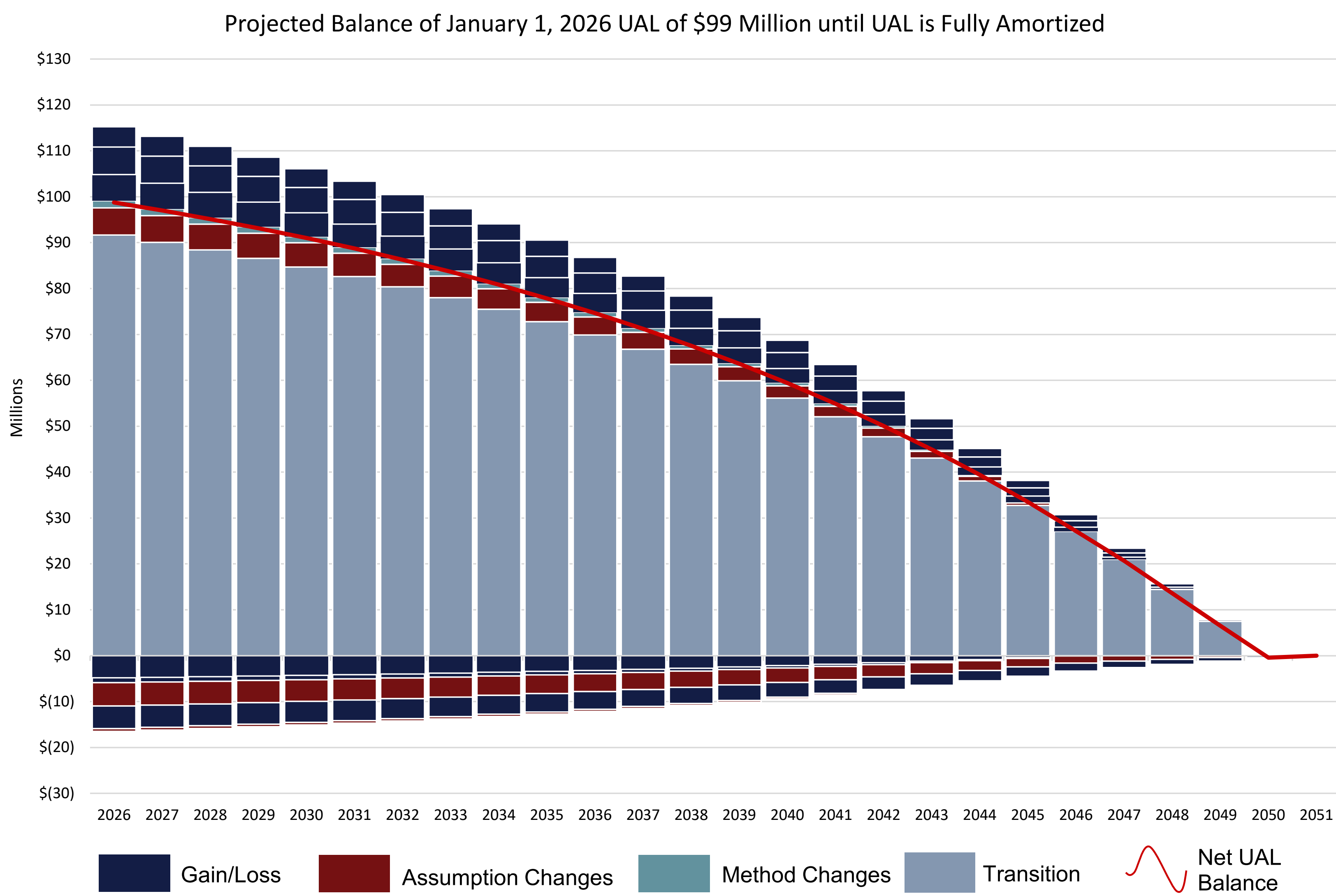
1 Interest calculated using 7% for a full year.
2 Interest calculated using 7% for a half year since contributions are assumed to be made throughout the year.
3 Includes both (i) demographic (gains)/losses and (ii) (gains)/losses arising from actual contributions (in excess of)/less than expected contributions.

C. Schedule of Unfunded Accrued Liability Layers and Amortization Payments

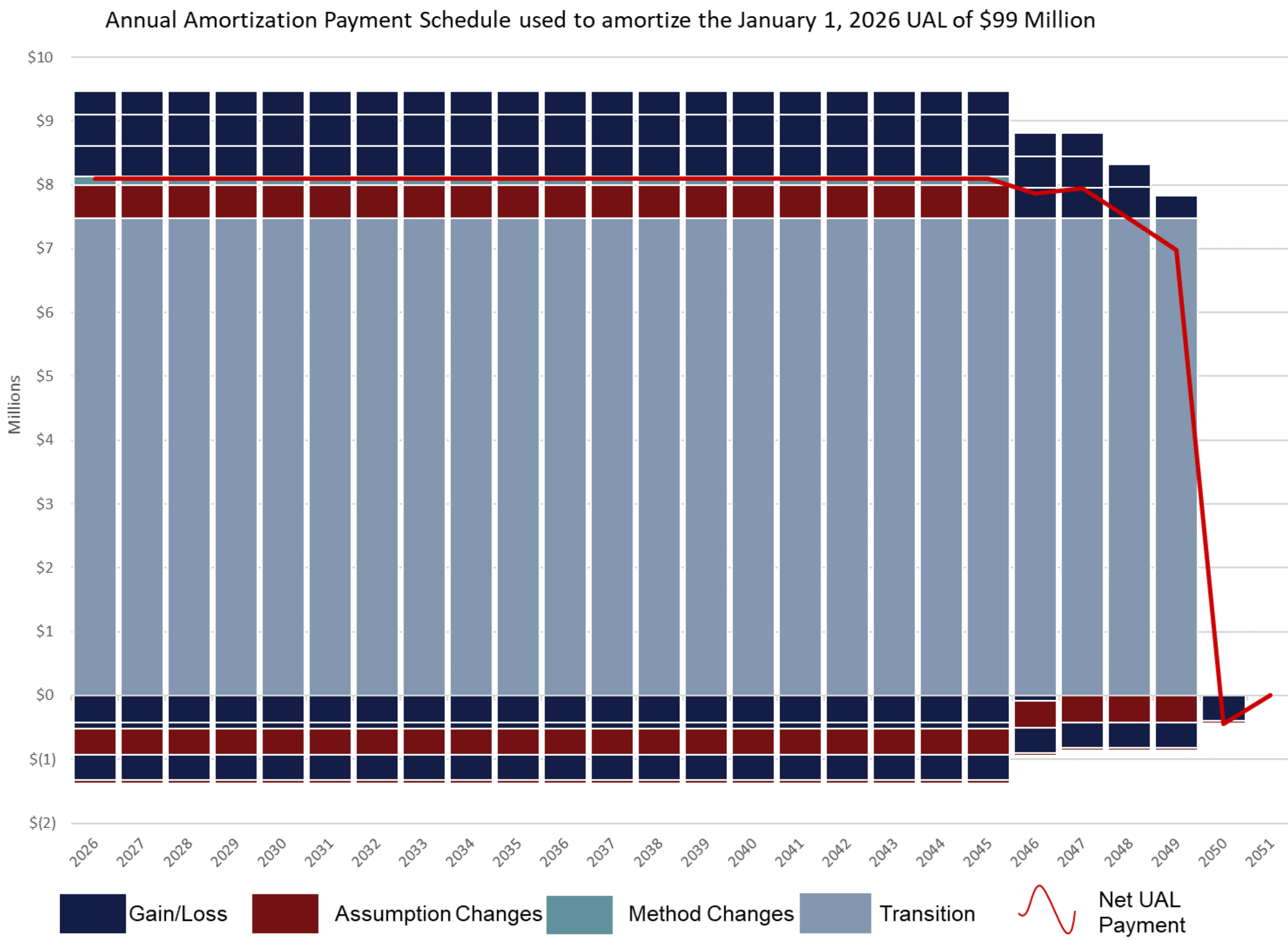
As of January 1, 2026						
			Amortization Period			
UAL Source	Date Established	Initial Amount	Initial Years	Years Remaining	Outstanding Balance	Annual Amortization Payment
Transition to New Policy	January 1, 2020	$ 99,176,322	30	24	$ 91,665,934	$ 7,469,405
Actuarial (Gain)/Loss	January 1, 2021	(5,304,129)	25	20	(4,821,867)	(425,374)
Assumption Changes	January 1, 2021	6,514,569	25	20	5,922,249	522,447
Method Changes	January 1, 2021	1,663,565	25	20	1,512,309	133,413
Actuarial (Gain)/Loss	January 1, 2022	(1,116,128)	25	21	(1,037,779)	(89,510)
Actuarial (Gain)/Loss	January 1, 2023	6,044,144	25	22	5,736,925	484,721
Actuarial (Gain)/Loss	January 1, 2024	6,185,725	25	23	5,983,280	496,075
Actuarial (Gain)/Loss	January 1, 2025	4,491,141	25	24	4,420,134	360,175
Assumption Changes	January 1, 2025	(5,201,599)	25	24	(5,119,359)	(417,151)
Actuarial (Gain)/Loss	January 1, 2026	(4,938,041)	25	25	(4,938,041)	(396,015)
Assumption Changes	January 1, 2026	(559,736)	25	25	(559,736)	(44,889)
Total					$ 98,764,049	$ 8,093,297 [1]

[1] Amount determined as of beginning of the year. The total Annual Amortization Payment with interest to the middle of the year is $8,371,772.

D. Projected Balance of January 1, 2026 UAL



E. UAL Annual Amortization Schedule as of January 1, 2026



F. Present Value of Accrued Benefits (PVAB)

The Present Value of Accrued Benefits (PVAB) only considers past service and past pay in the determination of the plan's liabilities. This actuarial cost method would not be as useful as the current cost method (i.e., the Entry Age Normal cost method) for determining the funding policy contribution since it does not consider the effect of future pay and service accruals on the plan's liabilities. However, the PVAB is useful in determining how the funded status of the plan is progressing relative to the current level of accrued benefits since it determines the present value of the plan benefits as if plan benefits were frozen on the valuation date.

	As of January 1, 2025	As of January 1, 2026
1. **PVAB**	$ 331,223,160	$ 339,475,007
2. **Actuarial Value of Assets**	$ 262,026,510	$ 276,069,201
3. **Funded Status of PVAB [Item 2. ÷ Item 1.]**	79.11%	81.32%

G. History of Asset Returns

For Plan Year Ending (1)	Market Value[1] (2)	Actuarial Value (3)
December 31, 2016	5.42%	6.92%
December 31, 2017	10.52%	6.48%
December 31, 2018	(3.31%)	5.50%
December 31, 2019	15.97%	5.68%
December 31, 2020	9.67%	4.41%
December 31, 2021	14.96%	7.37%
December 31, 2022	(14.41%)	5.75%
December 31, 2023	10.98%	4.90%
December 31, 2024	16.96%	6.07%
December 31, 2025	13.54%	9.00%

Average Returns:		
Last 5 Years	7.72%	6.61%
Last 10 Years	7.59%	6.20 %

[1] Dollar-weighted return.

Section IV – Summary of Assets

A. Summary of Market Value of Assets

	01/01/2025	01/01/2026
1. Assets		
a. Cash	$ 3,762,930	$ 2,809,523
b. Receivables:		
i. Employee and Employer Contributions[1]	$ 151,192	$ 161,606
ii. Due from broker for investments sold	0	0
iii. Investment income	0	0
iv. Due from other funds	525,046	491,192
v. Total receivables	$ 676,238	$ 652,798
c. Investments:		
i. Money Market	$ 84,428	$ 14,548,254
ii. LAMP	6,150,444	7,272,722
iii. Debt Securities	58,953,214	66,559,099
iv. Hedge Funds	0	0
v. Equities	197,400,700	201,297,910
vi. Total investments	$ 262,588,786	$ 289,677,985
d. Total assets [a. + b.v. + c.vi.]	$ 267,027,954	$ 293,140,306
2. Liabilities		
a. Payables:		
i. Investment management fees	$ 0	$ 0
ii. Due to broker for investments purchased	0	0
iii. Due to other fund	0	0
b. Total liabilities	$ 0	$ 0
3. Market Value of Assets	$ 267,027,954	$ 293,140,306

[1] Includes receivables for City annuities and other transfers-in.

B. Income Statement for Market Value of Assets

	2024	2025
1. Additions		
a. Contributions:		
i. Employer	$ 12,827,921	$ 12,258,856
ii. Member	3,746,864	3,889,544
iii. City annuity and other transfers in	1,533,566	1,356,059
iv. Total contributions	$ 18,108,351	$ 17,504,459
b. Investment income:		
i. Net appreciation in market value of investments	$ 37,866,323	$ 33,637,880
ii. Interest income	501,136	330,493
iii. Dividend income	1,173,200	1,857,955
iv. Less investment expenses	(643,580)	(575,395)
v. Net investment income	$ 38,897,079	$ 35,250,933
c. Other	$ 0	$ 0
d. Total additions [a.iv. + b.v. + c.]	$ 57,005,430	$ 52,755,392
2. Deductions		
a. Benefit payments including refunds of employee contributions	$ 26,425,174	$ 26,643,040
b. Administrative expenses	0	0
c. Other	0	0
d. Total deductions	$ 26,425,174	$ 26,643,040
3. Net increase/(decrease) in Market Value [1.d. – 2.d.]	$ 30,580,256	$ 26,112,352
4. Market Value of Assets		
a. Beginning of Year	$ 236,447,698	$ 267,027,954
b. End of Year [4.a. + 3.]	$ 267,027,954	$ 293,140,306
5. Money-weighted Rate of Return		
a. Net of Investment-Related Expenses	16.96%	13.54%
b. Gross	17.14%	13.68%
6. Direct Investment-Related Expenses [5.b. – 5.a.]	0.18%	0.14%

C. Development of Actuarial Value of Assets

1. Calculation of Adjusted Market Value of Assets	01/01/2020 – 12/31/2020	01/01/2021 – 12/31/2021	01/01/2022 – 12/31/2022	01/01/2023 – 12/31/2023	01/01/2024 – 12/31/2024	01/01/2025 – 12/31/2025
a. Market Value of Assets (MVA) at beginning of period	$ 239,677,702	$ 248,401,024	$ 274,480,175	$ 223,360,219	$ 236,447,698	$ 267,027,954
b. Net Cash Flows	(12,137,113)	(10,792,940)	(12,431,437)	(10,513,366)	(8,316,823)	(9,138,581)
c. Expected Investment Return	16,359,825	17,016,708	18,785,871	15,273,471	16,265,173	18,377,516
d. Expected MVA at end of period	$ 243,900,414	$ 254,624,792	$ 280,834,609	$ 228,120,324	$ 244,396,048	$ 276,266,889
e. Actual MVA at end of period	$ 248,401,024	$ 274,480,175	$ 223,360,219	$ 236,447,698	$ 267,027,954	$ 293,140,306
f. Asset (Gain) / Loss [Item 1.d. – Item 1.e.]	$ (4,500,610)	$ (19,855,383)	$ 57,474,390	$ (8,327,374)	$ (22,631,906)	$ (16,873,417)

2. Calculation of Deferred (Gain)/Loss			
Year Ending	**Asset (Gain)/Loss**	**Fraction Deferred**	**Deferred (Gain) / Loss**
a. December 31, 2025	$ (16,873,417)	6/7	$ (14,462,929)
b. December 31, 2024	(22,631,906)	5/7	(16,165,647)
c. December 31, 2023	(8,327,374)	4/7	(4,758,499)
d. December 31, 2022	57,474,390	3/7	24,631,881
e. December 31, 2021	(19,855,383)	2/7	(5,672,967)
f. December 31, 2020	(4,500,610)	1/7	(642,944)
g. Total			$ (17,071,105)

3. Calculation of Actuarial Value of Assets	As of January 1, 2026
a. Market Value of Assets (MVA)	$ 293,140,306
b. Total Deferred (Gain) / Loss [Item 2.g.]	(17,071,105)
c. Preliminary Actuarial Value of Assets (AVA) [Item 3.a. + Item 3.b.]	$ 276,069,201
d. Corridor for AVA	
i. 70% of Item 3.a.	$ 205,198,214
ii. 130% of Item 3.a.	$ 381,082,398
e. AVA [Item 3.c. but not less than Item 3.d.i. nor greater than Item 3.d.ii.]	$ 276,069,201
f. Ratio of AVA to MVA [Item 3.e. ÷ Item 3.a.]	94.18%

Section V – Actuarial Methods and Assumptions

A. Actuarial Methods

1. Actuarial Funding Method

The Entry Age Normal actuarial funding method is used in determining the contribution requirements for the plan. The actuarial funding method is the procedure by which the actuary annually identifies a series of annual contributions which, along with current assets and future investment earnings, will fund the expected plan benefits. The Entry Age Normal funding method compares the excess of the present value of expected future plan benefits over the current value of plan assets. This difference represents the expected present value of current and future contributions that will be paid into the plan. The contributions are divided into two components: an annual normal cost (or current cost) and an amortization charge for the unfunded accrued liability.

The normal cost for the plan is the sum of individually determined normal costs for each active participant. Each active participant's normal cost is the current annual contribution in a series of annual contributions which, if made throughout the participant's total period of employment, would fund his expected benefits from the plan. Each participant's normal cost is calculated to be an annual constant percentage of his expected compensation in each year of employment.

The plan's current accrued liability is the excess of the present value of expected future benefits over the present value of all future remaining normal cost contributions of active participants.

2. Actuarial Value of Assets

Fair value is equal to the market value of assets as determined by the plan trustee, including any receivable contributions made for a prior plan year after the asset valuation date.

The Actuarial Value of Assets (AVA) is equal to the fair value adjusted by deferred recognition of asset gains and losses over a seven-year period. The asset gains/(losses) are equal to the excess/(shortfall) of actual market value over/(under) expected market value determined using the assumed investment return of 7.00%. The asset gains/(losses) are determined at the end of the year in which they occur. These gains/(losses) are recognized one-seventh (1/7) each year over the next seven (7) years beginning in the year in which the gain or loss occurs. The AVA is subject to a 30% corridor such that the fair value adjusted by the deferred asset gains and losses will not be less than 70% nor greater than 130% of the fair value of assets.

B. Actuarial Assumptions

1. Mortality: The active, vested terminated and retired members of the plan are expected to exhibit mortality in accordance with the following published mortality tables:

a. Pre-retirement Mortality: Amount-weighted General Employee Table (i.e., PubG-2016) multiplied by 121% for Males and 119% for Females projected from the 2016 base year generationally using Scale MP-2021[1] mortality improvement rates with Male projection factors multiplied by 91% and Female projection factors multiplied by 82%

b. Post-retirement Mortality:

i. Healthy Retirees: Amount-weighted General Table for Healthy Retirees (i.e., PubG-2016) multiplied by 121% for Males and 119% for Females projected from the 2016 base year generationally using Scale MP-2021[1] mortality improvement rates with Male projection factors multiplied by 91% and Female projection factors multiplied by 82%

[1] Per the assumptions adopted by the Board of Trustees in December 2024, in future valuations Scale MP-2021 shall be replaced by its successor if such updated projection scale has been published prior to the time the valuation is performed.

ii. Disabled Retirees: Amount-weighted General Table for Disabled Retirees (i.e., PubG-2016) multiplied by 121% for Males and 119% for Females projected from the 2016 base year generationally using Scale MP-2021[1] mortality improvement rates with Male projection factors multiplied by 91% and Female projection factors multiplied by 82%

iii. Contingent Survivors: Amount-weighted General Table for Retirees prior to the Retired Member's death and Amount-weighted General Table for Contingent Survivors after the Retired Member's death (i.e., PubG-2016) multiplied by 121% for Males and 119% for Females projected from the 2016 base year generationally using Scale MP-2021[1] mortality improvement rates with Male projection factors multiplied by 91% and Female projection factors multiplied by 82%

2. ***Termination***: The active members are assumed to terminate their employment for causes other than death, disability or retirement in accordance with annual rates as illustrated below.

Terminations Per 100 Members						
	Years of Credited Service					
Age	<1	1-2	2-3	3-4	4-5	5+
<25	30	25	22	20	20	20
25-29	30	22	22	17	14	14
30-34	25	20	18	17	14	10
35-39	23	15	15	15	14	9
40-44	23	15	15	12	9	7
45-49	20	15	15	12	9	6
50-54	18	15	15	12	9	5
55-59	12	12	11	11	9	5
60+	10	10	10	4	4	3

3. ***Interest Rate***: 7.00% (net of investment-related expenses) per annum.

4. ***Earnings Progression***: Member compensation is assumed to increase in accordance with annual rates as illustrated below.

Annual Compensation Increases[2]	
Age	Annual Rate
20 - 24	12.50%
25 - 29	5.00%
30 - 34	5.00%
35 - 39	4.75%
40 - 44	4.50%
45 - 49	4.25%
50 - 54	4.25%
55 - 59	4.00%
60 - 64	3.50%
65+	3.00%

[1] Per the assumptions adopted by the Board of Trustees in December 2024, in future valuations Scale MP-2021 shall be replaced by its successor if such updated projection scale has been published prior to the time the valuation is performed.

[2] Includes a 2.50% inflation component.

5. ***Retirement Age***: Active members are assumed to retire in accordance with the annual rates illustrated below.

	Retirements per 100 Members												
	Years of Credited Service												
Age	<5	5-19	20	21	22	23	24	25	26	27	28	29	30+
45													
46													
47													
48													5
49													5
50													15
51												15	15
52											15	15	10
53										20	20	10	10
54									20	20	10	10	10
55								20	20	15	15	15	15
56							20	20	15	15	15	15	15
57						35	35	17.5	17.5	17.5	17.5	17.5	17.5
58					30	30	15	15	15	15	15	15	15
59				45	45	20	20	20	20	20	20	20	20
60		17.5	45	45	17.5	17.5	17.5	17.5	17.5	17.5	17.5	17.5	17.5
61		20	20	20	20	20	20	20	20	20	20	20	20
62		30	30	30	30	30	30	30	30	30	30	30	30
63		27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
64		27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
65		35	35	35	35	35	35	35	35	35	35	35	35
66		20	20	20	20	20	20	20	20	20	20	20	20
67		20	20	20	20	20	20	20	20	20	20	20	20
68		20	20	20	20	20	20	20	20	20	20	20	20
69		20	20	20	20	20	20	20	20	20	20	20	20
70		20	20	20	20	20	20	20	20	20	20	20	20
71		20	20	20	20	20	20	20	20	20	20	20	20
72		20	20	20	20	20	20	20	20	20	20	20	20
73		20	20	20	20	20	20	20	20	20	20	20	20
74		20	20	20	20	20	20	20	20	20	20	20	20
75	100	100	100	100	100	100	100	100	100	100	100	100	100

6. ***Disability***: Active members are expected to become disabled as defined under the plan in accordance with annual rates as illustrated below.

Disability Retirements Per 100 Members	
Age	**Rate**
20	0.022
30	0.022
40	0.060
50	0.222
55	0.380
60	0.690
65	1.020

7. ***Recognition of IRC Benefit and Compensation Limitations***: The limitations under IRC Sections 415(b) and 401(a)(17) have been reflected in the determination of plan costs, and these limits are assumed to increase at the assumed annual rate of inflation of 2.50%.

8. ***Cost of Living Increase***: Retirement and Survivor's Benefits are assumed to receive annual Cost of Living Increases at the level of 1.65% per year of the first $10,000 of the original retirement amount for all years after age 65.

9. ***Withdrawal of Employee Contributions:*** 75% of members terminating with a vested right are assumed to withdraw their accumulated contributions upon termination, while 25% are assumed to retain their vested deferred benefits by leaving contributions on deposit.

10. ***Marital Status***: 85% of members are assumed to be married at the time of separation from service. Female spouses are assumed to be two years younger than their male counterparts.

11. ***DROP Participation:*** Active members are assumed to elect to participate in the DROP in accordance with the rates illustrated below.

Age at Retirement[1]	Percentage of Members Assumed to Elect the DROP upon Retirement
< 60	85%
60-64	70%
65+	35%

[1] Age at commencement of DROP participation period.

All Members assumed to elect the DROP are also assumed to elect a 5-year DROP participation period.

12. ***Assumed Form of Payment***:

a. Upon separation from service for causes other than death, active members are assumed to elect a form of payment as follows.

Form of Payment	Assumed Percent Elected
Straight Life Annuity	80%
Joint and Survivor*	20%
Total	100%

* The assumed Joint and Survivor continuation percentage elected is 50%.

b. Surviving spouses of members who separate from service due to death are assumed to commence payment in the normal form of annuity at the spouse's age 62.

c. Dependent children of members who separate from service due to death are assumed to receive a temporary annuity for a period of 7 years following the participant's death.

d. Current deferred vested members who terminated prior to August 1, 2012 are assumed to elect the normal form at age 62.

e. Current deferred vested members who terminated after July 31, 2012 are assumed to elect the normal form at age 65.

13. ***Interest on Employee Contributions:*** Accumulated employee contributions are credited with 2% interest compounded annually in accordance with the terms of the plan.

14. ***Credited Service for Unused Leave:*** At the time an active member is within one year of retirement eligibility, Credited Service is assumed to increase by 0.50 years for Unused Leave (i.e., Unused Sick Leave and Unused Annual Leave combined).

15. ***Missing Data:*** Information related to benefit amounts payable to certain vested terminated and non-vested terminated members was not provided. We estimated the missing amounts based on the average monthly benefit of vested terminated members and the average employee contribution balance with interest for non-vested terminated members.

16. ***Changes in Assumptions***: Reflected in this valuation are revised assumptions from the prior valuation as follows:

a. Mortality:

i. Current: See item B.1. above.
ii. Prior: The active, vested terminated and retired members of the plan are expected to exhibit mortality in accordance with the following published mortality tables:

(1) Pre-retirement Mortality: Amount-weighted General Employee Table (i.e., PubG-2010) multiplied by 121% for Males and 119% for Females projected generationally using Scale MP-2021 mortality improvement rates with Male projection factors multiplied by 91% and Female projection factors multiplied by 82%

(2) Post-retirement Mortality:

(i) Healthy Retirees: Amount-weighted General Table for Healthy Retirees (i.e., PubG-2010) multiplied by 121% for Males and 119% for Females projected generationally using Scale MP-2021 mortality improvement rates with Male projection factors multiplied by 91% and Female projection factors multiplied by 82%

(ii) Disabled Retirees: Amount-weighted General Table for Disabled Retirees (i.e., PubG-2010) multiplied by 121% for Males and 119% for Females projected generationally using Scale MP-2021 mortality improvement rates with Male projection factors multiplied by 91% and Female projection factors multiplied by 82%

(iii) Contingent Survivors: Amount-weighted General Table for Retirees prior to the Retired Member's death and Amount-weighted General Table for Contingent Survivors after the Retired Member's Death (i.e., PubG-2010) multiplied by 121% for Males and 119% for Females projected generationally using Scale MP-2021 mortality improvement rates with Male projection factors multiplied by 91% and Female projection factors multiplied by 82%

The above assumption was updated to reflect Pub-2016 mortality tables recently published by the Society of Actuaries which are updates to the original Pub-2010 mortality tables.

Section VI – Outline of Principal Plan Eligibility and Benefit Provisions

A. Identifying Data

1. Plan name: Employees' Retirement System of the Sewerage and Water Board of New Orleans
2. Type of plan: Defined Benefit Pension Plan
3. Plan sponsor: Sewerage and Water Board of New Orleans
4. Plan Year: January 1 - December 31
5. Employer: Sewerage and Water Board of New Orleans (the "Board")

B. Membership

1. An Employee enters the plan and becomes a Member on the first day he or she becomes an Employee.

2. An Employee:

   a. includes any officer or other individual who the Personnel Department classifies as an Employee of the Board, but

   b. excludes any individual who the Personnel Department classifies as an individual who regularly works less than 17.5 hours per week, a contract employee, a transient employee, a temporary employee (no matter how long the individual works with the Board), an emergency appointment, an independent contractor, or an employee of a contractor or independent contractor.

3. Membership ceases on:

   a. separation from service, except if a terminated Member leaves his Accumulated Contributions on deposit and becomes an Inactive Member or if an Employee leaves the service of the Board to join the uniformed services and returns to the service of the Board within the applicable timeframe, or

   b. the Employee enters the DROP program; however, Membership can resume under certain circumstances if the DROP Participant continues employment after the end of the DROP period and is rehired by the Board.

4. An Inactive Member is a Member who terminates employment with the Board and whose Accumulated Contributions remain on deposit in the Retirement System.

C. Contributions

1. Member: each Member shall contribute:

   a. 4% of Earnable Compensation paid before January 1, 2013,

   b. 5% of Earnable Compensation after December 31, 2012 and before January 1, 2015, and

   c. 6% of Earnable Compensation paid after December 31, 2014;

   d. however, any Member who has accumulated 34 years, 4 months and 15 days of Credited Service shall cease contributions to the Retirement System;

   e. Member contributions shall be accumulated with 2% Credited Interest compounded annually, where the sum of the contributions and credited interest is referred to as Accumulated Contributions.

2. Employer: The annual Total Contribution is an actuarially determined amount expressed as a percentage of Earnable Compensation based on the Normal Cost and an amortization of the Unfunded Accrued Liability (UAL) of the Retirement System determined in accordance with the stand-alone Funding Policy for the Plan; the Employer's Contribution percentage is equal to the Total Contribution percentage offset by the Employee Contribution percentage determined in accordance with the stand-alone Funding Policy for the Plan. The stand-alone Funding Policy determines the Total Contribution as the sum of the Normal Cost and a closed period, layered amortization of the UAL as follows:

Source of UAL Amortization Layers	UAL Amortization Period[1]
Actuarial Experience Gain/Loss	25 years
Assumption and Method Changes	25 years
Plan Amendments	15 years
Transition to New Policy	29 years[2]

[1] Determined as a Level Dollar amount using a Closed Period.
[2] Transition to new funding policy occurred on January 1, 2021.

D. Eligibility for Retirement

1. Normal Retirement: age 65 (first of month coincident with or next following)

2. Retirement Allowance Eligibility:

   a. 30 or more years of Credited Service regardless of age, or

   b. age 60 and Vested, or

   c. age 65 and 5 or more years of Credited Service (effective January 1, 1996), or

   d. age 70 regardless of the number of years of Credited Service, or

   e. the sum of age and years of Credited Service is at least 80 years

3. Early Retirement Eligibility: must be eligible for Retirement Allowance, and:

   a. Unreduced Early Retirement if:

      1) age 62, or
      2) 30 years of Credited Service, or
      3) the sum of age and years of Credited Service is at least 80 years

   b. Reduced Early Retirement if:

      1) age 60 with less than 30 years of Credited Service, or
      2) age 60 but the sum of age and years of Credited Service is less than 80 years

4. Disability Retirement: 10 or more years of Credited Service and Pension Committee approves disability application

E. Retirement Benefit Monthly Amounts

1. Normal Retirement Allowance:

   a. 2.5% of the Member's Average Compensation times years of Credited Service up to 25 years, plus

   b. 4.0% of the Member's Average Compensation times years of Credited Service in excess of 25 years, where such total is subject to the limit described in (c.) below:

   c. In no event shall the total Retirement Allowance, including the supplemental Retirement Allowance earned following a rehired employment period, exceed 100% of a Member's Average Compensation.

2. Late Retirement:

   Same formula as Normal Retirement Allowance.

3. Early Retirement:

   If the Member is eligible for a Retirement Allowance and is age 62, or has 30 years of Credited Service, or their age plus years of Credited Service is at least 80 years then there is no reduction to the Retirement Allowance for early retirement.

   If the Member is eligible for a Retirement Allowance but does not meet the above conditions for unreduced early retirement, then the Early Retirement Allowance is equal to the Retirement Allowance determined at the Early Retirement Date reduced 3% for each year his age at Early Retirement rounded to the nearest day precedes age 62.

   See "Vested Termination Benefits" below for a summary of early commencement benefits for vested members who terminate prior to Early Retirement Eligibility.

4. Disability:

   The Disability Retirement Allowance is equal to the greater of (a) and (b) offset by (c):

   a. A monthly annuity that is actuarially equivalent to the Member's Accumulated Contributions with interest at the time of retirement, or

   b. A monthly annuity based on 75% of the Member's Accrued Benefit determined by crediting the Disabled Member with years and days of Credited Service that would have been credited to the Member had the Member worked until age 62.

   c. The benefit provided above shall be offset by any worker's compensation benefits which the Member receives.

F. Normal Form of Monthly Payment

Life Annuity payable bi-weekly

G. Optional Forms of Payment

Other optional forms of payment are available that are actuarially equivalent to the Normal Form. Optional Retirement Allowance forms of payment include:

- Joint and X% Contingent Annuity[1,2], where X% is any multiple of 5% from Joint and 5% up to and including Joint and 100%
- Joint and X% Contingent Annuity[1,3] with Pop-up, where X% is any multiple of 5% from Joint and 5% with Pop-up up to and including Joint and 100% with Pop-up

[1] Only available with the Member's Spouse as the Contingent Annuitant (i.e., non-spouse beneficiaries are not permitted).
[2] Reduces to the contingent survivor percentage only upon the death of the retiree (i.e., does not reduce if the contingent annuitant pre-deceases the retiree).
[3] Reduces to the contingent survivor percentage only upon the death of the retiree. However, if the contingent annuitant pre-deceases the retiree, the retiree's monthly benefit pops-up to original amount of the Life Annuity.

H. Vested Termination Benefits

1. Vesting Schedule:

Years of Credited Service	Vesting Percent
Less than 5	0%
5 or more	100%

2. Non-Vested Terminations: A Member who terminates not Vested may remain an Inactive Member of the Retirement System for up to 5 years after the termination by not withdrawing his Accumulated Contributions. If the Inactive Participant does not become reemployed before the end of the 5-year period, the Retirement System will pay the Accumulated Contributions with interest.

3. Refund of Contributions for Vested Members: A member who terminates employment may elect to be paid the amount of Accumulated Contributions with interest. A Member who makes this election shall not be entitled to receive a Retirement Allowance, unless such Member is reemployed and repays the Accumulated Contributions plus additional interest accruals.

4. Separation Retirement Allowance for Vested Terminations:

   a. Pre-August 1, 2012 Terminations: Any Vested Member who terminated employment before August 1, 2012, other than by Retirement, and before attaining age 60 who remained an Inactive Member by not withdrawing his Accumulated Contributions is entitled to receive a Retirement Allowance beginning on or after age 60 based on his Accrued Benefit at the time of termination subject to the pre-62 early retirement reductions.

   b. Post-July 31, 2012 Terminations: Any Vested Member who terminated employment on or after August 1, 2012, other than by Retirement, and before attaining age 60 who remained an Inactive Member by not withdrawing his Accumulated Contributions is entitled to receive a Retirement Allowance beginning at age 65 based on the Accrued Benefit at the time of termination.

I. Pre-retirement Death Benefits

1. Death While Eligible for Retirement: If a Member dies while eligible to begin receiving a Retirement Allowance (whether or not actively at work at the time of death), then:

   a. if the Member has a Spouse, the Spouse shall be entitled to elect and receive retirement benefits had the Member retired on the date he died and elected the Optional Allowance with the 100% continuation percentage to the Spouse. If the Spouse elects this benefit, then the Accumulated Contributions shall not be refunded.

b. If the member has Eligible Dependents but no Spouse, the Eligible Dependents shall have the option of selecting either:

    i. 65% of the Disability Retirement Allowance which would have been payable had the Member Retired on Disability before his death payable until the last child ceases to be an Eligible Dependent, or

    ii. 25% of the Member's Earnable Compensation for the last complete calendar year, plus the Member's Accumulated Contributions with interest.

2. Death with 10 Years of Credited Service: If the Member dies while he is still an Employee with at least 10 Years of Credited Service but before he is Eligible for a Retirement Allowance:

    a. Regular Spousal Benefit: the Spouse, if any, is entitled to receive 80% of the Member's Accrued Benefit determined at death commencing at the later of, the Member's death or the Spouse's age 62, or

    b. Reduced Early Spousal Benefit: if the Member dies before the Spouse attains age 62, in lieu of the Regular Spousal Benefit, the Spouse may elect the Actuarial Equivalent of the Member's Accrued Benefit at death commencing at any time after the Member's death.

    c. Spouse with Eligible Dependents: If a Member dies before the Spouse reaches age 62 and there are Eligible Dependents, and the Spouse does not elect the Reduced Early Spousal Benefit, the Spouse may receive 65% of the Disability Retirement Allowance which would have been payable had the Member Retired on Disability before his death payable until the earliest of (i) the Spouse attains age 62, (ii) last child ceases to be an Eligible Dependent or (iii) the Spouse applies for or commences the Reduced Early Spousal Benefit.

    d. Eligible Dependents but no Spouse: If there is no Spouse, the surviving Eligible Dependents shall have the option of selecting:

        i. 65% of the Disability Retirement Allowance which would have been payable had the Member Retired on Disability before his death payable until the last child ceases to be an Eligible Dependent, or

        ii. 25% of the Member's Earnable Compensation for the last complete calendar year, plus the Member's Accumulated Contributions with interest.

    e. Disabled Spouse with No Eligible Dependents: If the Member's Spouse is Disabled and there are no Eligible Dependents and if the Spouse does not elect to receive the Reduced Early Spousal Benefit, then 65% of the Disability Retirement Allowance which would have been payable had the Member Retired on Disability before his death will be payable to the Disabled Spouse until the Spouse attains age 62 or the Spouse applies for or commences the Reduced Early Spousal Benefit. If the Spouse is able to return to gainful employment this benefit shall be discontinued.

    f. No Spouse and No Eligible Dependents: If there is no Spouse or Eligible Dependents, the Member's Beneficiary shall be entitled to receive 25% of the Member's Earnable Compensation for the last complete calendar year, plus the Member's Accumulated Contributions with interest.

3. Death with 3 to 10 Years of Credited Service: If the Member dies while he is still an Employee but before he is Eligible for a Retirement Allowance and the Member has at least 3 but less than 10 years of Credited Service, the Member's Beneficiary shall receive 25% of the Member's Earnable Compensation for the last complete calendar year, plus the Member's Accumulated Contributions with interest.

4. Death with less than 3 Years of Credited Service: If the Member dies while he is still an Employee and with less than 3 years of Credited Service, the Member's Beneficiary shall receive a refund of the Member's Accumulated Contributions with interest.

5. Death while on Active Military Duty: If the death occurs while on a granted leave of absence for the purpose of joining the armed forces, the death occurs during the performance of qualified military service, and the death occurs after January 1, 2007, the Employee's Spouse, Eligible Dependents and/or Beneficiary will be entitled to any death benefits that would be payable had the Employee resumed employment the day before his death. Furthermore, the qualified military service will be counted as additional years of Service for vesting but not for purposes of calculating his Accrued Benefit.

6. Death of Inactive Member Prior to Retirement Allowance Eligibility (whether or not Vested): Accumulated Contributions with interest shall be paid to the Beneficiary of such an Inactive Member and no other benefits shall be payable.

J. <u>Post-Retirement Death Benefits</u>

1. Regular Retiree (i.e., a retiree who did not retire under the Retirement System's Disability provisions):

   a. If a Retiree elected an Optional Allowance, then his spouse shall be entitled to receive continued payments based on the continuation percentage provided under the Optional Allowance elected.

   b. If a Retiree is receiving a Life Annuity, then their Beneficiary shall only be entitled to receive the value of the Retiree's Accumulated Contributions at the time of Retirement less the value of the payments that the Retiree received before death. However, if such Retiree dies within 30 days of retirement and has a Spouse, then the Spouse shall be entitled to the death benefit payable to a Member who is Eligible for Retirement but has not yet retired.

2. Disabled Retiree (i.e., a retiree who retired under the Retirement System's Disability provisions)

   a. Regular Spousal Benefit: the Spouse is entitled to 80% of the Member's Disability Retirement Allowance commencing at the later of the Member's date of death or the Spouse's attainment of age 62.

   b. Reduced Early Spousal Benefit: If the Spouse is under age 62 at the time of the Retiree's death, the Spouse can commence an amount that is actuarially equivalent the Member's Accrued Benefit.

   c. Spouse with Eligible Dependents: if the Disabled Retiree dies before the Spouse reaches age 62 and there are Eligible Dependents, and the Spouse does not elect to receive the Reduced Early Spousal Benefit, then 65% of the Disability Retirement Allowance will continue to the Spouse until the first of the following occurs: the last child ceases to be an Eligible Dependent, the Spouse attains age 62 or the Spouse commences or applies for the Reduced Early Spousal Benefit.

   d. No Spouse but Eligible Dependents: if there is no Surviving Spouse, the surviving Eligible Dependents (or their legal representatives), if any, may select either:

      i. The benefit provided to the Spouse with Eligible Dependents, or

      ii. 25% of the Member's Earnable Compensation for the last complete calendar year, plus the Member's Accumulated Contributions with interest

e. Disabled Spouse with no Eligible Dependents: if the Disabled Member dies before the Spouse is age 62, the Spouse is Disabled, and there are no Eligible Dependents, then if the Spouse does not elect to receive the Reduced Early Spousal Benefit, 65% of the Disability Retirement Allowance will continue to the Spouse until the Spouse reaches age 62 or until the Spouse commences or applies to receive the Reduced Early Spousal Benefit.

f. Non-Disabled Spouse with No Eligible Dependents: in lieu of the other benefits available to the Surviving Spouse, the Spouse may elect to receive 25% of the Member's Earnable Compensation for the last complete calendar year, plus the Member's Accumulated Contributions with interest

g. No Spouse and No Eligible Dependents: if there is no Spouse or Eligible Dependents, the Member's Beneficiary shall be entitled to the Member's Accumulated Contributions with interest in excess of the Disability Retirement Allowance payments made to the Member prior to death.

K. Basis of Actuarial Equivalence

The 1971 Group Annuity Mortality Table using the Male Table for all Members and the Female Table for all Spouses/Beneficiaries, regardless of the actual sex of the Member or Spouse/Beneficiary, and an interest rate of 6.0%.

L. Cost-of-Living Adjustments

The Retirement Allowance for Members over age 65 shall be subject to a Cost-of-Living Adjustment (COLA) each January based on the 12-month change for CPI for Urban Wage Earners utilizing the prior August index; if the change in the CPI is negative or zero, then no COLA shall be given, otherwise if the CPI increase exceeds 2%, then the COLA shall be limited to 2%. The COLA is not compounded annually and is only applied to the first $10,000 of a Member's original annual Retirement Allowance for periods after age 65. Adjustments for partial years of retirement after age 65 are prorated based on the actual number of days retired over age 65 during the 12-month period ending December 31.

COLAs shall also be applied to optional dependent benefits following the same rules beginning on the first day of the year after the dependent reaches age 65. However, Spouses receiving benefits following the death of a Disabled Retiree shall receive COLAs after the Spouse reaches age 62 rather than age 65 per Section 6.3(b)(1) of the Rules and Regulations.

M. Average Compensation

1. For an Employee who became eligible for Retirement on or before December 31, 2014, regardless of whether the Employee actually retires before or after December 31, 2014, the average of Earnable Compensation over 36 consecutive months of service during which Earnable Compensation was the highest.

2. For an Employee who became eligible for Retirement on or after January 1, 2015 and retires on or after January 1, 2015 and before January 1, 2017, the average of Earnable Compensation over 36 consecutive months of service during which Earnable Compensation was the highest.

3. For an Employee who became eligible for Retirement on or after January 1, 2015 and retires on or after January 1, 2017 but before January 1, 2018, the average of Earnable Compensation over 48 consecutive months of service during which Earnable Compensation was the highest.

4. For an Employee who became eligible for Retirement on or after January 1, 2015 and retires on or after January 1, 2018, the average of Earnable Compensation over 60 consecutive months of service during which Earnable Compensation was the highest.

N. Credited Service

1. Credited Service is granted for all service an Employee renders and on account of which all contributions have been made as required under the terms of the Retirement System. However, service while on leave without pay shall not count towards Credited Service, unless it is to perform service in the uniformed services (as further enumerated under the terms of the Retirement System) or unless it is compensable under workers compensation laws.

2. Unused Leave

   a. Unused Sick Leave: A Member shall receive Credited Service for Unused Sick Leave on a proportional basis where one year of Credited Service is granted for each 250 days of Unused Sick Leave. Such credit is used in computing the Retirement Allowance and can be used to satisfy eligibility requirements for Retirement benefits, except for the requirement to become Vested. In applying for a Retirement Allowance, a Member shall be required to use all of his Unused Sick Leave towards meeting the eligibility requirements of Credited Service component of Retirement Allowance condition of 80 years based on the sum of age and years of Credited Service.

   b. Unused Annual Leave: A Member shall receive Credited Service for Unused Annual Leave subject to a maximum of 111 days of unused leave provided the Member is Vested prior to including this service. Credit is granted on a proportional basis where one year of Credited Service is equivalent to 250 days of Unused Annual Leave. Such credit is used in computing the Retirement Allowance and can be used to satisfy eligibility requirements for Retirement benefits, except for the requirement to become Vested.

3. Purchase of Credited Service

   a. Military Service: A Member who has not yet Retired and has not yet elected to participate in the DROP program may purchase additional days of Credited Service up to 4 years for each day of Active Duty Military Service subject to the conditions outlined under the terms of the Retirement System, including the payment of missed contributions with interest during the time specified under the terms of the Retirement System. If the Member does not purchase the Credited Service within the required timeframe, the Member may still be eligible to purchase Credited Service provided the Member served in the Armed Forces and meets additional terms of the Retirement System.

   b. Transfers Between Retirement Systems: Pursuant to Louisiana Revised Statutes (La. R.S.) 11:141-43 to the extent it does not conflict with La. R.S. 11:3822, transfers of credits and funds between the Retirement System and any other retirement system authorized under these Transfer Statutes, including the Retirement System of the City of New Orleans, is permitted subject to the terms of the Retirement System.

   c. Repayment After Reemployment: A former Member, who previously received a distribution of his Accumulated Contributions, becomes reemployed for a period of at least 18 months may repay the Retirement System in a single lump sum the refund previously distributed plus interest at 7% compounded annually in order to have the entire period of Credited Service restored.

d. Hurricane Katrina: Any Member placed on disaster leave by the Employer beginning October 1, 2005 due to Hurricane Katrina and who returned to work prior to April 1, 2006 may purchase days of Credited Service for the period from October 1, 2005 to the date the Member returned to full time employment but for a period no longer than the 6 months ending March 31, 2006. For each day of Credited Service purchased, the Member must contribute an amount equal to 4% of the Member's daily Base Pay as in effect on October 1, 2005 plus interest at 7% compounded annually from October 4, 2005 through the date of purchase.

All Credited Service shall be combined and rounded to the nearest full day for Retirement Allowance purposes.

O. Deferred Retirement Option Plan (DROP)

1. Participation: In lieu of terminating employment and receiving a Retirement Allowance, any Member who is Eligible for a Retirement Allowance may elect to participate in the DROP program by giving at least 90 days' notice in advance of commencing in the DROP program. The participant must elect the duration of participation for a period not to exceed 5 years. The Member shall be required to make the same type of elections as he would be required had he Retired and such elections shall be irrevocable.

2. Benefits: During the period of the DROP, the Member shall remain employed but his Average Compensation and Credited Service shall remain as they existed on the date of commencement in the DROP program, and no further Employee contributions shall be made. The participant's DROP account shall receive a Retirement Allowance based on any optional elections made, and without regard to any cost-of-living adjustments during the period of the DROP. (However, payments following the termination of participation in the DROP shall be subject to the cost-of-living adjustments under the normal terms of the Retirement System.) Each DROP participant's DROP account shall be credited the actual earnings earned on the DROP account as of the last day of each calendar month, where such earnings may be zero but may never be negative.

3. Termination of Employment: On termination of employment at the end of the specified DROP period (or for any reason before the end of the DROP period including Disability), the participant shall receive a lump sum equal to the balance of the DROP account. Furthermore, the participants Retirement Allowance shall commence in lieu of being deposited into the DROP account.

4. Death: If a DROP participant dies during the period of participation in the DROP, a lump sum payment equal to his DROP account balance shall be paid to his DROP Beneficiary. In addition, normal survivor benefits payable to Beneficiaries of retirees shall be payable.

5. Reemployment: A DROP participant may request to continue employment with the Board beyond his elected period of participation in the DROP program by reapplying with the Board. If the DROP participant is rehired by the Board, the DROP participant will receive a lump sum distribution of his DROP account balance as if he had retired. For DROP participants rehired on a full-time basis after April 20, 2005, the Retirement Allowance that had been paid into the DROP participant's DROP account shall be suspended while re-employed, and the provisions of Section 6.6 shall be applicable. For DROP participants rehired on a part-time basis after April 20, 2005, the Retirement Allowance that had been paid into the DROP participant's DROP account shall not be suspended while re-employed and will be paid to the participant as if he had not been rehired. For purposes of this provision, full-time employment shall be defined as working 17.5 hours or more per week. For purposes of this provision, part-time employment shall be defined as working less than 17.5 hours per week.

P. Worker's Compensation Offset

Any amounts paid or payable under the provisions of any worker's compensation statute or similar law to a Member or the dependents of a Member due to any accidental death or accidental disability shall be offset against and payable in lieu of any benefits payable by the Retirement System on account of any accidental disability or death provision, including any benefit paid under the unreduced early commencement provisions of the Retirement System. This offset shall not deprive a Member or his Beneficiary of a right to receive a refund of Accumulated Contributions.

Q. Earnable Compensation

The regular annual compensation paid to an Employee which shall not include on-call pay, stand-by pay, or over-time. For computing retirement benefits only, Earnable Compensation includes shift differential pay and longevity pay as part of an Employee's base pay.

Earnable Compensation shall be limited as required under Code section 401(a)(17); in general, for Plan Years beginning on or after January 1, 1996, Earnable Compensation shall be limited to $150,000 adjusted annually in accordance with Code Section 401(a)(17), as applicable to governmental plans. The determination period is the calendar year. If the determination period includes a fraction of a calendar year, the annual compensation limit is the otherwise applicable annual limit multiplied by a fraction, the numerator of which is the number of months in the short year and the denominator of which is twelve.

Notwithstanding the above, for any Plan Year beginning after December 31, 2001, Earnable Compensation shall not exceed $200,000 (adjusted for cost-of-living increases in accordance with Code Section 401(a)(17), as applicable to governmental plans.

R. Reemployment Provisions

1. Retirees: Any Retiree receiving a Retirement Allowance shall become a Member of the Retirement System again on re-employment.

    a. Retirement Allowance Suspended: During re-employment, no Retirement Allowance payments will be made, but the vesting, the amount and the form of the prior Retirement Allowance will resume upon subsequent retirement in the same amount and form frozen at the original calculation.

    b. Additional Benefit: Upon subsequent retirement, the Member shall be entitled to an additional separate Retirement Allowance based on additional years of Credited Service and Average Compensation during re-employment. The additional percentage of additional Retirement Allowance earned shall consider prior Credited Service earned during the original period of employment.

    c. Death While Re-Employed: If a Member dies while re-employed, the Spouse shall be entitled to the Optional Allowance, if any, previously elected by the Member at original retirement, plus any additional benefits under the death benefit terms of the Retirement System based on the Member's Accumulated Contributions and Retirement Allowance earned since re-employment.

2. Other Re-employments

    a. If re-employed after attaining age 50 and period of non-employment is at least 2 years (5 years if employment was involuntarily terminated due to a Civil Service mandated layoff), then Retirement Allowance shall not exceed the sum of:

i. The benefit based on Credited Service and Average Compensation before re-employment (provided Accumulated Contributions previously distributed are repaid with interest, subject to the 18-month required period of re-employment applicable to other re-employments), and

ii. The benefit based on Credited Service and Average Compensation accrued after re-employment.

b. If re-employed and do not meet the conditions outlined in (a.) immediately above, then:

i. if the Member did not previously receive a distribution of Accumulated Contributions, then the entire period of Credited Service is restored

ii. if the Member previously received a distribution of his Accumulated Contributions, becomes re-employed for a period of at least 18 months, the Member may repay the Accumulated Contributions previously distributed plus interest in order to have the entire period of Credited Service restored

iii. if the Member previously received a distribution of his Accumulated Contributions and does not repay the Retirement System the amount of the Accumulated Contributions with interest, then the benefits accrued will be based solely on Earnable Compensation and Credited Service accrued following the re-employment

c. DROP Participants: See Item O.5. above.

S. Eligible Dependent

A dependent who is a child of a Member, either natural or adopted, and who is under age 18 (or age 25 if the child attends school full-time) or who is mentally or physically disabled, as determined by the Pension Committee in its sole discretion, provided such disability occurred before the date the child reached age 18.

T. Pension Supplement

For a closed group of former employees who were hired prior to 1996, a supplemental pension benefit (the Pension Supplement) is provided in addition to the Retirement Allowance from retirement to the earliest of death, attainment of age 65 or the member's receipt of their first Social Security check. This temporary Pension Supplement is only payable to the member and is not subject to the Optional Allowance. For retirees receiving this benefit and Vested Terminated members entitled to this benefit at a future retirement date, the Pension Supplement is based on the records of the employer.

Section VII – Summary of Participant Data

A. Participant Data Reconciliation

	Active Participants	Current Payment Status	Vested Terminated	Nonvested Terminated	Total
1. As of January 1, 2025	1,224	909	85	288	2,506
2. Change of status					
a. retirement	(14)	17	(3)	0	0
b. DROP retirement	(44)	44	0	0	0
c. disability	0	0	0	0	0
d. death	(9)	(27)	(1)	7	(30)
e. nonvested termination	(101)	0	0	101	0
f. vested termination	(17)	0	17	0	0
g. completion of payment	0	0	(11)	(84)	(95)
h. rehires	6	(2)	(3)	(1)	0
i. other	0	0	0	0	0
j. net changes	(179)	32	(1)	23	(125)
3. New participants	117	0	0	0	117
4. As of January 1, 2026	1,162	941[1]	84	311[2]	2,498

[1] Includes 91 DROP Participants whose DROP participation period had not expired as of January 1, 2026.
[2] Nonvested terminated and deceased members who had not received a refund of their employee contribution account balances as of January 1, 2026.

B. Age/Service Headcount and Pensionable Earnings Table for Actives as of January 1, 2026

	Current Years of Credited Service											
Current Age	<1	1 <= t < 5	5 <= t < 10	10 <= t < 15	15 <= t < 20	20 <= t < 25	25 <= t < 30	30 <= t < 35	35 <= t < 40	40 <= t	Age Totals/Row Averages	Percent of Total
< 25	15	27	0	0	0	0	0	0	0	0	42	3.61%
	41,582	38,445	0	0	0	0	0	0	0	0	39,565	2.64%
25 ≤ x < 30	16	74	15	0	0	0	0	0	0	0	105	9.04%
	41,186	40,957	45,457	0	0	0	0	0	0	0	41,634	6.95%
30 ≤ x < 35	12	67	46	10	0	0	0	0	0	0	135	11.62%
	44,301	44,969	51,435	51,122	0	0	0	0	0	0	47,568	10.21%
35 ≤ x < 40	15	71	51	33	15	1	0	0	0	0	186	16.01%
	47,457	52,541	60,777	64,884	78,395	89,449	0	0	0	0	58,863	17.43%
40 ≤ x < 45	18	63	51	28	15	4	0	0	0	0	179	15.40%
	42,652	52,570	60,664	61,141	63,064	82,520	0	0	0	0	56,768	16.17%
45 ≤ x < 50	9	46	44	20	11	6	2	1	0	0	139	11.96%
	64,603	52,126	53,860	54,326	50,634	54,511	49,015	89,449	0	0	54,008	11.94%
50 ≤ x < 55	5	45	30	18	17	7	5	10	0	0	137	11.79%
	39,798	53,220	57,211	49,558	52,531	73,147	62,830	75,153	0	0	56,007	12.21%
55 ≤ x < 60	6	23	22	10	9	6	15	14	2	0	107	9.21%
	41,549	39,353	50,693	52,895	58,232	67,849	60,080	77,881	69,882	0	54,777	9.32%
60 ≤ x < 65	7	21	25	13	10	3	4	4	0	0	87	7.49%
	116,836	48,824	50,358	48,368	83,710	57,501	65,862	63,223	0	0	60,423	8.36%
65 ≤ x < 70	2	7	10	3	5	1	0	2	0	1	31	2.67%
	56,270	49,333	77,366	48,864	51,142	66,389	0	125,069	0	49,890	64,524	3.18%
x ≥ 70	1	4	3	3	2	1	0	0	0	0	14	1.20%
	60,108	64,970	69,788	88,062	82,766	42,450	0	0	0	0	71,537	1.59%
Service Totals	**106**	**448**	**297**	**138**	**84**	**29**	**26**	**31**	**2**	**1**	**1,162**	**100.00%**
Percent of Total	9.12%	38.54%	25.56%	11.88%	7.23%	2.50%	2.24%	2.67%	0.17%	0.09%	100.00%	
Compensation Average	**50,133**	**47,885**	**56,178**	**57,329**	**63,742**	**67,140**	**60,647**	**78,527**	**69,882**	**49,890**	**54,101**	**100.00%**
Percent of Total	8.45%	34.13%	26.54%	12.58%	8.52%	3.10%	2.51%	3.87%	0.22%	0.08%	100.00%	

Average Attained Age:		44.20
Average Annual Payrate:	$	54,101
Average Credited Service:		7.75

C. Summary of Vested Terminated Participants as of January 1, 2026

Age	Count	Sum of Monthly Benefits	Average Monthly Benefits
x < 35	10	$ 5,254	$ 525
35 <= x < 40	11	12,741	$ 1,158
40 <= x < 45	17	18,938	$ 1,114
45 <= x < 50	7	5,512	$ 787
50 <= x < 55	6	4,522	$ 754
55 <= x < 60	15	14,628	$ 975
60 <= x < 65	10	7,142	$ 714
x >= 65	8	5,033	$ 629
Total	84	$ 73,770	$ 878

D. Summary of Nonvested Terminated Participants as of January 1, 2026

Count[1]	Sum of Employee Contribution Account Balances	Average of Employee Contribution Account Balances
311	$ 822,416	$ 2,644

[1] Sewerage and Water Board of New Orleans did not provide dates of birth for all Nonvested Terminated Employees. However, date of birth is not needed for the valuation since the plan liability for these individuals is equal to their employee contribution account balances.

E. Summary of Retirees and Beneficiaries as of January 1, 2026

Age	Count	Sum of Monthly Benefits	Average Monthly Benefits
x < 45	2	$ 2,984	$ 1,492
45 <= x < 50	0	0	$ 0
50 <= x < 55	11	35,075	$ 3,189
55 <= x < 60	39	138,204	$ 3,544
60 <= x < 65	137	431,054	$ 3,146
65 <= x < 70	217	512,052	$ 2,360
70 <= x < 75	240	515,715	$ 2,149
75 <= x < 80	154	343,220	$ 2,229
80 <= x < 85	84	155,151	$ 1,847
85 <= x < 90	39	56,367	$ 1,445
90 <= x < 95	12	17,990	$ 1,499
95 <= x	6	6,040	$ 1,007
Total	941	$ 2,213,852	$ 2,353

Section VIII – Glossary of Actuarial Terms

Actuarial Accrued Liability	This is computed differently under different actuarial cost methods. Generally, the Actuarial Accrued Liability represents the portion of the Present Value of Future Benefits attributed to periods of service preceding the valuation date.
Actuarial Gain (Loss)	A measure of the difference between actual experience and that expected based on the actuarial assumptions during the period between two actuarial valuation dates, as determined in accordance with the particular actuarial cost method used.
Actuarial Value of Assets	The value of Plan Assets used by an actuary for an actuarial valuation. *(See the Actuarial Methods and Assumptions section of this report for a description of the methodology used to determine the Actuarial Value of Assets used in this report.)*
Entry Age Normal Actuarial Cost Method	An actuarial cost method under which the Present Value of Future Benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit ages. The portion of this actuarial present value allocated to the year of service during the valuation year is called the Normal Cost. The portion of this present value not provided for at a valuation date by the Present Value of Future Normal Costs is called the Actuarial Accrued Liability.
Normal Cost	Computed differently under different actuarial cost methods, the Normal Cost generally represents the portion of the Actuarial Present Value of Future Benefits attributed to the current year of service for active employees.
Present Value of Accrued Benefits	The actuarial present value of all accrued benefits (i.e., all benefits attributed by the pension benefit formula to employee service and compensation rendered prior to the valuation date).
Present Value of Future Benefits	Future benefits include all benefits estimated to be payable to plan members (retirees and beneficiaries, terminated employees entitled to benefits but not yet receiving them, and current active members) as a result of their service through the valuation date and their expected future service. The actuarial Present Value of Future Benefits as of the valuation date is the present value of the cost to finance benefits payable in the future, discounted to reflect the expected effects of the time value (present value) of money and the probabilities of payment.
Present Value of Future Normal Costs	The difference between the Present Value of Future Benefits and the Actuarial Accrued Liability under a given actuarial cost method.
Unfunded Accrued Liability	The excess, if any, of the Accrued Liability over the Actuarial Value of Assets.