



Meeting Date: September 25th, 2024

Agenda Item: C.4

AGENDA SUMMARY REPORT

SUBJECT:

GASB68 Draft Report for FY 2023-2024

SUMMARY:

The Draft GASB68 Report for Fiscal Year Ended June 30th, 2024 is attached.

This report is prepared annually and the results are incorporated into MTA's annual audit.

The net pension liability has increased by roughly \$340K from last year (slide 3). Here are the main factors that contributed to the increase:

- Pension liability grows every year with normal cost (portion of pension benefits the Authority's active employees earn during the year)
- Interest on the net pension liability
- Small asset loss in 2022/23 (investment return for the year was 6.1% while CalPERS expected 6.9%, for a loss of 0.8%)
- Loss due to experience worse than expected (mainly driven by high inflation and COLAs).

Please let us know if you have any questions on this or anything else in the report, or if you would like to schedule a time to walk through the report over the phone. We'll send a final version of the report whenever you are ready for it.

Thank you,
Kateryna

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STAFF RECOMMENDATION:

Approve MTA's GASB68 Draft Report for FY 2023-2024

ATTACHMENTS:

GASB68 Draft Report for FY 2023-2024



DRAFT

**Mendocino Transit Authority
CalPERS Miscellaneous Pension Plans**



June 30, 2024
Consolidated GASBS 68 Reporting Information
CalPERS Risk Pools
Preliminary Results

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August 21, 2024

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Applicable Dates and Periods

	June 30, 2024 Employer Fiscal Year
■ Measurement date	June 30, 2023
■ Measurement period	July 1, 2022 to June 30, 2023
■ Actuarial valuation date	June 30, 2022



Basis of Report

This report presents employer-specific amounts for reporting in accordance with Governmental Accounting Standards Board Statement No. 68 (GASBS 68) for CalPERS public agency cost-sharing plans. Our calculations are based on information provided in actuarial valuation reports prepared by CalPERS and on the June 30, 2023 "Schedule of Employer Allocations for Components of Net Pension Liability and Schedule of Collective Pension Amounts" prepared by CalPERS and audited by BDO. We have followed the methodology described in that report and in other CalPERS publications including the GASBS 68 Guide for Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plans. It was not part of the scope of this project, nor was information available, to review the census data, actuarial calculations or the actuarial assumptions used to prepare those reports. CalPERS reports used for our calculations are available at:

<https://www.calpers.ca.gov/page/employers/actuarial-services/gasb>

Additional information to be presented in each agency's Notes and RSI can be found on CalPERS website in the CalPERS Risk Pool reports as of the June 30, 2023 Measurement Date and CalPERS Annual Comprehensive Financial Report:

<https://www.calpers.ca.gov/docs/forms-publications/gasb-68-accounting-valuation-miscellaneous-risk-pool-2023.pdf>

<https://www.calpers.ca.gov/docs/forms-publications/gasb-68-accounting-valuation-safety-risk-pool-2023.pdf>

<https://www.calpers.ca.gov/docs/forms-publications/acfr-2023.pdf>



Net Pension Liability

Proportionate Share of Net Pension Liability/(Asset)

	Fiscal Year Ending	
■ Fiscal Year End	6/30/2024	6/30/2023
■ Measurement Date	6/30/2023	6/30/2022
■ Total	\$ 3,537,279	\$ 3,198,098

See page 20 for supporting detail.



Net Pension Liability

Proportionate Share of Net Pension Liability/(Asset)

	Percentage Share of Plan		Change: Increase/ (Decrease)
■ Fiscal Year End	6/30/2024	6/30/2023	
■ Measurement Date	6/30/2023	6/30/2022	
■ Percentage of Plan (PERF C) NPL	0.02835%	0.02769%	0.00066%

See page 20 for supporting detail.



Note Disclosures

Plan Description *

The Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the Plan or PERF C) is administered by the California Public Employees' Retirement System (the System or CalPERS). The Plan consists of a miscellaneous risk pool and a safety risk pool, which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. Each individual employer rate plan generally has less than 100 active members.

The Plan was established to provide retirement, death and disability benefits to public agency rate plans with generally less than 100 active members. The benefit provisions for PERF C members are established by statute. A full description regarding the number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information for the respective rate plan is listed in the respective rate plan's June 30, 2022 Annual Valuation Report (funding valuation). Details of the benefits provided can be obtained in Appendix B of the funding valuation report. This report and CalPERS' audited financial statements are publicly available reports that can be found on CalPERS' website at

<https://www.calpers.ca.gov/page/forms-publications>

*This description is from the CalPERS report:

<https://www.calpers.ca.gov/docs/forms-publications/gasb-68-public-agency-schedules-2023.pdf>



Note Disclosures

Net Pension Liability Assumptions *

The collective total pension liability for the June 30, 2023 measurement period was determined by an actuarial valuation as of June 30, 2022, with update procedures used to roll forward the total pension liability to June 30, 2023. The collective total pension liability was based on the following assumptions:

- | | |
|------------------------------------|---|
| ■ Discount Rate | 6.90% |
| ■ Inflation | 2.30% |
| ■ Salary increases | Varies by Entry Age and Service |
| ■ Mortality | Derived using CalPERS' Membership Data for all Funds. The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website |
| ■ Post-retirement benefit increase | Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies |

*These assumptions are from the CalPERS report:

<https://www.calpers.ca.gov/docs/forms-publications/gasb-68-public-agency-schedules-2023.pdf>



Note Disclosures

Long-Term Expected Rate of Return *

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. The expected real rates of return by asset class are as follows:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1 - 10^{1,2}</u>
Global equity - cap-weighted	30.00%	4.54%
Global equity non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	-5.00%	-0.59%

* This information is from the CalPERS report: <https://www.calpers.ca.gov/docs/forms-publications/gasb-68-public-agency-schedules-2023.pdf>

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021-22 Asset Liability Management study.



Note Disclosures

Discount Rate *

The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

* This description is from the CalPERS report:

<https://www.calpers.ca.gov/docs/forms-publications/gasb-68-public-agency-schedules-2023.pdf>



Note Disclosures

**Sensitivity of Proportionate Share of Net Pension Liability (Asset)
to Changes in the Discount Rate**

	Discount Rate		
	5.90% (1% Decrease)	6.90% (Current Rate)	7.90% (1% Increase)
■ Measurement Date	6/30/2023		
■ Fiscal Year End	6/30/2024		
■ Net Pension Liability	\$ 5,510,758	\$ 3,537,279	\$ 1,912,936

See page 21 for supporting detail.



Note Disclosures

Pension Expense (Income) for Fiscal Year

	2023/24
■ Total pension expense (income) for fiscal year	\$ 880,206

See page 31 for supporting detail.



Note Disclosures

Deferred Outflows/Inflows Balances at June 30, 2024

	Deferred Outflows of Resources	Deferred Inflows of Resources
■ Differences between expected and actual experience *	\$ 180,703	(28,031)
■ Changes of assumptions *	213,561	-
■ Net differences between projected and actual earnings on plan investments *	572,717	-
■ Change in employer's proportion **	253,702	-
■ Differences between the employer's contributions and the employer's proportionate share of contributions***	17,188	(101,536)
■ Pension contributions subsequent to measurement date	505,126	-
■ Total	<u>1,742,997</u>	<u>(129,567)</u>

* Supporting detail on page 23.

** Supporting detail on page 26.

*** Supporting detail on page 29.



Note Disclosures

**Recognition of Deferred Outflows and Inflows of Resources
in Future Pension Expense**

	Deferred Outflows/(Inflows) of Resources
■ Fiscal Year Ending June 30:	
● 2025	\$ 402,123
● 2026	234,893
● 2027	454,856
● 2028	16,432
● 2029	-
● Thereafter	-

Supporting detail on page 30.



Required Supplementary Information

**Schedule of Authority's Proportionate Share
of the Plan's (PERF C) Net Pension Liability**

	Fiscal Year End	
	6/30/24	6/30/23
■ Measurement Date	6/30/23	6/30/22
■ Authority's proportion of the net pension liability	0.02835%	0.02769%
■ Authority's proportionate share of the net pension liability	\$ 3,537,279	\$ 3,198,098
■ Authority's covered payroll *	3,031,830	2,509,682
■ Authority's proportionate share of the net pension liability as a percentage of covered payroll	116.67%	127.43%
■ Plan's fiduciary net position as a percentage of the plan's total pension liability **	76.21%	76.68%

* For the year ending on the measurement date.

** Supporting detail on page 17.



Required Supplementary Information

Schedule of the Authority's Contributions

Contributions for the fiscal year ending:	6/30/24	6/30/23
■ Actuarially determined contribution	\$ 505,126	\$ 482,883
■ Contributions in relation to the actuarially determined contribution	505,126	482,883
■ Contribution deficiency (Excess)	-	-
■ Authority's covered payroll *	3,370,826	3,031,830
■ Contributions as a percentage of covered payroll	14.99%	15.93%

* For the fiscal year ending on the date shown.



Actuarially Determined Contribution Assumptions *

■ Valuation Date	June 30, 2021
■ Actuarial cost method	Entry age normal cost method
■ Amortization method	Varies by date established and source. May be level dollar or level percent of pay and may include direct rate smoothing
■ Remaining Amortization Periods	Differs by employer rate plan
■ Asset valuation method	Market value of assets
■ Inflation	2.30%
■ Salary increases	Varies by category, entry age, and service
■ Discount Rate **	6.80% (net of investment and administrative expenses)
■ Mortality	Derived using CalPERS' Membership Data for all Funds. The post-retirement mortality rates include 15 years of projected on-going mortality improvement using 80% of the Society of Actuaries' Scale MP-2020

* From the CalPERS reports (Appendix A):
<https://www.calpers.ca.gov/docs/forms-publications/actuarial-valuation-section2-miscellaneous-2021.pdf>
<https://www.calpers.ca.gov/docs/forms-publications/actuarial-valuation-section2-safety-2021.pdf>

** Please note, the discount rate used for Actuarially Determined Contributions is different from the one used for Total Pension Liability (page 6).



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Data as of 6/30/23 Measurement Date

	Miscellaneous Risk Pool	Safety Risk Pool	Total
■ Employer Allocation Basis*			
Total Pension Liability	0.06430%	N/A	N/A
Fiduciary Net Postion	0.06248%	N/A	N/A
■ Data from Risk Pool Reports for Measurement Date June 30, 2023			
Total Pension Liability	\$ 22,693,312,153	\$ 29,748,672,121	\$ 52,441,984,274
(1) Fiduciary Net Postion	17,692,895,076	22,273,738,616	39,966,633,692
Net Pension Liability	5,000,417,077	7,474,933,505	12,475,350,582
Funded Percentage	N/A	N/A	76.21%
■ Sensitivity			
(2) NPL @ 5.90% discount rate	8,069,591,033	11,555,921,980	
(1) + (2) TPL @ 5.90% discount rate	25,762,486,109	33,829,660,596	
(3) NPL @ 7.90% discount rate	2,474,223,419	4,138,435,011	
(1) + (3) TPL @ 7.90% discount rate	20,167,118,495	26,412,173,627	
■ Collective Pension Expense			
	1,097,008,923	1,517,707,879	



■ Deferred Outflows (Inflows) Balances at June 30, 2023 Measurement Date (MD)				
MD				
2021	Differences between expected and actual experience	31,984,933	84,516,378	N/A
2022	Differences between expected and actual experience	(39,626,181)	(46,982,909)	N/A
2023	Differences between expected and actual experience	223,463,418	464,281,519	N/A
2022	Change in Assumptions	301,897,706	436,247,121	N/A
2020	Differences between projected and actual earnings on plan investments	60,099,624	72,553,352	N/A
2021	Differences between projected and actual earnings on plan investments	(916,125,016)	(1,149,627,564)	N/A
2022	Differences between projected and actual earnings on plan investments	1,572,713,435	1,985,807,897	N/A
2023	Differences between projected and actual earnings on plan investments	92,924,475	114,208,934	N/A
■ Other				
	Aggregate Employer Contributions	735,524,264	887,606,005	N/A
	Expected Average Remaining Service Lifetime (EARS�)		N/A	3.8
	Future Recognition of Deferred Amounts			
	Measurement Date			
	2024	415,576,710	667,537,922	N/A
	2025	277,208,944	441,774,508	N/A
	2026	611,315,622	823,140,063	N/A
	2027	23,231,118	28,552,235	N/A

*From the report: <https://www.calpers.ca.gov/docs/forms-publications/gasb-68-public-agency-schedules-2023.pdf>



Supporting Calculations

Employer Contributions during Fiscal Year

	2023/24	2022/23
■ Misc Classic - 3901	\$ 326,834	\$ 325,849
■ Misc PEPRA - 27121	178,292	157,034
■ Total	505,126	482,883



Supporting Calculations

Proportionate Share of Net Pension Liability/(Asset)

	Fiscal Year Ending 6/30/2024		
	Measurement Date 6/30/2023		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability/(Asset)
■ Authority % *	0.06430%	0.06248%	
■ Total Misc Risk Pool *	\$ 22,693,312,153	\$ 17,692,895,076	N/A
■ Authority's Proportionate Share	14,591,800	11,054,521	\$ 3,537,279
■ Total PERF-C NPL *	N/A	N/A	12,475,350,582
■ Authority's Proportionate Share of NPL	N/A	N/A	0.02835%

* Supporting detail on page 17.



Supporting Calculations

Sensitivity of Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate

	Discount Rate		
	5.90% (1% Decrease)	6.90% (Current Rate)	7.90% (1% Increase)
■ Measurement Date	6/30/2023		
■ Fiscal Year End	6/30/2024		
■ Miscellaneous			
Risk Pool Total Pension Liability *	\$ 25,762,486,109	\$ 22,693,312,153	\$ 20,167,118,495
Employer's TPL Proportion	<u>0.06430%</u>	<u>0.06430%</u>	<u>0.06430%</u>
Proportionate share of TPL	\$ 16,565,279	\$ 14,591,800	\$ 12,967,457
Less: Proportionate share of FNP **	<u>11,054,521</u>	<u>11,054,521</u>	<u>11,054,521</u>
Net Pension Liability	5,510,758	3,537,279	1,912,936

* Supporting detail on page 17.

** Supporting detail on page 20.



Supporting Calculations

Allocation Factor for Deferred Inflows and Outflows

	<u>Miscellaneous</u>
(1) Total Misc Risk Pool Net Pension Liability*	\$ 5,000,417,077
(2) Authority's Proportionate Share of Net Pension Liability **	3,537,279
(3) Authority's Deferred Outflows/Inflows of Resources Allocation Basis (2) ÷ (1) ***	0.07074%

* Supporting detail on page 17.

** Supporting detail on page 20.

*** Deferred Outflows/Inflows of resources allocated based on the employer's share of the Miscellaneous Risk Pool net pension liability, per CalPERS' guidance in the 6/30/2023 Schedule of Employer Allocations for Components of Net Pension Liability and Schedule of Collective Pension Amounts.



Supporting Calculations

Total Risk Pool Deferred Outflows/(Inflows)

Measurement Date	Item	Misc Risk Pool*	Employer Amount (0.07074%)**	Employer Deferred Outflow	Employer Deferred (Inflow)
Differences between Actual and Expected Experience					
2021		\$ 31,984,933	\$ 22,626	\$ 22,626	-
2022		(39,626,181)	(28,031)	-	(28,031)
2023		223,463,418	158,077	158,077	-
Total Differences between Actual and Expected Experience			152,672	180,703	(28,031)
Changes of assumptions					
2022		301,897,706	213,561	213,561	-
Net Difference between Projected and Actual Return on Investments					
2020 to 2023		809,612,518	572,717	572,717	-

* Supporting detail on page 18. ** Supporting detail on page 22, unrounded allocation factor is used.



Supporting Calculations

Change in Proportion Calculation

	Unrecognized Differences between Expected and Actual Experience	Unrecognized Changes in Assumptions	Unrecognized Net Difference Between Projected and Actual Earnings on Investments	Total Pension Liability	Fiduciary Net Position	Total
■ Miscellaneous Risk Pool						
Net deferral at 6/30/2022 MD	\$ 31,032,344	\$ 479,484,592	\$ 857,110,099	\$ (21,449,898,398)	\$ 16,770,671,339	
Employer proportion at 6/30/2023 MD*	0.07074%	0.07074%	0.07074%	0.06430%	0.06248%	
Employer amount using 6/30/2023 basis	21,952	339,186	606,317	(13,792,285)	10,478,315	(2,346,515)
Employer balances at 6/30/2022 MD	21,210	327,712	585,807	(13,730,080)	10,531,982	(2,263,369)
Difference	(742)	(11,474)	(20,510)	62,205	53,667	83,146

* Supporting details on pages 17 and 22, unrounded allocation factor is used.



Supporting Calculations

Change in Proportion

Calculation at June 30, 2024 financial statement date

	2020 Measurement Date	2021 Measurement Date	2022 Measurement Date	2023 Measurement Date	Total
Balance reported at June 30, 2023	\$ 52,328	\$ 216,178	\$ 164,259	\$ 83,146 *	
Remaining Amortization Years	0.8 years	1.7 years	2.7 years	3.8 years	
Current Year Amortization	(52,328)	(127,163)	(60,837)	(21,881)	(262,209)
Balance reported at June 30, 2024	-	89,015	103,422	61,265	253,702

* Balance at July 1, 2023, after 6/30/23 reporting date.



Supporting Calculations

Recognition Schedule for Deferred Outflows/Inflows at June 30, 2024 Employer-Specific Deferral: Change in Proportions

	Initial Recognition Period				Total
	2020/21	2021/22	2022/23	2023/24	
■ Measurement Period	2019/20	2020/21	2021/22	2022/23	
■ Initial amount	\$ 248,555	\$ 470,504	\$ 225,096	\$ 83,146	
■ Initial recognition period	3.8 years	3.7 years	3.7 years	3.8 years	
■ Amount recognized in FY pension expense					
● 2020/21 (3rd prior year)	65,409	N/A	N/A	N/A	65,409
● 2021/22 (2nd prior year)	65,409	127,163	N/A	N/A	192,572
● 2022/23 (Prior year)	65,409	127,163	60,837	N/A	253,409
● 2023/24 (Current year)	52,328	127,163	60,837	21,881	262,209
● 2024/25	-	89,015	60,837	21,881	171,733
● 2025/26	-	-	42,585	21,881	64,466
● 2026/27	-	-	-	17,503	17,503
● Total	248,555	470,504	225,096	83,146	1,027,301
■ Deferred Outflows at FYE 6/30/2024	-	89,015	103,422	61,265	253,702
■ Deferred Inflows at FYE 6/30/2024	-	-	-	-	-



Supporting Calculations

Difference in Actual Contribution and Proportionate Share of Contribution Calculation

	<u>Miscellaneous</u>
(1) Aggregate Risk Pool employer contributions for MP 2022/23*	\$ 735,524,264
(2) Employer proportion (FNP %)**	0.06248%
(3) Proportionate share of aggregate Employer contribution (1) * (2)	459,556
(4) Actual Contribution for Measurement Period 2022/2023	482,883
(5) Difference (4) - (3)	23,327

* Supporting detail on page 18.

** Supporting detail on page 17.



Supporting Calculations

Difference in Actual Contributions and Proportionate Share of Contributions

Calculation at June 30, 2024 financial statement date

	2020 Measurement Date	2021 Measurement Date	2022 Measurement Date	2023 Measurement Date	Total
Balance reported at June 30, 2023	(19,376)	(58,981)	(122,691)	23,327 *	
Remaining Amortization Years	0.8 years	1.7 years	2.7 years	3.8 years	
Current Year Amortization	19,376	34,695	45,441	(6,139)	93,373
Balance reported at June 30, 2024	-	(24,286)	(77,250)	17,188	(84,348)

* Balance at July 1, 2023, after 6/30/23 reporting date.



Supporting Calculations

Recognition Schedule for Deferred Outflows/Inflows at June 30, 2024 Employer-Specific Deferral: Difference Between Actual & Proportionate Share of Employer Contributions

	Initial Recognition Period				Total
	2020/21	2021/22	2022/23	2023/24	
■ Measurement Period	2019/20	2020/21	2021/22	2022/23	
■ Initial amount	\$ (92,030)	\$ (128,371)	\$ (168,132)	\$ 23,327	
■ Initial recognition period	3.8 years	3.7 years	3.7 years	3.8 years	
■ Amount recognized in FY pension expense					
● 2020/21 (3rd prior year)	(24,218)	N/A	N/A	N/A	(24,218)
● 2021/22 (2nd prior year)	(24,218)	(34,695)	N/A	N/A	(58,913)
● 2022/23 (Prior year)	(24,218)	(34,695)	(45,441)	N/A	(104,354)
● 2023/24 (Current year)	(19,376)	(34,695)	(45,441)	6,139	(93,373)
● 2024/25	-	(24,286)	(45,441)	6,139	(63,588)
● 2025/26	-	-	(31,809)	6,139	(25,670)
● 2026/27	-	-	-	4,910	4,910
● Total	(92,030)	(128,371)	(168,132)	23,327	(365,206)
■ Deferred Outflows at FYE 6/30/2024	-	-	-	17,188	17,188
■ Deferred Inflows at FYE 6/30/2024	-	(24,286)	(77,250)	-	(101,536)



Supporting Calculations

Recognition of Deferrals in Future Pension Expense

Measurement Period Ending June 30:	Fiscal Year Ending June 30:	Miscellaneous Risk Pool Amount			Employer Specific Amounts		Total
		Risk Pool Amount*	Applicable Percentage**	Authority's Proportionate Share	Change in Proportion***	Difference Between Actual and Proportionate Share of Contributions****	
■ 2024	■ 2025	\$ 415,576,710	0.07074%	\$ 293,978	\$ 171,733	\$ (63,588)	\$ 402,123
■ 2025	■ 2026	277,208,944	0.07074%	196,097	64,466	(25,670)	234,893
■ 2026	■ 2027	611,315,622	0.07074%	432,443	17,503	4,910	454,856
■ 2027	■ 2028	23,231,118	0.07074%	16,432	-	-	16,432
■ 2028	■ 2029	-	0.07074%	-	-	-	-
■ Thereafter	■ Thereafter	-	0.07074%	-	-	-	-

* See page 18.

** See page 22, unrounded allocation factor is used.

*** See page 26.

**** See page 29.



Supporting Calculations

GASBS 68 Balance Equation for Pension Expense Calculation

	Fiscal year ending		Change
	6/30/2024	6/30/2023	
■ Measurement date	6/30/2023	6/30/2022	
■ Total pension liability	\$ 14,591,800	\$ 13,730,080	\$ 861,720
■ Fiduciary net position	11,054,521	10,531,982	522,539
■ Net pension liability/(asset)	3,537,279	3,198,098	339,181
■ Deferred inflows of resources	129,567	244,062	(114,495)
■ Deferred (outflows) of resources *	(1,237,871)	(1,410,508)	172,637
■ Contributions in the measurement period	482,883	-	482,883
■ Net balance sheet impact	2,911,858	2,031,652	880,206
■ Pension Expense (Income)			880,206

* The deferral for contributions after the measurement date is excluded.



Supporting Calculations

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Journal Entries

Beginning Balances

Following summarizes the beginning balances from the 2022 measurement date *

	Debit	Credit
Differences between expected and actual experience	\$ 64,224	\$ (43,014)
Changes of assumptions	327,712	-
Net differences between projected and actual earnings on plan investments	585,807	-
Change in employer's proportion	432,765	-
Differences between the employer's contributions and the employer's proportionate share of contributions	-	(201,048)
Total deferred outflow/inflow	1,410,508	(244,062)
Pension contributions subsequent to measurement date	482,883	-
Net Pension Liability	-	(3,198,098)
Net Impact	1,548,769	-
<i>Check</i>	3,442,160	(3,442,160)

* Recorded at 6/30/23 fiscal year end.



Journal Entries

Employer Contributions

Following records the impact of employer contributions, assuming employer contributions were recorded as pension expense when paid.

	Debit	Credit
Net pension liability	\$ 482,883	
Deferred Outflow - FY 2023 contributions		\$ (482,883)
Deferred Outflow - FY 2024 contributions	505,126	
Pension Expense		(505,126)
<i>Check</i>	988,009	(988,009)



Journal Entries

Summary Journal Entries - Pension Expense

Following records the impact of current year pension expense

	Debit	Credit
Deferred Outflows	\$ 133,667	\$ (306,304)
Deferred Inflows	114,495	-
Pension Expense (Income)	880,206	-
Net pension liability	-	(822,064)
 <i>Check</i>	 <i>1,128,368</i>	 <i>(1,128,368)</i>

See pages 38 and 37 ("Subtotal" row) for details.



Journal Entries

Ending Balances at June 30, 2024

	Debit	Credit
Differences between expected and actual experience	\$ 180,703	\$ (28,031)
Changes of assumptions	213,561	-
Net differences between projected and actual earnings on plan investments	572,717	-
Change in employer's proportion	253,702	-
Differences between the employer's contributions and the employer's proportionate share of contributions	17,188	(101,536)
Total deferred outflow/inflow	1,237,871	(129,567)
Pension contributions subsequent to measurement date	505,126	-
Net Pension Liability (NPL)	-	(3,537,279)
Net Impact	1,923,849	-
 <i>Check</i>	 <i>3,666,846</i>	 <i>(3,666,846)</i>
Total pension expense (income) for FYE 2024	880,206	-



Reconciliation of Deferred Outflows

(Detail for page 35)

Deferred Outflows	Opening Balance Debit	Journal Entry- Debit	Journal Entry - (Credit)	Ending Balance Debit
Differences between actual and expected experience	\$ 64,224	\$ 116,479	\$ -	\$ 180,703
Change in assumptions	327,712	-	(114,151)	213,561
Differences between projected and actual earnings on plan investments	585,807	-	(13,090)	572,717
<u>Employer Specific</u>				
Change in employer's proportion	432,765	-	(179,063)	253,702
Differences between the employer's contributions and the employer's proportionate share of contributions	-	17,188	-	17,188
Subtotal	1,410,508	133,667	(306,304)	1,237,871
Contributions after the Measurement Date	482,883	505,126	(482,883)	505,126
Total Deferred Outflows	1,893,391	638,793	(789,187)	1,742,997

Note "Changes" for Risk Pool deferrals equals total change from prior year to current year. "Changes" for employer-specific deferrals includes recognition of previous deferral or establishment of new deferral.



Reconciliation of Deferred Inflows

(Detail for page 35)

Deferred Inflows	Opening Balance (Credit)	Journal Entry- (Credit)	Journal Entry - Debit	Ending Balance (Credit)
Differences between actual and expected experience	\$ (43,014)	\$ -	\$ 14,983	\$ (28,031)
Change in assumptions	-	-	-	-
Differences between projected and actual earnings on plan investments	-	-	-	-
<u>Employer Specific</u>				
Change in employer's proportion	-	-	-	-
Differences between the employer's contributions and the employer's proportionate share of contributions	(201,048)	-	99,512	(101,536)
Total Deferred Inflows	(244,062)	-	114,495	(129,567)

Note "Changes" for Risk Pool deferrals equals total change from prior year to current year. "Changes" for employer-specific deferrals includes recognition of previous deferral or establishment of new deferral.



Reconciliation of Deferred Outflows/(Inflows)

Summary of Balances

	Fiscal year ending	
	6/30/2024	6/30/2023
■ Measurement date	6/30/2023	6/30/2022
■ Total pension liability	\$ (14,591,800)	\$ (13,730,080)
■ Fiduciary net position	<u>11,054,521</u>	<u>10,531,982</u>
■ Net pension (liability)/asset	(3,537,279)	(3,198,098)
■ Deferred (inflows) of resources	(129,567)	(244,062)
■ Deferred outflows of resources	<u>1,742,997</u>	<u>1,893,391</u>
■ Net balance sheet impact	(1,923,849)	(1,548,769)

Deferred Outflows includes contributions after the measurement date.



Reconciliation of Deferred Outflows/(Inflows)

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