CONSOLIDATED RETIREMENT REPORT

Summary

The Consolidated Retirement Report (CRR) provides financial information on the state's retirement systems, including the total state cost of the retirement systems and estimated cost of annual changes in the employer contribution rates.

Most public employees in Arizona are enrolled in one of the 5 following state retirement systems.

- The Arizona State Retirement System (ASRS), which provides retirement, survivors, health, and disability benefits to employees of most public employers, including public schools, most local and county governments, and the State of Arizona.
- The Public Safety Personnel Retirement System (PSPRS), which provides similar benefits to public employees who work in a public safety capacity, such as law enforcement officials and firefighters.
- The Corrections Officers Retirement Plan (CORP), which provides similar benefits to correctional officers at state-run facilities, detention officers at county jails, and certain public safety dispatchers.
- The Elected Officials' Retirement Plan (EORP), which provides similar benefits to elected officials. The population of elected officials includes state officials, county/city officials and judges. EORP is now closed to new enrollees. Elected officials who are elected after January 1, 2014 are enrolled in the Elected Officials' Defined Contribution Retirement System (EODCRS), which provides a defined contribution retirement plan.
- The University Optional Retirement Plan (UORP). Some university employees are eligible to choose between ASRS or UORP. Unlike ASRS, UORP is a defined contribution plan where the employee and employer each contribute 7% of gross earnings.

The PSPRS Board of Trustees manages the PSPRS, CORP and EORP plans. The Arizona Board of Regents (ABOR) separately oversees the UORP plan.

FY 2027 Impacts and Total Funding

Based on data provided by state agencies in their budget requests under A.R.S. § 35-115, JLBC estimates the General Fund cost associated with all state retirement systems in FY 2027 is $184.4 million and the Total State Funds cost is $663.8 million. *(Please see Table 1 for the total costs.)*

Employer contribution rates for the retirement systems change each year depending on the latest actuarial valuation. Some of the retirement costs may be covered by agencies' non-appropriated funding sources.

ASRS

The General Fund cost associated with ASRS in FY 2027 is estimated to be $95.9 million and the Total State Funds cost is $490.5 million.

At its November 2025 meeting, the ASRS Board of Trustees increased the pension contribution rate to 11.87% of Personal Services in FY 2027. The FY 2026 rate was 11.86%. The Board decreased the employer contribution rate for disability insurance from 0.14% to 0.11%, for a total overall employer contribution rate of 11.98% (compared to 12.00% last year) *(Please see Table 2 for historical ASRS contribution rates.)*

Table 1

Arizona Public Retirement FY 2027 System Employer Cost

	FY 2027 Total Cost 1/ 2/		
	General Fund	**All Other Funds**	**Total**
Arizona State Retirement System	$ 95,894,300	$ 394,581,200	$ 490,475,500
Public Safety Personnel Retirement System	17,072,300	9,598,700	26,671,000
Corrections Officer Retirement Plan	30,781,000	780,900	31,561,900
Elected Officials' Retirement Plan	19,336,100	329,300	19,665,400
Defined Contribution Retirement System			
University Optional Retirement Plan	21,281,800	74,116,000	95,397,800
Grand Total	**$ 184,365,500**	**$ 479,406,100**	**$ 663,771,600**

1/ Represents the JLBC estimate of the total cost of the system and does not reflect any FY 2027 change in Personal Services costs. In instances where salary data is limited, the PSPRS/CORP estimates are based on the Tier 1 and Tier 2 employer contribution rates as applied to the entire PSPRS/CORP salary base.
2/ Includes both Other Appropriated Funds and Non-Appropriated Funds (including Federal Funds)

Table 2

Historical ASRS Contribution Rates
(Includes Long-Term Disability)

Fiscal Year	Rate	Fiscal Year	Rate
FY 1989	5.09	FY 2009	9.45
FY 1990	2.00	FY 2010	9.40
FY 1991	3.82	FY 2011	9.85
FY 1992	3.60	FY 2012	10.74
FY 1993	3.59	FY 2013	11.14
FY 1994	3.14	FY 2014	11.54
FY 1995	3.75	FY 2015	11.60
FY 1996	3.85	FY 2016	11.47
FY 1997	3.69	FY 2017	11.48
FY 1998	3.54	FY 2018	11.50
FY 1999	3.34	FY 2019	11.80
FY 2000	2.66	FY 2020	12.11
FY 2001	2.66	FY 2021	12.22
FY 2002	2.49	FY 2022	12.41
FY 2003	2.49	FY 2023	12.17
FY 2004	5.70	FY 2024	12.29
FY 2005	5.70	FY 2025	12.27
FY 2006	7.40	FY 2026	12.00
FY 2007	9.10	FY 2027	11.98
FY 2008	9.60		

PSPRS

PSPRS consists of numerous state and local subgroups, each with its own contribution rate *(see Table 4)*. The General Fund cost associated with PSPRS in FY 2027 is estimated to be $17.1 million and the Total State Funds cost is $26.7 million.

In aggregate, the FY 2027 Tier 1 and Tier 2 PSPRS employer contribution rate is 45.79%, representing no net change from FY 2026. *(see Table 3)*.

CORP

CORP consists of numerous state and local subgroups, each with its own contribution rate *(see Table 4)*. The General Fund cost associated with CORP is $30.8 million in FY 2027 and the Total State Funds cost is $31.6 million.

In aggregate, the FY 2027 Tier 1 and Tier 2 CORP employer contribution rate is 12.70%, or (1.68)% lower than in FY 2026 *(see Table 3)*.

EORP and EODCRS

The General Fund cost associated with EORP and the EODCRS in FY 2027 is estimated to be $19.3 million and the Total State Funds cost is $19.7 million. These amounts exclude court fees used to offset the cost of the system, as those fees are deposited directly into the EORP Fund.

The FY 2027 EORP employer contribution rate is 70.44%, or (0.26)% lower than in FY 2026 *(see Table 3)*.

Table 3

Reasons for Change in the Employer Contribution Rate 1/
(Consolidated Valuation)

	PSPRS	CORP	EORP
FY 2026 Contribution Rate	45.79%	14.38%	70.70%
Asset (Gain)/Loss	(0.54%)	(0.39%)	(0.46%)
Payroll	(0.87%)	(0.07%)	0.12%
Liability Experience	0.22%	(0.25%)	(0.95%)
Additional Contribution	(0.99%)	(0.83%)	-
Assumption Changes	1.02%	0.11%	2.66%
Other	1.16%	(0.25%)	(1.63%)
FY 2027 Contribution Rate	**45.79%**	**12.70%**	**70.44%**
Net Change	**0.00%**	**(1.68%)**	**(0.26%)**

1/ Represents aggregate information for PSPRS and CORP Tiers 1 and 2. These 2 systems consist of separate employer groups. Each group has its own actuarial status. As a result, the contribution rates may vary for each employer group.

The EORP employer contribution rate of 70.44% consists of 16.84% for the normal cost of the member accruing additional service and 53.60% to amortize the unfunded EORP liability. For EODCRS members, the total employer contribution rate is 59.74%, which consists of a 6.0% contribution rate deposited into the individual employees' retirement investment account, 0.14% for disability coverage and the same 53.60% contribution rate allocated to amortize the unfunded EORP liability.

UORP

The General Fund cost associated with UORP in FY 2027 is estimated to be $21.3 million and the Total State Funds cost is $95.4 million.

While some university employees are members of ASRS, others participate in the optional retirement plan. In this latter plan, employees and their employers each contribute 7.0% of the employee's gross earnings, which is then invested by the employee. These contribution rates are fixed in statute and do not change in FY 2027.

2026 Session Legislation

The retirement systems were affected by legislation relating to the following issues in the 2026 Regular Session:

ASRS Long-Term Disability

Laws 2026, Chapter 40 modifies ASRS disability requirements. Currently, a member is deemed to have a disability if they receive long-term disability benefits for a total of 24 months over a 5-year period. Chapter 40 removes this 5-year requirement.

ASRS Eligibility Waiver
Laws 2026, Chapter 41 allows an employee eligible to participate in ASRS to fully waive their participation within 30 days of employment if they are at least 65 years old.

CORP Voluntary Supplemental Contributions
Laws 2026, Chapter 165 allows a CORP employer to make a supplemental contribution to an employee's defined contribution account, as long as the supplement does not exceed $5,000 per employee per year of employment, is made equally to all similarly-situated employees, and does not obligate the employee to match any portion of the supplement. Any such voluntary supplemental contributions would be made available to employees on a 5-year graded vesting schedule.

ASRS Elected Officials Retirement
Laws 2026, Chapter 201 allows an ASRS member who is an elected official and who reaches normal retirement age to retire without resigning from the member's elected position. The employer of the elected official would pay the alternate contribution rate on behalf of the retired member pursuant to subsection 38-766.02.

Funded Status

As of June 30, 2025, there were 736,533 active, inactive, retired, and DROP members enrolled in ASRS, PSPRS, CORP, and EORP. (*See Table 5 for more information.)*

The funded status, or the market value of plan assets relative to the amount of liabilities, of each plan is:
- 78.8% for ASRS (excluding the disability program);
- 74.9% for PSPRS;
- 95.2% for CORP; and
- 47.8% for EORP

Table 4

PSPRS/CORP State Employer Group Retirement Rates

Retirement System	Employer FY 2026 Tier 1 and 2	Employer FY 2026 Tier 3 1/	Employer FY 2027 Tier 1 and 2	Employer FY 2027 Tier 3 1/	Employee FY 2027 Tiers 1 and 2	Employee FY 2027 Tier 3 1/
Public Safety Personnel Ret. System						
Attorney General Investigators	7.52%	8.69%	7.01%	8.66%	7.65%	8.66%
DEMA Firefighters	13.02%	9.65%	12.80%	9.78%	7.65%	8.66%
Game and Fish Department	9.98%	8.69%	9.65%	8.66%	7.65%	8.66%
Liquor License Investigators	9.22%	9.48%	8.19%	8.85%	7.65%	8.66%
Parks Police	2.91%	9.11%	5.96%	8.66%	7.65%	8.66%
Department of Public Safety 2/	21.20%	16.03%	20.48%	15.56%	2.65%	4.09%
Arizona State University Police	16.75%	11.90%	18.37%	13.09%	7.65%	8.66%
Northern Arizona University Police	10.33%	8.69%	9.84%	8.66%	7.65%	8.66%
University of Arizona Police	19.01%	15.84%	21.93%	18.52%	7.65%	8.66%
Corrections Officer Ret. Plan						
Corrections Officer - ADC	6.66%	7.98%	6.00%	7.58%	7.65%	7.61%
Corrections Officer - DJC	6.00%	6.34%	6.00%	6.11%	7.65%	7.61%
DPS Dispatchers 3/	6.00%	N/A	6.00%	N/A	7.65%	N/A
DPS Detention	6.00%	5.63%	6.00%	6.11%	7.65%	7.61%
Probation Officers	37.71%	40.90%	36.71%	40.53%	8.41%	7.63%

1/ FY 2026 and 2027 rates for Tier 3 for PSPRS are based on Defined Benefit Plan and for CORP are based on Defined Contribution Plan.
2/ The displayed rates reflect that 5% of the DPS member contribution is paid by the state.
3/ Dispatchers hired after November 24, 2009 are ASRS members.

Table 5

Arizona Public Retirement System Valuation Data as of June 30, 2025

	ASRS		PSPRS		CORP		EORP	
Membership	FY 2026	FY 2027	FY 2026	FY 2027	FY 2026	FY 2027	FY 2026	FY 2027
Active (working and contributing)	224,989	223,413	18,748	19,054	7,312	6,734	285	236
State Active Members	*N/A*	*N/A*	*1,266*	*1,232*	*3,942*	*3,532*	*N/A*	*N/A*
Other Active Members	*N/A*	*N/A*	*17,482*	*17,822*	*3,370*	*3,202*	*N/A*	*N/A*
Inactive	259,127	263,629	3,289	3,526	3,858	3,853	167	181
Retired Members, Disabled and Survivor Beneficiaries	182,520	187,439	16,533	17,173	7,321	7,646	1,315	1,315
Deferred Retirement Option Plan	N/A	N/A	2,269	2,334	N/A	N/A	N/A	N/A
Total	**666,636**	**674,481**	**40,839**	**42,087**	**18,491**	**18,233**	**1,767**	**1,732**
Funding Status (dollar values in millions) 1/	June 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025
Market Value of Assets	*$53,360*	*$57,648*	*$16,755*	*$18,666*	*$4,674*	*$5,123*	*$465*	*$505*
Total Actuarial Liability	*$69,631*	*$73,173*	*$23,868*	*$24,930*	*$5,226*	*$5,380*	*$1,047*	*$1,055*
Unfunded Actuarial Liability 2/	$16,272	$15,526	$7,113	$6,264	$552	$257	$582	$550
Funded Status 2/	76.6%	78.8%	70.2%	74.9%	89.4%	95.2%	44.4%	47.8%

N/A = Not Available

1/ Represents aggregate information for PSPRS and CORP. These 2 systems consist of separate employer groups. Each group has its own actuarial status. As a result, the funded status may vary for each employer group.

2/ Calculated on market, not actuarial, value of assets. ASRS funded status data excludes long-term disability program.

Table 6

State Retirement Plan Summary

	PSPRS			CORP			EORP			ASRS
	Tier 1	Tier 2	Tier 3/DC	Tier 1	Tier 2	Tier 3/DC 1/	Tier 1	Tier 2	DC Plan	DB Plan
Hire Date	**Before 1/1/12**	**1/1/12 thru 7/1/17**	**After 7/1/17**	**Before 1/1/12**	**1/1/12 thru 7/1/18**	**After 7/1/18**	**Before 1/1/12**	**1/1/12 thru 1/1/14**	**After 1/1/14**	**Present**
Normal Retirement Age	None	52.5	55; 52.5 with reduced pension	25 years of Service with no age or; years of Service and Age must equal 80	52.5		None	62		Years of Service and Age must equal 80
Minimum Years of Service	20 years; 15 years if aged 62 or older	15 years	15 years		25 years		20 years	10 years		
Multiplier	50%+ <20 years: -4.00% 20 to <25 years: 2.00% 25+ years: 2.50%	62.5%+ <25 years: -4.00% 25+ years: 2.50% May use Tier 3 multiplier if better	15 to <17 years: 1.50% 17 to <19 years: 1.75% 19 to <22 years: 2.00% 22 to <25 years: 2.25% 25+ years: 2.50%	50%+ 20+ years: 2.50% If 80 point rule is used for hires prior to 8/9/2001: Average Salary X years of service X 2.5%	62.5%+ 25+ years: 2.50% (Max 7 years) If less than 25 years: Avg. Salary X Yrs of srvc X 2.5%		4% of average salary x years of service	3% of average salary x years of service		<20 years: 2.10% 20 to <25 years: 2.15% 25 to <30 years: 2.20% 30+ years: 2.30%
PBI or COLA	COLA based on Phoenix CPI, not to exceed 2%	COLA based on Phoenix CPI, not to exceed 2%	COLA eligible after 7 years or age 60; COLA dependent on plan funded status	COLA based on Phoenix CPI, not to exceed 2%	COLA based on Phoenix CPI, not to exceed 2%	Not Applicable	COLA based on Phoenix CPI, not to exceed 2%	COLA based on Phoenix CPI, not to exceed 2%	Not Applicable	PBI if fund exceeds growth estimate for 10 years, only for members hired before 9/13/13.
Benefit Calculation Limit	Adjusted by IRS	Adjusted by IRS	$143,771	Adjusted by IRS	Adjusted by IRS		Adjusted by IRS	Adjusted by IRS		Adjusted by IRS
Normal Cost Split	Set Employee Rate (Employers pay remaining)	Set Employee Rate (Employers pay remaining)	50/50; Employer Pays Legacy Cost Balance	Set Employee Rate (Employers pay remaining)	Set Employee Rate (Employers pay remaining)		Set Employee Rate (Employers pay remaining)	Set Employee Rate (Employers pay remaining)		50/50
Assumed Rate of Return	7.20%	7.20%	7.00%	7.20%	7.20%		7.20%	7.20%		7.00%
Employee Rate	7.65%	7.65%	8.68% DC: 10.78%	7.86%	7.86%	7.61%	7.00%	7.00%	8.14%	11.98%
Aggregate Employer Rate	45.79%	45.79%	DB 40.14% (Normal+Legacy Costs) DC:10.78%+Legacy Costs	12.70%	12.70%	6.11% + Legacy Cost	70.44%	70.44%	59.74% (6.00% to employer account)	11.98%

1/ CORP includes a Tier 3 Defined Benefit plan; however, essentially all state workers in CORP would only be eligible for the Defined Contribution Plan.