




University Health System OPEB Plan

**A Fiduciary Component Unit of Bexar
County Hospital District d/b/a University
Health**

**Independent Auditor's Report, Financial Statements,
and Required Supplementary Information**

December 31, 2025 and 2024



University Health System OPEB Plan
A Fiduciary Component Unit of Bexar County Hospital District d/b/a University Health
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Independent Auditor's Report

Board of Trustees
University Health System OPEB Plan
San Antonio, Texas

Opinion

We have audited the financial statements of the University Health System OPEB Plan (Plan), a fiduciary component unit of Bexar County Hospital District d/b/a University Health, as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Plan as of December 31, 2025 and 2024, and the changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material

misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Forvis Mazars, LLP

**Dallas, Texas
May 14, 2026**

**University Health System OPEB Plan
A Fiduciary Component Unit of Bexar County Hospital District d/b/a University Health
Management’s Discussion and Analysis (Unaudited)
Years Ended December 31, 2025 and 2024**

Management’s Discussion and Analysis

This management’s discussion and analysis of the University Health System OPEB Plan (Plan), a fiduciary component unit of Bexar County Hospital District d/b/a University Health, is for the years ended December 31, 2025 and 2024. This analysis provides a summary of the financial position of the Plan, including highlights and comparisons. It should be read in conjunction with the financial statements, including notes and supplementary schedules.

This financial report is designed to provide a general overview of the Plan’s finances. If you have any questions about this report or need additional financial information, contact the Plan’s Financial Offices at 4502 Medical Drive, San Antonio, Texas 78229.

Overview of the Financial Statements

The financial statements of the Plan include the statements of fiduciary net position and the statements of changes in fiduciary net position. The purpose of these statements is to present information about the Plan’s present and future ability to pay benefits as they become due. These statements are presented using an economic resource measurement focus and the accrual basis of accounting. The financial statements also include notes that explain the history and purpose of the Plan, significant accounting policies, investment details, and other required information regarding the financial position of the Plan.

Analysis of the Plan’s Finances

Table 1: Assets, Liabilities, and Net Position

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>Changes 2025-2024</u>	<u>Changes 2024-2023</u>
Assets	\$ 86,434,310	\$ 74,092,795	\$ 67,393,371	16.66%	9.94%
Liabilities	\$ 51,112	\$ 51,400	\$ 25,207	-0.56%	103.91%
Net position	\$ 86,383,198	\$ 74,041,395	\$ 67,368,164	16.67%	9.91%

The Plan’s assets are comprised of investments. The increase in net position is primarily a result of the fair value of investments increasing due to performance in the markets in 2025. Net position held in trust by the Plan totaled \$86,383,198 and \$74,041,395 at December 31, 2025 and 2024, respectively. The Plan’s net position increased by \$12,341,803 in 2025 compared to an increase of \$6,673,231 in 2024. The net position of the Plan is held exclusively for the benefit of plan participants and reasonable administrative expenses for administering the Plan.

Table 2: Changes in Net Position

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>Changes 2025-2024</u>	<u>Changes 2024-2023</u>
Contributions	\$ 6,899,382	\$ 7,343,391	\$ 7,610,732	-6.05%	-3.51%
Net investment income	12,482,349	6,768,512	9,060,473	84.42%	-25.30%
Total additions	19,381,731	14,111,903	16,671,205	37.34%	-15.35%
Benefits paid	6,899,382	7,343,391	7,610,732	-6.05%	-3.51%
Administrative expenses	140,546	95,281	85,293	47.51%	11.71%
Total deductions	7,039,928	7,438,672	7,696,025	-5.36%	-3.34%
Change in net position	<u>\$ 12,341,803</u>	<u>\$ 6,673,231</u>	<u>\$ 8,975,180</u>	<u>84.94%</u>	<u>-25.65%</u>

**University Health System OPEB Plan
A Fiduciary Component Unit of Bexar County Hospital District d/b/a University Health
Management's Discussion and Analysis (Unaudited)
Years Ended December 31, 2025 and 2024**

The additions to the Plan are comprised of contributions and investment returns, and the primary deductions from the Plan are for benefits paid to or on behalf the Plan's participants. Contributions made in 2025 totaled \$6,899,382, which was a decrease of \$444,009 from the contributions made in 2024. Contributions made in 2024 totaled \$7,343,391, which was a decrease of \$267,341 from the contributions made in 2023. Contributions made fluctuate based on benefits paid out by the Plan (if any) as contributions are needed to cover benefits paid. Benefit payments made in 2025 totaled \$6,899,382, which was a decrease of \$444,009 from the benefit payments made in 2024. Benefit payments decreased as a result of lower claims activity by plan participants in 2025 as compared to 2024. Benefit payments made in 2024 totaled \$7,343,391, which was a decrease of \$267,341 from the benefit payments made in 2023. Benefit payments decreased as a result of lower claims activity by plan participants in 2024 as compared to 2023. Total investment income was \$12,482,349 in 2025, compared to total investment income of \$6,768,512 in 2024, which represents an increase in investment return of \$5,713,837 in 2025 due to positive performance in the markets.

**University Health System OPEB Plan
A Fiduciary Component Unit of Bexar County Hospital District d/b/a University Health
Statements of Fiduciary Net Position
December 31, 2025 and 2024**

	<u>2025</u>	<u>2024</u>
ASSETS		
Investments		
Money Market Mutual Fund	\$ 84,729	\$ 1,431,806
Vanguard Institutional Index Fund	29,090,628	27,602,714
Harding Loevner International Equity Fund	26,038,697	19,225,242
Aristotle Small Cap Equity Fund	-	6,405,116
T. Rowe Price Core Equity Fund	6,911,375	-
Dodge & Cox Income Fund	12,225,716	9,795,507
NHIT: Core Plus Fixed Income Trust	12,083,165	9,632,410
Total Investments	<u>86,434,310</u>	<u>74,092,795</u>
Total Assets	<u>86,434,310</u>	<u>74,092,795</u>
LIABILITIES		
Accounts payable and accrued expenses	<u>51,112</u>	<u>51,400</u>
Net Position Restricted for Other Postemployment Benefits	<u>\$ 86,383,198</u>	<u>\$ 74,041,395</u>

University Health System OPEB Plan
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Statements of Changes in Fiduciary Net Position
Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Additions		
Employer contributions		
Benefits paid by University Health not reimbursed to University Health using OPEB plan assets	<u>\$ 6,899,382</u>	<u>\$ 7,343,391</u>
Investment income		
Interest income	13,284	75,069
Dividend income	1,351,230	1,179,659
Net appreciation in fair value of investments	11,137,362	5,563,894
Investment expenses	<u>(19,527)</u>	<u>(50,110)</u>
Net investment income	<u>12,482,349</u>	<u>6,768,512</u>
Total Additions	<u>19,381,731</u>	<u>14,111,903</u>
Deductions		
Benefit payments	6,899,382	7,343,391
Administrative expenses	<u>140,546</u>	<u>95,281</u>
Total Deductions	<u>7,039,928</u>	<u>7,438,672</u>
Increase in Net Position	12,341,803	6,673,231
Net Position Restricted for Other Postemployment Benefits, Beginning of Year	<u>74,041,395</u>	<u>67,368,164</u>
Net Position Restricted for Other Postemployment Benefits, End of Year	<u>\$ 86,383,198</u>	<u>\$ 74,041,395</u>

University Health System OPEB Plan
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Notes to Financial Statements
December 31, 2025 and 2024

Note 1. Description of the Plan

Reporting Entity and Basis of Presentation

The University Health System Retiree Health Trust (OPEB Plan or Plan) is a single-employer defined benefit other postemployment benefit plan established and administered by Bexar County Hospital District d/b/a University Health (University Health). The OPEB Plan is fiscally dependent on University Health and is reported as a fiduciary fund in University Health's financial statements. The Plan covers substantially all employees of University Health and provides postretirement healthcare benefits to eligible retirees and their dependents.

The OPEB Plan accounts for and reports its activities by applying the Standards of Governmental Accounting and Financial Reporting, as promulgated by the Governmental Accounting Standards Board (GASB).

The OPEB Plan financial statements have been prepared using the accrual basis of accounting in accordance with GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This statement establishes financial reporting standards for state and local governmental OPEB plans, defined benefit OPEB plans, and defined contribution OPEB plans that are administered through trusts or equivalent arrangements meeting the criteria of paragraph 3 of GASB 74.

The OPEB Plan meets the criteria of paragraph 3 of GASB 74 as a trust administering a defined benefit OPEB plan.

Investments

Investments are carried at fair value. Fair value is determined using quoted market prices.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value. At December 31, 2025 and 2024, all of the Plan's investments, with the exception of the NHIT: Core Plus Fixed Income Trust (collective trust), are classified as Level 1 since they have quoted prices in active markets for identical investments.

The Plan's interest in the collective trust is valued based on information reported by the investment advisor using the audited financial statements of the collective trust at year-end. The interest in the collective trust is measured at net asset value per share (or its equivalent) at December 31, 2025 and 2024 and, therefore, is not classified in the fair value hierarchy.

The Plan's assets are invested as authorized by the Plan's investment policy. The Plan utilizes investment consultants who make recommendations to the Plan as to the appropriate target portfolio (e.g., stocks, mutual funds, cash, etc.) within the Plan. The Plan's assets are held by Principal Financial Group, who serves as the Plan's custodian.

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from rising interest rates, the Plan invests in high-quality, short-term money market instruments. These investments may have fixed, floating, or variable rates of interest. The security selection is based on several factors, including credit quality, yield, and maturity, while taking into account the fund's overall level of liquidity and weighted average maturity.

The Plan's fixed income mutual bond funds are also subject to interest rate risk. As indicated in the Plan's investment policy, investments in fixed income securities should range between 20% and 30% of the total investments. This target range helps limit its exposure to fair value losses arising from rising interest rates.

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Custodial Credit Risk – The custodial credit risk for investments is the risk that, in the event of failure of the counterparty to an investment transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Benefit Payments

Benefit payments are recognized when due and payable in accordance with the benefit terms.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

Note 2. Benefits Provided and Actuarial Assumptions

Plan Description and Contributions

The OPEB Plan is administered by University Health. Benefit provisions and contribution requirements of plan members and University Health are established and may be amended by University Health’s Board of Managers (Board). The Board has the authority to establish and amend the contribution requirements of University Health and active employees. The required contribution is based on projected pay-as-you-go financing requirements.

Benefits Provided

The OPEB Plan provides postretirement healthcare benefits to eligible retirees and their dependents. Benefits are provided through University Health’s self-insured employee health plan. The cost of the benefits is covered by contributions from University Health and OPEB Plan members.

The employees covered by the OPEB Plan are as follows at December 31:

	<u>2025</u>	<u>2024</u>
Inactive plan members or beneficiaries currently receiving payments	1,211	1,165
Active plan members	<u>1,871</u>	<u>1,991</u>
Total participants	<u><u>3,082</u></u>	<u><u>3,156</u></u>

Net OPEB Liability

University Health’s net OPEB liability of \$227,409,589 and \$183,988,285 was measured as of December 31, 2025 and 2024, respectively, for the years ended December 31, 2025 and 2024, respectively. The total OPEB liability used to calculate the net OPEB liability was determined by actuarial valuations as of January 1, 2025 and 2024, respectively, and rolled forward to the measurement dates. The total OPEB liability in the actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Healthcare cost trend rates	5.0% – 7.0%
Investment rate of return	7.0%
Retirees' share of benefit-related costs	75.0%

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For both years ended December 31, 2025 and 2024, mortality rates for active lives were based on the PubG-2010 Sex Distinct Employee Headcount weighted; projected with Generational Mortality (Scale MP-2021).

For both years ended December 31, 2025 and 2024, mortality rates for retired lives were based on the PubG-2010 Sex Distinct Healthy Retiree Headcount weighted; projected with Generational Mortality (Scale MP-2021).

For both years ended December 31, 2025 and 2024, mortality rates for contingent survivor lives were based on the PubG-2010 Sex Distinct Contingent Survivor Headcount weighted; projected with Generational Mortality (Scale MP-2021).

The actuarial value of plan assets is based on market-related value of plan assets, with five-year smoothing of expected returns. The market-related value is equal to the fair value of assets held in trust for OPEB Plan benefits as of the valuation date.

The long-term expected rate of return on OPEB Plan investments was based primarily on historical returns on plan assets, adjusted for changes in target portfolio allocations and recent changes in long-term interest rates based on publicly available information. The target allocation and best estimates of rates of return presented as geometric means for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	42%	4.85%
International equity	28%	4.95%
Fixed income	30%	2.25%
Total	100%	

The components of the net OPEB liability of University Health were as follows at December 31:

	2025	2024
Total OPEB liability	\$ 313,792,787	\$ 258,029,680
Less plan fiduciary net position	86,383,198	74,041,395
Net OPEB liability	\$ 227,409,589	\$ 183,988,285
Plan fiduciary net position as a % of total OPEB liability	27.5%	28.7%

Discount Rate

The discount rate used to measure the total OPEB liability was 7.0% for both years ended December 31, 2025 and 2024. The projection of cash flows used to determine the discount rate assumed that University Health contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to be available to make all projected OPEB Plan payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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Notes to Financial Statements
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The liability at December 31, 2025 and 2024 was determined using the entry age normal cost method.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

University Health’s net OPEB liability has been calculated using a discount rate of 7.0%. The following presents the net OPEB liability using a discount rate 1% higher and 1% lower than the current discount rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
University Health's net OPEB liability	<u>\$ 267,579,605</u>	<u>\$ 227,409,589</u>	<u>\$ 193,933,845</u>

The net OPEB liability of University Health has been calculated using healthcare cost trend rates of 7.0% initial declining to an ultimate rate of 5.0% for both years ended December 31, 2025 and 2024. The following presents the net OPEB liability using healthcare cost trend rates 1% higher and 1% lower than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
University Health's net OPEB liability	<u>\$ 188,908,343</u>	<u>\$ 227,409,589</u>	<u>\$ 274,007,566</u>

Required Supplementary Information

University Health System OPEB Plan
A Fiduciary Component Unit of Bexar County Hospital District d/b/a University Health
Schedule of Changes in University Health's Net OPEB Liability and Related Ratios
December 31,

	2025	2024	2023	2022	2021	2020	20		
Total OPEB Liability									
Service cost	\$ 4,390,044	\$ 4,586,376	\$ 4,309,568	\$ 4,136,304	\$ 3,926,668	\$ 3,976,978	\$ 3,909,522	\$ 3,100,947	\$ 3,191,072
Interest	18,033,888	14,482,771	12,587,656	10,399,840	9,895,942	7,894,260	5,331,323	4,975,439	3,942,281
Plan amendments	23,960,448	-	-	-	-	-	(5,659,145)	-	-
Demographic (gains)/losses	(1,791,372)	27,134,207	13,586,867	21,899,945	(617,079)	22,759,898	25,596,228	424,473	11,204,080
Assumption changes	20,920,534	12,987,637	3,794,011	2,405,390	565,337	-	12,715,016	-	-
Expected benefit payments	(9,750,435)	(6,827,903)	(8,113,967)	(7,418,265)	(6,166,816)	(5,809,965)	(4,899,446)	(3,573,746)	(3,404,922)
Net Change in Total OPEB Liability	55,763,107	52,363,088	26,164,135	31,423,214	7,604,052	28,821,171	36,993,498	4,927,113	14,932,511
Total OPEB Liability – Beginning	258,029,680	205,666,592	179,502,457	148,079,243	140,475,191	111,654,020	74,660,522	69,733,409	54,800,898
Total OPEB Liability – Ending (a)	<u>\$ 313,792,787</u>	<u>\$ 258,029,680</u>	<u>\$ 205,666,592</u>	<u>\$ 179,502,457</u>	<u>\$ 148,079,243</u>	<u>\$ 140,475,191</u>	<u>\$ 111,654,020</u>	<u>\$ 74,660,522</u>	<u>\$ 69,733,409</u>
Plan Fiduciary Net Position									
Contributions – employer	\$ 6,899,382	\$ 7,343,391	\$ 7,610,732	\$ 5,862,222	\$ 5,872,463	\$ 4,719,516	\$ 4,181,710	\$ 3,541,334	\$ 2,437,076
Benefit payments	(6,899,382)	(7,343,391)	(7,610,732)	(5,862,222)	(5,872,463)	(4,719,516)	(4,181,710)	(3,541,334)	(2,437,076)
Net investment income (loss)	12,341,803	6,673,231	8,975,180	(11,625,910)	8,320,248	8,272,631	9,798,632	(1,664,844)	6,685,604
Net Change in Plan Fiduciary Net Position	12,341,803	6,673,231	8,975,180	(11,625,910)	8,320,248	8,272,631	9,798,632	(1,664,844)	6,685,604
Plan Fiduciary Net Position – Beginning	74,041,395	67,368,164	58,392,984	70,018,894	61,698,646	53,426,015	43,627,383	45,292,227	38,606,623
Plan Fiduciary Net Position – Ending (b)	<u>\$ 86,383,198</u>	<u>\$ 74,041,395</u>	<u>\$ 67,368,164</u>	<u>\$ 58,392,984</u>	<u>\$ 70,018,894</u>	<u>\$ 61,698,646</u>	<u>\$ 53,426,015</u>	<u>\$ 43,627,383</u>	<u>\$ 45,292,227</u>
Net OPEB Liability – Ending (a) - (b)	<u>\$ 227,409,589</u>	<u>\$ 183,988,285</u>	<u>\$ 138,298,428</u>	<u>\$ 121,109,473</u>	<u>\$ 78,060,349</u>	<u>\$ 78,776,545</u>	<u>\$ 58,228,005</u>	<u>\$ 31,033,139</u>	<u>\$ 24,441,182</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	27.5%	28.7%	32.8%	32.5%	47.3%	43.9%	47.8%	58.4%	65.0%
Covered Employee Payroll	\$ 160,547,807	\$ 165,164,929	\$ 158,874,189	\$ 160,318,840	\$ 161,057,622	\$ 161,127,458	\$ 171,472,185	\$ 180,712,047	\$ 189,368,419
University Health's Net OPEB Liability as a Percentage of Covered Employee Payroll	141.6%	111.4%	87.0%	75.5%	48.5%	48.9%	34.0%	17.2%	12.9%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, years for which the information is available will be presented.

University Health System OPEB Plan
A Fiduciary Component Unit of Bexar County Hospital District d/b/a University Health
Schedule of University Health OPEB Contributions
December 31,

Year Ended December 31,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess (Deficiency)	Covered Employee Payroll	Contributions as a Percentage of Employee Payroll
2025	\$ 29,328,000	\$ 4,390,044	\$ (24,937,956)	\$ 160,547,807	2.7%
2024	\$ 11,356,000	\$ 4,586,376	\$ (6,769,624)	\$ 165,164,929	2.8%
2023	\$ 9,818,000	\$ 4,309,568	\$ (5,508,432)	\$ 158,874,189	2.7%
2022	\$ 8,351,000	\$ 4,136,304	\$ (4,214,696)	\$ 160,318,840	2.6%
2021	\$ 7,969,000	\$ 3,926,668	\$ (4,042,332)	\$ 161,057,622	2.4%
2020	\$ 7,313,000	\$ 3,976,978	\$ (3,336,022)	\$ 161,127,458	2.5%
2019	\$ 4,452,000	\$ 3,909,522	\$ (542,478)	\$ 171,472,185	2.3%
2018	\$ 4,585,000	\$ 3,100,947	\$ (1,484,053)	\$ 180,712,047	1.7%
2017	\$ 2,996,000	\$ 2,437,082	\$ (558,918)	\$ 189,368,419	1.3%

Notes to Schedule

Valuation date

Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates

Actuarial cost method	Entry age normal cost
Amortization method	Level percentage open
Remaining amortization period	30 years
Asset valuation method	5-year smoothed market
Inflation	N/A
Salary increases	Payroll projected in future years for the closed participant group using the actuarial assumptions
Investment rate of return	7.0%, net of OPEB plan investment expense, including inflation
Retirement age	Annual rates based on age and age at satisfaction of rule of 85 for participants that meet the rule of 85 prior to age 65.
Mortality – Active Lives	PubG-2010 Sex Distinct Employee Headcount weighted; projected with Generational Mortality (Scale MP-2021)
Mortality – Retired Lives	PubG-2010 Sex Distinct Healthy Retiree Headcount weighted; projected with Generational Mortality (Scale MP-2021)
Mortality – Contingent Survivor Lives	PubG-2010 Sex Distinct Contingent Survivor Headcount weighted; projected with Generational Mortality (Scale MP-2021)

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, years for which the information is available will be presented.

University Health System OPEB Plan
A Fiduciary Component Unit of Bexar County Hospital District d/b/a University Health
Schedule of University Health OPEB Investment Return
December 31,

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	15.6%	9.6%	14.4%	-27.2%	3.9%	6.4%	12.1%	-12.0%	10.0%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, years for which the information is available will be presented.