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## IDAHO FIREFIGHTERS' RETIREMENT FUND

### GASB 67 and 68 DISCLOSURE

Fiscal Year: July 1, 2023, to June 30, 2024

#### Prepared by

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## Certification

Actuarial computations presented in this report under GASB Statements No. 67 and 68 are for purposes of assisting the System and participating employers in fulfilling their financial accounting requirements. The calculations in this report have been made on a basis consistent with our understanding of the plan provisions and of GASB Statements No. 67 and 68, as amended by GASB 82. Determinations for purposes other than meeting these requirements may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes.

Actuarial assumptions, including discount rates, mortality tables, and others identified in this report and actuarial cost methods are adopted by the Retirement Board. That entity is responsible for selecting the plan's funding policy, actuarial valuation methods, asset valuation methods, and assumptions. The policies, methods, and assumptions used in this valuation are those that have been so adopted and are described in this report. The System is solely responsible for communicating to Milliman any changes required thereto. All costs, liabilities, rates of interest, and other factors for the System have been determined on the basis of actuarial assumptions and methods which, in our professional opinion, are individually reasonable (taking into account the experience of the System and reasonable expectations); and which, in combination, offer a reasonable estimate of anticipated future experience affecting the System and are expected to have no significant bias.

This valuation report is only an estimate of the System's financial condition as of a single date. It can neither predict the System's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of System benefits, only the timing of System contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. Determining results using alternative assumptions is outside the scope of our engagement.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or modifications to contribution calculations based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of the actuarial assignment, we did not perform an analysis of the potential range of future measurements. The Retirement Board has the final decision regarding the selection of the assumptions and actuarial cost methods, and the Board has adopted them as indicated in Appendix A of our actuarial valuation reports.

In preparing this report, we relied, without audit, on information (some oral and some in writing) supplied by PERSI's staff. This information includes, but is not limited to, benefit provisions, member census data, and financial information. We found this information to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is inaccurate or incomplete our results may be different, and our calculations may need to be revised.

## Certification

Milliman's work is prepared solely for the internal use and benefit of the Public Employee Retirement System of Idaho. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exceptions: (a) the System may provide a copy of Milliman's work, in its entirety, to the System's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the System; and (b) the System may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

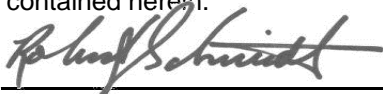
No third-party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The valuation results were developed using models intended for valuations that use standard actuarial techniques. We have reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice.

The consultants who worked on this assignment are actuaries. Milliman's advice is not intended to be a substitute for qualified legal, investment, or accounting counsel.

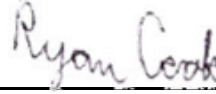
The signing actuaries are independent of the plan sponsor. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States, published by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.



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## **Overview of GASB 67 and GASB 68**

GASB 67 applies to financial reporting for public pension plans and was required to be implemented for plan fiscal years beginning after June 15, 2013. Note that a plan's fiscal year might not be the same as the employer's fiscal year. Even if the plan does not issue standalone financial statements, but rather is considered a pension trust fund of a government, it is subject to GASB 67. Under GASB 67, enhancements to the financial statement disclosures are required, along with certain required supplementary information.

GASB 68 governs the specifics of accounting for public pension plan obligations for participating employers and was required to be implemented for employer fiscal years beginning after June 15, 2014. GASB 68 requires a liability for pension obligations, known as the Net Pension Liability, to be recognized on the balance sheets of participating employers. Changes in the Net Pension Liability will be immediately recognized as Pension Expense on the income statement or reported as deferred inflows/outflows of resources depending on the nature of the change.

## **Executive Summary**

### **Relationship Between Valuation Date, Measurement Date, and Reporting Date**

The Valuation Date is July 1, 2024; this is the date as of which the actuarial valuation is performed. The Measurement Date is June 30, 2024; this is the date as of which the net pension liability is determined. The Reporting Date is June 30, 2024; this is the plan's fiscal year ending date.

### **Significant Changes**

There have been no significant changes between the valuation date and the fiscal year end.

### **Data, Assumptions, Methods, and Plan Provisions**

The assumptions and methods used for the figures herein are for financial reporting purposes unless otherwise noted. We believe that these assumptions and methods meet the parameters set by Actuarial Standards of Practice (ASOPs).

The long-term expected rate of return on investments is 6.35%, including 0.05% for expected administrative expenses. For purposes of determining the contribution rate, we use an interest rate that is net of all expenses (6.30%). According to GASB Statements 67 and 68, the discount rate used to determine the Total Pension Liability is not allowed to be net of administrative expenses. Therefore the figures herein have been determined using a discount rate of 6.35%.

Except as noted otherwise, the attached exhibits present results that are based on the methods described in our July 1, 2024, funding valuation report (dated October 17, 2024).

These results are based on the plan provisions in effect at July 1, 2024. We have reflected census and asset data as of July 1, 2024, which are summarized in our July 1, 2024, funding valuation report.

## Schedule of Employer Contributions

Fiscal Year Ending June 30	Actuarially Determined Contribution	Actual Employer Contribution*	Contribution Deficiency (Excess)	Covered Payroll**	Contribution as a % of Covered Payroll
2015	\$0	\$11,305,473	(\$11,305,473)	\$63,780,545	17.73%
2016	\$0	\$7,198,597	(\$7,198,597)	\$68,017,833	10.58%
2017	\$0	\$7,452,987	(\$7,452,987)	\$70,568,501	10.56%
2018	\$0	\$7,706,226	(\$7,706,226)	\$74,848,287	10.30%
2019	\$0	\$8,247,827	(\$8,247,827)	\$78,284,032	10.54%
2020	\$0	\$8,660,397	(\$8,660,397)	\$78,657,631	11.01%
2021	\$0	\$2,549,471	(\$2,549,471)	\$85,896,222	2.97%
2022	\$0	\$2,901,920	(\$2,901,920)	\$78,865,896	3.68%
2023	\$0	\$3,346,505	(\$3,346,505)	\$84,485,207	3.96%
2024	\$0	\$3,888,153	(\$3,888,153)	\$92,485,844	4.20%

\* Contribution shown in this column includes the Fire Insurance Premium Tax. Starting in fiscal year 2021, there were no employer contributions other than the Fire Insurance Premium Tax.

\*\* Covered Payroll for the Firefighters' Retirement Fund is the total annual payroll of all firefighters in the participating fire departments, including firefighters who are not eligible to participate.

## Contribution Summary

	<b>Fiscal Year Ending June 30, 2024</b>
<b>Actuarially Determined Contribution</b>	
Actuarially determined employer contribution	\$0
Contributions in relation to the actuarially determined employer contribution	0
Contribution deficiency (excess)	0
Covered payroll	92,485,844
Contributions as a percentage of covered payroll	0.00%
<b>Actuarially Determined Contribution Components</b>	
Normal cost (Employer only)	0
Normal cost as a % of covered payroll	0.00%
Unfunded liability amortization payment	0
Amortization payment as a % of covered payroll	0.00%
Total actuarially determined contribution	0
<b>Actual Contributions Made</b>	
Total member contributions made	0
Member contributions as a % of covered payroll	0.00%
Total employer contributions made	0
Employer contributions as a % of covered payroll	0.00%
Total contributions made	0
Total contributions as a % of covered payroll	0.00%



## Statement of Fiduciary Net Position

	June 30, 2024	June 30, 2023
<b>Assets</b>		
Cash and cash equivalents	\$782,957	\$266,231
Receivables and prepaid expenses:		
Receivable contributions	0	0
Receivable investment income	3,721,736	2,858,699
Receivables from brokers for unsettled trades	0	0
Prepaid expenses	0	0
Total receivables	3,721,736	2,858,699
Investments:		
Fixed income	141,549,386	132,608,820
Stocks	278,488,953	268,946,469
Short-term investments	5,658,840	6,294,343
Real estate	22,028,211	26,954,508
Alternative investments	37,237,457	36,539,324
Total investments	484,962,847	471,343,464
Invested securities lending cash collateral	0	0
Capital assets net of accumulated depreciation	0	0
Total assets	489,467,540	474,468,394
<b>Liabilities</b>		
Investments Purchased	3,629,543	2,691,938
Monies Due To Other Funds	0	0
Accrued Liabilities	331,148	341,514
Benefits and Refunds Payable	12,758	0
Total liabilities	3,973,449	3,033,452
<b>Net position restricted for pensions</b>	\$485,494,091	\$471,434,942

## Statement of Changes in Fiduciary Net Position

June 30, 2024

### Additions

Member contributions	\$0
Employer contributions	0
Total contributions	0
Investment income (loss):	
Interest and dividends	7,122,945
Equity fund income, net	0
Net increase in fair value of investments	23,589,088
Securities lending income	0
Other income	0
Less investment expenses:	
Direct investment expense	983,541
Securities lending management fees	0
Securities lending borrower rebates	0
Net investment income	29,728,492
Other income: Fire Insurance Premium Tax	3,888,153
Total additions	33,616,645

### Deductions

Benefit payments	19,495,076
Administrative expenses	62,420
Total deductions	19,557,496
Net increase (decrease)	14,059,149

### Net position restricted for pensions

Beginning of year (June 30, 2023)	471,434,942
End of year (June 30, 2024)	\$485,494,091

## Long-Term Expected Rate of Return

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

### Capital Market Assumptions from Callan Associates Investment Consulting as of 1/1/2021

Asset Class	Index	Target Allocation*	Long-Term Expected Real Rate of Return**
Cash	Citigroup 90-Day T-Bills	0.00%	
Large Cap	S&P 500	18.00%	4.50%
Small/Mid Cap	Russell 2500	11.00%	4.70%
International Equity	MSCI World ex USA	15.00%	4.50%
Emerging Markets Equity	MSCI Emerging Markets	10.00%	4.90%
Domestic Fixed	Bloomberg Barclays Aggregate	20.00%	-0.25%
TIPS	Bloomberg Barclays TIPS	10.00%	-0.30%
Real Estate	NCREIF ODCE	8.00%	3.75%
Private Equity	Cambridge Private Equity	8.00%	6.00%
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses			3.91%
Portfolio Standard Deviation			12.84%

### Valuation Assumptions Chosen by PERSI Board

Long-Term Expected Real Rate of Return, Net of Investment Expenses	4.05%
Assumed Inflation	<u>2.30%</u>
<b>Long-Term Expected Nominal Rate of Return, Net of Investment Expenses</b>	<b>6.35%</b>

\* As outlined in PERSI's investment policy.

\*\* Net of investment expenses

## Plan Membership Summary

	<b>June 30, 2024</b>	<b>June 30, 2023</b>
<b>Plan Membership</b>		
Active members - vested	0	0
Active members - non-vested	0	0
Retirees and beneficiaries	424	437
Terminated vested	0	0
Terminated non-vested	0	0
Total membership	424	437
	<b>2023 - 2024</b>	<b>2022 - 2023</b>
<b>Changes in Retirees and Beneficiaries</b>		
Beginning of fiscal year	437	448
New retirements	0	0
Death of retiree/beneficiary	(13)	(11)
End of fiscal year	424	437

## Depletion Date Projection

GASB 67 and 68 generally require that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 67 and 68 will often require that the actuary perform complex projections of future benefit payments and asset values.

- The Fiduciary net position as a percentage of total pension liabilities is 207.66% as of June 30, 2024.
- Since (a) the Fiduciary Net Position is larger than the Net Pension Liability, (b) there is no longer any Service Cost since all members are retired or retirement eligible, and (c) the Fund is still receiving contributions well in excess of administrative expenses, there is no point in time at which it is projected to be insufficient to make projected benefit payments.
- GASB 67 and 68 specify that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, the detailed depletion date projections outlined in GASB 67 and 68 show that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

## Net Pension Liability

Net Pension Liability	June 30, 2024	June 30, 2023
Total pension liability	233,798,004	235,032,187
Fiduciary net position	485,494,091	471,434,942
Net pension liability / (asset)	(251,696,087)	(236,402,755)
Fiduciary net position as a % of total pension liability	207.66%	200.58%
Covered payroll	92,485,844	84,485,207
Net pension liability / (asset) as a % of covered payroll	-272.15%	-279.82%

The total pension liability was determined by an actuarial valuation as of the measurement date, calculated based on the discount rate and actuarial assumptions below.

### Discount Rate

Discount rate	6.35%	6.35%
Long-term expected rate of return, net of investment expense	6.35%	6.35%
Municipal bond rate	N/A	N/A

The Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

### Other Key Actuarial Assumptions

The demographic assumptions that determined the total pension liability as of June 30, 2024, were based on the results of an actuarial experience study for the period July 1, 2015, to July 1, 2020.

Valuation date	July 1, 2024	July 1, 2023
Measurement date	June 30, 2024	June 30, 2023
Inflation	2.30%	2.30%
Salary increases including inflation	3.05%	3.05%
Actuarial cost method	Entry Age Normal	Entry Age Normal

## Changes in Net Pension Liability

Changes in Net Pension Liability / (Asset)	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balances as of June 30, 2023	\$235,032,187	\$471,434,942	(\$236,402,755)
Changes for the year:			
Service cost <sup>(1)</sup>	0		0
Interest <sup>(1)(2)</sup>	14,315,101		14,315,101
Effect of plan changes	0		0
Effect of economic/demographic gains or losses	3,945,792		3,945,792
Effect of assumptions changes or inputs	0		0
Benefit payments	(19,495,076)	(19,495,076)	0
Employer contributions <sup>(3)</sup>		3,888,153	(3,888,153)
Member contributions		0	0
Net investment income		29,728,492	(29,728,492)
Administrative expenses		(62,420)	62,420
Balances as of June 30, 2024	233,798,004	485,494,091	(251,696,087)

<sup>(1)</sup>Service cost and interest are measured before reflecting the effect of plan changes or assumption changes.

<sup>(2)</sup>Includes interest on total pension liability, service cost, and benefit payments

<sup>(3)</sup>Includes Fire Insurance Premium Tax

### Sensitivity Analysis

The following presents the net pension liability of FRF, calculated using the discount rate of 6.35%, as well as what FRF's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.35%) or 1 percentage point higher (7.35%) than the current rate.

	1% Decrease 5.35%	Current Discount Rate 6.35%	1% Increase 7.35%
Total pension liability	\$253,230,102	\$233,798,004	\$216,801,865
Fiduciary net position	\$485,494,091	\$485,494,091	\$485,494,091
Net pension liability / (asset)	(\$232,263,989)	(\$251,696,087)	(\$268,692,226)

Schedule of Changes in Net Pension Liability and Related Ratios

	Fiscal Year Ending June 30									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>										
Service cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest on total pension liability	14,315,101	14,779,983	14,749,137	18,244,017	18,555,434	19,216,525	19,841,800	20,041,184	20,496,009	21,479,861
Effect of plan changes	0	0	0	0	0	0	(615,405)	(68,748)	(557,863)	(2,100,000)
Effect of economic/demographic (gains) or losses	3,945,792	(2,630,514)	4,963,948	(9,815,472)	(4,019,534)	(9,593,204)	(9,182,411)	(3,116,488)	(7,446,350)	(15,100,408)
Effect of assumption changes or inputs	0	0	0	(16,003,571)	0	0	1,386,562	0	0	0
Benefit payments	(19,495,076)	(19,446,545)	(19,014,750)	(18,828,213)	(19,073,931)	(18,929,519)	(18,934,403)	(19,294,441)	(19,476,228)	(19,874,275)
Net change in total pension liability	(1,234,183)	(7,297,076)	698,335	(26,403,239)	(4,538,031)	(9,306,198)	(7,503,857)	(2,438,493)	(6,984,432)	(15,594,822)
Total pension liability, beginning	235,032,187	242,329,263	241,630,928	268,034,167	272,572,198	281,878,396	289,382,253	291,820,746	298,805,178	314,400,000
Total pension liability, ending (a)	233,798,004	235,032,187	242,329,263	241,630,928	268,034,167	272,572,198	281,878,396	289,382,253	291,820,746	298,805,178
<b>Fiduciary Net Position</b>										
Employer contributions (including FIPT)	\$3,888,153	\$3,346,505	\$2,901,920	\$2,549,471	\$8,660,397	\$8,247,827	\$7,706,226	\$7,452,987	\$7,198,597	\$11,305,473
Member contributions	0	0	0	0	4,503	4,540	4,368	4,385	6,329	6,168
Investment income net of investment expenses	29,728,492	39,961,291	(48,067,876)	111,249,774	11,090,094	32,009,454	31,124,311	41,488,825	5,083,454	9,357,909
Benefit payments	(19,495,076)	(19,446,545)	(19,014,750)	(18,828,213)	(19,073,931)	(18,929,519)	(18,934,403)	(19,294,441)	(19,476,228)	(19,874,275)
Administrative expenses	(62,420)	(46,516)	(56,863)	(46,585)	(73,557)	(55,031)	(29,833)	(43,022)	(58,873)	(153,719)
Net change in plan fiduciary net position	14,059,149	23,814,735	(64,237,569)	94,924,447	607,506	21,277,271	19,870,669	29,608,734	(7,246,721)	641,556
Fiduciary net position, beginning	471,434,942	447,620,207	511,857,776	416,933,329	416,325,823	395,048,552	375,177,883	345,569,149	352,815,870	352,174,314
Fiduciary net position, ending (b)	485,494,091	471,434,942	447,620,207	511,857,776	416,933,329	416,325,823	395,048,552	375,177,883	345,569,149	352,815,870
Net pension liability / (asset), ending = (a) - (b)	(\$251,696,087)	(\$236,402,755)	(\$205,290,944)	(\$270,226,848)	(\$148,899,162)	(\$143,753,625)	(\$113,170,156)	(\$85,795,630)	(\$53,748,403)	(\$54,010,692)
Fiduciary net position as a % of total pension liability	207.66%	200.58%	184.72%	211.83%	155.55%	152.74%	140.15%	129.65%	118.42%	118.08%
Covered payroll	\$92,485,844	\$84,485,207	\$78,865,896	\$85,896,222	\$78,657,631	\$78,284,032	\$74,848,287	\$70,568,501	\$68,017,833	\$63,780,545
Net pension liability / (asset) as a % of covered payroll	-272.15%	-279.82%	-260.30%	-314.60%	-189.30%	-183.63%	-151.20%	-121.58%	-79.02%	-84.68%



## Schedule of Collective Pension Amounts

### Changes in Net Pension Liability and Other Pension-Related Items During Fiscal Year

Fiscal Year Ending	Beginning of Year Net Pension Liability/(Asset)	Deferred Outflows of Resources				Deferred Inflows of Resources			Expense (Revenue) Changes to NPL		End of Year Net Pension Liability/(Asset)
		Actual Investment Earnings on Pension Plan Investments	Changes of Assumptions	Differences Between Expected and Actual Experience	Total Deferred Outflows of Resources Excluding Employer Specific Amounts <sup>(1)</sup>	Changes of Assumptions	Differences Between Expected and Actual Experience	Total Deferred Inflows of Resources Excluding Employer Specific Amounts <sup>(1)</sup>	Plan Pension Expense (Revenue)	Employer Contributions <sup>(2)</sup>	
6/30/2024	(236,402,755)	(925,614)	-	-	(925,614)	-	-	-	(14,367,718)	-	(251,696,087)

### Total Deferred Outflows and Inflows as of June 30, 2024

Deferred Outflows of Resources				Deferred Inflows of Resources		
Actual Investment Earnings on Pension Plan Investments	Changes of Assumptions	Differences Between Expected and Actual Experience	Total Deferred Outflows of Resources Excluding Employer Specific Amounts <sup>(1)</sup>	Changes of Assumptions	Differences Between Expected and Actual Experience	Total Deferred Inflows of Resources Excluding Employer Specific Amounts <sup>(1)</sup>
8,090,735	-	-	8,090,735	-	-	-

(1) Employer specific amounts that are excluded from this schedule are the changes in proportion as defined in paragraphs 54 and 55 of GASB Statement 68.

(2) Represent contributions that have been reported on the employers' records

## Pension Expense

Pension Expense	July 1, 2023 to June 30, 2024	July 1, 2022 to June 30, 2023
Service cost <sup>(1)</sup>	\$0	\$0
Interest on total pension liability <sup>(1)</sup>	14,315,101	14,779,983
Effect of plan changes	0	0
Administrative expenses	62,420	46,516
Member contributions	0	0
Other Income (Fire Insurance Premium Tax) <sup>(2)</sup>	(3,888,153)	(3,346,505)
Expected investment return net of investment expenses <sup>(1)</sup>	(29,446,274)	(27,919,120)
Recognition of Deferred Inflows/Outflows of Resources		
Recognition of economic/demographic gains or losses	3,945,792	(2,630,514)
Recognition of assumption changes or inputs	0	0
Recognition of investment gains or losses	643,396	(206,236)
Pension Expense	<u>(14,367,718)</u>	<u>(19,275,876)</u>

<sup>(1)</sup>Service cost, interest on total pension liability, and expected investment return for the period ending June 30, 2024, are measured before reflecting the effect of plan changes or assumption changes.

<sup>(2)</sup>Paragraph 33d of GASB Statement 68 states that contributions to the pension plan from non-employer contributing entities that are not in a special funding situation should be recognized as revenue. Accordingly, we have treated the contributions from the fire insurance premium tax as revenue in the expense calculation.

As of June 30, 2024, the deferred inflows and outflows of resources are as follows:

Deferred Inflows / Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$0	\$0
Changes of assumptions	0	0
Net difference between projected and actual earnings	0	8,090,735
Contributions made subsequent to measurement date	<u>0</u>	<u>0</u>
Total	0	8,090,735
Net deferred inflows and outflows	\$8,090,735	

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2025	(\$2,936,136)
2026	13,548,192
2027	(2,464,879)
2028	(56,442)
2029	0
Thereafter	<u>0</u>
Total	\$8,090,735

Note that additional future deferred inflows and outflows of resources will impact these numbers.

## Schedule of Deferred Inflows and Outflows of Resources

	Original Amount	Date Established	Original Recognition Period*	Amount Recognized in 06/30/2024 Expense	Balance of Deferred Inflows 06/30/2024	Balance of Deferred Outflows 06/30/2024
<b>Investment (gains) or losses</b>	\$17,897,658	06/30/2020	5.0	\$3,579,530	\$0	\$0
	(82,421,642)	06/30/2021	5.0	(16,484,328)	(16,484,330)	0
	80,065,358	06/30/2022	5.0	16,013,072	0	32,026,142
	(12,042,171)	06/30/2023	5.0	(2,408,434)	(7,225,303)	0
	(282,218)	06/30/2024	5.0	<u>(56,444)</u>	<u>(225,774)</u>	<u>0</u>
		Total		643,396	(23,935,407)	32,026,142
<b>Economic/demographic (gains) or losses</b>	3,945,792	06/30/2024	1.0	<u>3,945,792</u>	<u>0</u>	<u>0</u>
		Total		3,945,792	0	0
<b>Assumption changes or inputs</b>	0	06/30/2024	0.0	<u>0</u>	<u>0</u>	<u>0</u>
		Total		0	0	0

\* Investment (gains)/losses are recognized in pension expense over a period of five years; economic/demographic (gains)/losses and assumption changes or inputs are recognized over the average remaining service life for all active and inactive members. Because the membership of the Fund consists entirely of inactives, there are no remaining service lives. Therefore all economic/demographic (gains)/losses and assumption changes or inputs are recognized immediately.

## Pension Liability and Expense Summary

	Total Pension (Liability)	Plan Fiduciary Net Position	Net Pension (Liability) / Asset	Deferred Inflows	Deferred Outflows	Net Deferrals	Net Pension Liability plus Net Deferrals	Annual Expense
<b>Balances as of June 30, 2023</b>	(\$235,032,187)	\$471,434,942	\$236,402,755	(\$42,602,395)	\$51,618,744	\$9,016,349	\$245,419,104	
Service cost	0		0					0
Interest on total pension liability	(14,315,101)		(14,315,101)					14,315,101
Effect of plan changes	0		0					0
Effect of liability gains or losses	(3,945,792)		(3,945,792)		3,945,792	3,945,792		
Effect of assumption changes or inputs	0		0			0		
Benefit payments	19,495,076	(19,495,076)	0					
Administrative expenses		(62,420)	(62,420)					62,420
Member contributions		0	0					0
Other Income		3,888,153	3,888,153					(3,888,153)
Expected investment income (net of inv expenses)		29,446,274	29,446,274					(29,446,274)
Investment gains or losses		282,218	282,218	(282,218)		(282,218)		
Employer contributions		0	0				0	
Recognition of liability gains or losses					(3,945,792)	(3,945,792)		3,945,792
Recognition of assumption changes or inputs						0		0
Recognition of investment gains or losses				18,949,206	(19,592,602)	(643,396)		643,396
Annual expense							14,367,718	(14,367,718)
<b>Balances as of June 30, 2024</b>	(233,798,004)	485,494,091	251,696,087	(23,935,407)	32,026,142	8,090,735	259,786,822	

## Glossary

<b>Actuarially Determined Contribution</b>	A target or recommended contribution to a defined benefit pension plan for the reporting period, determined based on the funding policy and most recent measurement available when the contribution for the reporting period was adopted.
<b>Deferred Inflows/Outflows of Resources</b>	Portion of changes in net pension liability that is not immediately recognized in Pension Expense. These changes include differences between expected and actual experience, changes in assumptions, and differences between expected and actual earnings on plan investments.
<b>Discount Rate</b>	Single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the <ol style="list-style-type: none"><li>1) The actuarial present value of benefit payments projected to be made in future periods where the plan assets are projected to be sufficient to meet benefit payments, calculated using the Long-Term Expected Rate of</li><li>2) The actuarial present value of projected benefit payments not included in (1), calculated using the Municipal Bond Rate.</li></ol>
<b>Fiduciary Net Position</b>	Equal to market value of assets.
<b>Long-Term Expected Rate of Return</b>	Long-term expected rate of return on pension plan investments expected to be used to finance the payment of benefits, net of investment expenses.
<b>Money-Weighted Rate of Return</b>	The internal rate of return on pension plan investments, net of investment expenses.
<b>Municipal Bond Rate</b>	Yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.
<b>Net Pension Liability / (Asset)</b>	Total Pension Liability minus the Plan's Fiduciary Net Position (unfunded accrued liability).
<b>Projected Benefit Payments</b>	All benefits estimated to be payable through the pension plan to current active and inactive employees as a result of their past service and expected future service.
<b>Service Cost</b>	The portion of the actuarial present value of projected benefit payments that is attributed to a valuation year.
<b>Total Pension Liability</b>	The portion of actuarial present value of projected benefit payments that is attributable to past periods of member service using the Entry Age Normal cost method based on the requirements of GASB 67.