



FOR3S00-0001BBO

Village of Arlington Heights Regular

GASB Statement No. 68 Employer Reporting

Accounting Schedules

December 31, 2023



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March 29, 2024

Village of Arlington Heights
Illinois Municipal Retirement Fund

Ladies and Gentlemen:

The accounting schedules submitted in this report are required under the Governmental Accounting Standards Board (GASB) Statement No. 68 "Accounting and Financial Reporting for Pensions."

Our calculations for this report were prepared for the purpose of complying with the requirements of GASB Statement No. 68. These calculations have been made on a basis that is consistent with our understanding of these accounting standards. These results are subject to review by the fund's auditor and may be revised.

Our calculation of the liability associated with the benefits described in this report was performed for the purpose of satisfying the requirements of GASB Statement No. 68. The Net Pension Liability is not an appropriate measure for measuring the sufficiency of plan assets to cover the estimated cost of settling the employer's benefit obligation. The Net Pension Liability is not an appropriate measure for assessing the need for or amount of future employer contributions. A calculation of the plan's liability for purposes other than satisfying the requirements of GASB Statement No. 68 may produce significantly different results. This report may be provided to parties other than Village of Arlington Heights only in its entirety and only with the permission of Village of Arlington Heights. GRS is not responsible for unauthorized use of this report.

This report is based upon information, furnished to us by the Illinois Municipal Retirement Fund (IMRF), concerning retirement and ancillary benefits, active members, deferred vested members, retirees and beneficiaries, and financial data. If your understanding of this information is different than ours, please let us know and do not use or distribute this report until those differences have been resolved to your satisfaction. This information was checked for internal consistency, but it was not audited.

This report complements the actuarial valuation report that was provided to the IMRF and should be considered in conjunction with that report. Please see the actuarial valuation report as of December 31, 2023 for additional discussions of the nature of actuarial calculations and more information related to participant data, economic and demographic assumptions, and benefit provisions.



Village of Arlington Heights
Illinois Municipal Retirement Fund
March 29, 2024
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To the best of our knowledge, the information contained in this report is accurate, and fairly represents the GASB Statement No. 68 information related to Village of Arlington Heights. All calculations have been made in conformity with generally accepted actuarial principles and practices as well as with the Actuarial Standards of Practice issued by the Actuarial Standards Board. If you have reason to believe that the information provided in this report is inaccurate, or is in any way incomplete, or if you need further information in order to make an informed decision on the subject matter of this report, please contact the IMRF.

This report was prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

Mark Buis, Francois Pieterse and Bonita J. Wurst are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the Academy of Actuaries to render the actuarial opinions contained herein.

The signing actuaries are independent of the plan sponsor.

Respectfully submitted,
Gabriel, Roeder, Smith & Company

Mark Buis, FSA, EA, FCA, MAAA

Francois Pieterse, ASA, FCA, MAAA

Bonita J. Wurst, ASA, EA, FCA, MAAA

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SECTION A

EXECUTIVE SUMMARY



Executive Summary as of December 31, 2023

Actuarial Valuation Date	December 31, 2023
Measurement Date of the Net Pension Liability	December 31, 2023
Fiscal Year End	April 30, 2024

Membership

Number of	
- Retirees and Beneficiaries	541
- Inactive, Non-Retired Members	259
- Active Members	384
- Total	1,184
Covered Valuation Payroll ¹	\$ 29,526,123

Net Pension Liability

Total Pension Liability/(Asset)	\$ 222,326,404
Plan Fiduciary Net Position	209,878,014
Net Pension Liability/(Asset)	\$ 12,448,390
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	94.40%
Net Pension Liability as a Percentage of Covered Valuation Payroll	42.16%

Development of the Single Discount Rate as of December 31, 2023

Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate ²	3.77%
Last year ending December 31 in the 2024 to 2123 projection period for which projected benefit payments are fully funded	2123
Resulting Single Discount Rate based on the above development	7.25%

Single Discount Rate calculated using December 31, 2022 Measurement Date 7.25%

Total Pension Expense/(Income) \$ (3,464,353)

Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,874,958	\$ 35,828
Changes in assumptions	0	101,659
Net difference between projected and actual earnings on pension plan investments	27,211,392	16,523,027
Total	\$ 30,086,350	\$ 16,660,514

¹ Does not necessarily represent Covered-Employee Payroll as defined in GASB Statement No. 68.

² Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of December 29, 2023. In describing this index, Fidelity notes that the municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax exempt securities.



Accounting Standard

For state and local government employers (as well as certain non-employers) that contribute to a Defined Benefit (DB) pension plan administered through a trust or equivalent arrangement, Governmental Accounting Standards Board (GASB) Statement No. 68 establishes standards for pension accounting and financial reporting. Under GASB Statement No. 68, the employer must account for and disclose the net pension liability, pension expense, and other information associated with providing retirement benefits to their employees (and former employees) on their basic financial statements.

The following discussion provides a summary of the information that is required to be disclosed under these accounting standards. A number of these disclosure items are provided in this report. However, certain information is not included in this report if it is not actuarial in nature, such as the notes to the financial statements regarding accounting policies and investments. As a result, the retirement fund and/or plan sponsor is responsible for preparing and disclosing the non-actuarial information needed to comply with these accounting standards.

Financial Statements

GASB Statement No. 68 requires state and local government employers that contribute to DB pension plans to recognize the net pension liability and the pension expense on their financial statements, along with the related deferred outflows of resources and deferred inflows of resources. The net pension liability is the difference between the total pension liability and the plan's fiduciary net position. In traditional actuarial terms, this is analogous to the accrued liability less the market value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement).

Paragraph 57 of GASB Statement No. 68 says, "Contributions to the pension plan from the employer subsequent to the measurement date of the collective net pension liability and before the end of the employer's reporting period should be reported as a deferred outflow of resources related to pensions." The information contained in this report does not incorporate any contributions made to the IMRF subsequent to the measurement date of December 31, 2023.

The pension expense recognized each fiscal year is equal to the change in the net pension liability from the beginning of the year to the end of the year, adjusted for deferred recognition of the certain changes in the liability and investment experience.



Notes to Financial Statements

GASB Statement No. 68 requires the notes of the employer's financial statements to disclose the total pension expense, the pension plan's liabilities and assets, and deferred outflows of resources and inflows of resources related to pensions.

In addition, GASB Statement No. 68 requires the notes of the financial statements for the employers to include certain additional information, including (page numbers refer to page numbers from this report unless specified otherwise):

- A description of the types of benefits provided by the plan, as well as automatic or ad hoc COLAs (please see pages B-1 to B-5 of the December 31, 2023 Annual Actuarial Valuation report dated March 8, 2024);
- The number and classes of employees covered by the benefit terms (page 1);
- For the current year, sources of changes in the net pension liability (page 11);
- Significant assumptions and methods used to calculate the total pension liability (page 16);
- Inputs to the single discount rate (page 17);
- Certain information about mortality assumptions and the dates of experience studies (pages 14 and 16);
- The date of the valuation used to determine the total pension liability (page 1);
- Information about changes of assumptions or other inputs and benefit terms (pages 14 and 16);
- The basis for determining contributions to the plan, including a description of the plan's funding policy, as well as member and employer contribution requirements (please see page A-3, B-5 and Section D of the December 31, 2023 Annual Actuarial Valuation report dated March 8, 2024, as well as page 14);
- The total pension liability, fiduciary net position, net pension liability, and the pension plan's fiduciary net position as a percentage of the total pension liability (page 11);
- The net pension liability using a discount rate that is 1% higher and 1% lower than used to calculate the total pension liability and net pension liability for financial reporting purposes (page 11); and
- A description of the fund that administers the pension plan (to be provided by the IMRF).

Required Supplementary Information

The financial statements of employers also include required supplementary information showing the 10-year fiscal history of:

- Sources of changes in the net pension liability (page 12);
- Information about the components of the net pension liability and related ratios, including the pension plan's fiduciary net position as a percentage of the total pension liability, and the net pension liability as a percent of covered-employee payroll (page 12); and
- Comparison of actual employer contributions to the actuarially determined contributions based on the plan's funding policy (page 13).

These tables may be built prospectively as the information becomes available.



Timing of the Valuation

An actuarial valuation to determine the total pension liability is required to be performed at least every two years. For the employer's financial reporting purposes, the net pension liability and pension expense should be measured as of the employer's "measurement date" which may not be earlier than the fiscal year-end date, consistently applied from period to period. If the actuarial valuation used to determine the total pension liability is not calculated as of the measurement date, the total pension liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The total pension liability shown in this report is based on an actuarial valuation performed as of December 31, 2023 and a measurement date of December 31, 2023.

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects: (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits); and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%, the municipal bond rate is 3.77% (based on the daily rate closest to but not later than the measurement date of the "20-Year Municipal GO AA Index" described on page 1), and the resulting Single Discount Rate is 7.25%.



Other Observations

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status

Given the plan's contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 7.25% on the actuarial value of assets), it is expected that:

- (1) The employer normal cost as a percentage of pay will decrease to the level of Tier 2 normal cost as time passes, as the majority of the active population will consist of Tier 2 members.
- (2) The unfunded liability will increase in dollar amount for several years before it begins to decrease.
- (3) The funded status of the plan will increase gradually towards a 100% funded ratio.

This funding policy results in a crossover date in 2123 and a discount rate of 7.25%. The projections in this report are strictly for the purposes of determining the GASB discount rate and are different from a funding projection for the ongoing plan.

Limitations of Assets as a Percent of Total Pension Liability Measurements

This report includes a measure of the plan fiduciary net position as a percent of total pension liability. Unless otherwise indicated, with regard to any such measurements presented in this report:

- (1) The measurement is inappropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations.
- (2) The measurement is inappropriate for assessing the need for or amount of future employer contributions.

Limitations of Funded Status Measurements

Unless otherwise indicated, a funded ratio measurement presented in this report is based upon the actuarial accrued liability and the market value of assets. Unless otherwise indicated, with regard to any funded status measurements presented in this report:

- (1) The measurement is inappropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations; in other words, if transferring the obligations to an unrelated third party in an arm's length market value type transaction.
- (2) The measurement is dependent upon the actuarial cost method which, in combination with the plan's amortization policy, affects the timing and amounts of future contributions. The amount of future contributions will most certainly differ from those assumed in this report due to future actual experience differing from assumed experience based upon actuarial assumptions. A funded ratio measurement in this report of 100% is not synonymous with no required future contributions. If the funded ratio were 100%, the plan would still require future normal cost contributions (i.e., contributions to cover the cost of the active membership accruing an additional year of service credit).



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Limitation of Project Scope

Actuarial standards do not require the actuary to evaluate the ability of the plan sponsor or other contributing entity to make required contributions to the plan when due. Such an evaluation was not within the scope of this project and is not within the actuary's domain of expertise. Consequently, the actuary performed no such evaluation.



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SECTION B

FINANCIAL STATEMENTS

Pension Expense/(Income) under GASB State Calendar Year Ended December 31, 2023



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A. Expense/(Income)

1. Service Cost	\$ 2,667,511
2. Interest on the Total Pension Liability	15,211,828
3. Current-Period Benefit Changes	0
4. Employee Contributions (made negative for addition here)	(1,330,042)
5. Projected Earnings on Plan Investments (made negative for addition here)	(13,801,170)
6. Other Changes in Plan Fiduciary Net Position	(5,012,311)
7. Recognition of Outflow (Inflow) of Resources due to Liabilities	1,517,041
8. Recognition of Outflow (Inflow) of Resources due to Assets	(2,717,210)
9. Total Pension Expense/(Income)	\$ (3,464,353)

Recognition of Deferred Outflows and Inflows of Resources

Differences between expected and actual experience and changes in assumptions are recognized in the pension expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a retirement benefit through the pension plan (active employees and inactive employees) determined as of the beginning of the measurement period.

At the beginning of the current measurement period, the expected remaining service lives of all active employees in the plan was approximately 3,788 years. Additionally, the total plan membership (active employees and inactive employees) was 1,150. As a result, the average of the expected remaining service lives for purposes of recognizing the applicable deferred outflows and inflows of resources established in the current measurement period is 3.2939 years.

Additionally, differences between projected and actual earnings on pension plan investments should be recognized in the pension expense using a systematic and rational method over a closed five-year period. For this purpose, the deferred outflows and inflows of resources are recognized in the pension expense as a level dollar amount over the closed period identified above.

Statement of Outflows and Inflows Aris

Current Reporting Period

Calendar Year Ended December 31, 2023



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A. Outflows (Inflows) of Resources Due to Liabilities

1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	\$	2,589,513
2. Assumption Changes (gains) or losses	\$	(145,976)
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years}		3.2939
4. Outflow (Inflow) of Resources to be recognized in the current pension expense for the difference between expected and actual experience of the Total Pension Liability	\$	786,154
5. Outflow (Inflow) of Resources to be recognized in the current pension expense for Assumption Changes	\$	(44,317)
6. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Liabilities	\$	741,837
7. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for the difference between expected and actual experience of the Total Pension Liability	\$	1,803,359
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for Assumption Changes	\$	(101,659)
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Liabilities	\$	1,701,700

B. Outflows (Inflows) of Resources Due to Assets

1. Net difference between projected and actual earnings on pension plan investments (gains) or losses	\$	(7,399,316)
2. Recognition period for Assets {in years}		5.0000
3. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Assets	\$	(1,479,863)
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets	\$	(5,919,453)

Please note that employer contributions made after the measurement date have not been reported as deferred outflows of resources. These employer contributions must be separately accounted for by the employer.



Statement of Outflows and Inflows Arisi

Current and Prior Reporting Periods

Calendar Year Ended December 31, 2023



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A. Outflows and Inflows of Resources due to Liabilities and Assets to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Due to Liabilities	\$ 1,909,582	\$ 392,541	\$ 1,517,041
2. Due to Assets	9,070,464	11,787,674	(2,717,210)
3. Total	\$ 10,980,046	\$ 12,180,215	\$ (1,200,169)

B. Outflows and Inflows of Resources by Source to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	\$ 1,909,582	\$ 100,470	\$ 1,809,112
2. Assumption changes	0	292,071	\$ (292,071)
3. Net difference between projected and actual earnings on pension plan investments	9,070,464	11,787,674	(2,717,210)
4. Total	\$ 10,980,046	\$ 12,180,215	\$ (1,200,169)

C. Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
1. Differences between expected and actual experience	\$ 2,874,958	\$ 35,828	\$ 2,839,130
2. Assumption changes	0	101,659	\$ (101,659)
3. Net difference between projected and actual earnings on pension plan investments	27,211,392	16,523,027	10,688,365
4. Total	\$ 30,086,350	\$ 16,660,514	\$ 13,425,836

D. Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expenses

Year Ending December 31	Net Deferred Outflows of Resources
2024	\$ 2,488,079
2025	4,608,994
2026	7,808,627
2027	(1,479,864)
2028	0
Thereafter	0
Total	\$ 13,425,836

Recognition of Deferred Outflows and Inflows

Reporting Date - December 31, 2023



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Year Established	Initial Amount	Initial Recognition Period	Current Year Recognition	Remaining Recognition	Remaining Recognition Period
Deferred Outflow (Inflow) Due to Differences between Expected and Actual Experience on Liabilities					
2014	\$ 0	1.0000	\$ 0	\$ 0	0.0000
2015	(648,919)	3.7204	0	0	0.0000
2016	1,640,544	3.6877	0	0	0.0000
2017	(92,058)	3.7101	0	0	0.0000
2018	1,256,791	3.4816	0	0	0.0000
2019	2,419,520	3.4927	0	0	0.0000
2020	2,412,173	3.4864	336,530	0	0.0000
2021	(337,238)	3.3566	(100,470)	(35,828)	0.3566
2022	2,645,395	3.3618	786,898	1,071,599	1.3618
2023	2,589,513	3.2939	786,154	1,803,359	2.2939
Total			\$ 1,809,112	\$ 2,839,130	
Deferred Outflow (Inflow) Due to Assumption Changes					
2014	\$ 0	1.0000	\$ 0	\$ 0	0.0000
2015	395,156	3.7204	0	0	0.0000
2016	(611,951)	3.6877	0	0	0.0000
2017	(5,760,640)	3.7101	0	0	0.0000
2018	5,048,651	3.4816	0	0	0.0000
2019	0	3.4927	0	0	0.0000
2020	(1,775,843)	3.4864	(247,754)	0	0.0000
2021	0	3.3566	0	0	0.3566
2022	0	3.3618	0	0	1.3618
2023	(145,976)	3.2939	(44,317)	(101,659)	2.2939
Total			\$ (292,071)	\$ (101,659)	
Deferred Outflow (Inflow) Due to Differences between Projected and Actual Earnings on Plan Investments					
2019	\$ (18,561,896)	5.0000	\$ (3,712,380)	\$ 0	0.0000
2020	(12,936,438)	5.0000	(2,587,288)	(2,587,286)	1.0000
2021	(20,040,717)	5.0000	(4,008,143)	(8,016,288)	2.0000
2022	45,352,320	5.0000	9,070,464	27,211,392	3.0000
2023	(7,399,316)	5.0000	(1,479,863)	(5,919,453)	4.0000
Total			\$ (2,717,210)	\$ 10,688,365	



Schedule of Changes in Net Pension Liab Related Ratios Current Period Calendar Year Ended December 31, 2023

A. Total pension liability	
1. Service Cost	\$ 2,667,511
2. Interest on the Total Pension Liability	15,211,828
3. Changes of benefit terms	0
4. Difference between expected and actual experience of the Total Pension Liability	2,589,513
5. Changes of assumptions	(145,976)
6. Benefit payments, including refunds of employee contributions	(12,962,064)
7. Net change in Total Pension Liability	\$ 7,360,812
8. Total Pension Liability – beginning	214,965,592
9. Total Pension Liability – ending	<u><u>\$ 222,326,404</u></u>
B. Plan fiduciary net position	
1. Contributions – employer	\$ 3,252,836
2. Contributions – employee	1,330,042
3. Net investment income	21,200,486
4. Benefit payments, including refunds of employee contributions	(12,962,064)
5. Other (Net Transfer)	5,012,311
6. Net change in Plan Fiduciary Net Position	\$ 17,833,611
7. Plan Fiduciary Net Position – beginning	192,044,403
8. Plan Fiduciary Net Position – ending	<u><u>\$ 209,878,014</u></u>
C. Net pension liability/(asset)	<u><u>\$ 12,448,390</u></u>
D. Plan Fiduciary Net Position as a percentage of the Total Pension Liability	94.40%
E. Covered Valuation payroll¹	\$ 29,526,123
F. Net Pension Liability as a percentage of covered valuation payroll	42.16%

¹ Does not necessarily represent Covered-Employee Payroll as defined in GASB Statement No. 68.

Sensitivity of Net Pension Liability/(Asset) to the Single Discount Rate Assumption

	1% Decrease <u>6.25%</u>	Current Single Discount Rate Assumption <u>7.25%</u>	1% Increase <u>8.25%</u>
Total Pension Liability	\$ 246,507,829	\$ 222,326,404	\$ 202,740,566
Plan Fiduciary Net Position	209,878,014	209,878,014	209,878,014
Net Pension Liability/(Asset)	\$ 36,629,815	\$ 12,448,390	\$ (7,137,448)

Schedules of Required Supplementary Information

Multiyear Schedule of Changes in Net Pension Liability and Related Ratios

Last 10 Calendar Years
(schedule to be built prospectively from 2015)

Calendar year ending December 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	\$ 2,667,511	\$ 2,607,779	\$ 2,598,026	\$ 2,768,600	\$ 2,695,223	\$ 2,526,777	\$ 2,700,511	\$ 2,639,543	\$ 2,640,660	
Interest on the Total Pension Liability	15,211,828	14,674,957	14,331,584	13,898,960	13,316,051	12,874,610	12,858,220	12,281,628	11,869,028	
Benefit Changes	0	0	0	0	0	0	0	0	0	
Difference between Expected and Actual Experience	2,589,513	2,645,395	(337,238)	2,412,173	2,419,520	1,256,791	(92,058)	1,640,544	(648,919)	
Assumption Changes	(145,976)	0	0	(1,775,843)	0	5,048,651	(5,760,640)	(611,951)	395,156	
Benefit Payments and Refunds	(12,962,064)	(12,143,697)	(11,578,443)	(10,924,301)	(9,930,417)	(9,635,282)	(9,165,978)	(8,734,040)	(7,881,295)	
Net Change in Total Pension Liability	7,360,812	7,784,434	5,013,929	6,379,589	8,500,377	12,071,547	540,055	7,215,724	6,374,630	
Total Pension Liability - Beginning	214,965,592	207,181,158	202,167,229	195,787,640	187,287,263	175,215,716	174,675,661	167,459,937	161,085,307	
Total Pension Liability - Ending (a)	\$ 222,326,404	\$ 214,965,592	\$ 207,181,158	\$ 202,167,229	\$ 195,787,640	\$ 187,287,263	\$ 175,215,716	\$ 174,675,661	\$ 167,459,937	
Plan Fiduciary Net Position										
Employer Contributions	\$ 3,252,836	\$ 3,574,965	\$ 3,428,023	\$ 3,502,858	\$ 2,718,454	\$ 3,355,360	\$ 3,170,250	\$ 3,257,572	\$ 3,168,474	
Employee Contributions	1,330,042	1,281,587	1,230,154	1,314,647	1,290,982	1,222,046	1,158,454	1,145,096	1,182,657	
Pension Plan Net Investment Income	21,200,486	(29,082,543)	34,374,924	25,886,710	29,736,794	(9,519,120)	26,872,858	9,933,011	723,795	
Benefit Payments and Refunds	(12,962,064)	(12,143,697)	(11,578,443)	(10,924,301)	(9,930,417)	(9,635,282)	(9,165,978)	(8,734,040)	(7,881,295)	
Other	5,012,311	719,599	(1,866,986)	1,298,122	231,905	1,425,713	(2,743,611)	555,713	965,300	
Net Change in Plan Fiduciary Net Position	17,833,611	(35,650,089)	25,587,672	21,078,036	24,047,718	(13,151,283)	19,291,973	6,157,352	(1,841,069)	
Plan Fiduciary Net Position - Beginning	192,044,403	227,694,492	202,106,820	181,028,784	156,981,066	170,132,349	150,840,376	144,683,024	146,524,093	
Plan Fiduciary Net Position - Ending (b)	\$ 209,878,014	\$ 192,044,403	\$ 227,694,492	\$ 202,106,820	\$ 181,028,784	\$ 156,981,066	\$ 170,132,349	\$ 150,840,376	\$ 144,683,024	
Net Pension Liability/(Asset) - Ending (a) - (b)	12,448,390	22,921,189	(20,513,334)	60,409	14,758,856	30,306,197	5,083,367	23,835,285	22,776,913	
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	94.40%	89.34%	109.90%	99.97%	92.46%	83.82%	97.10%	86.35%	86.40%	
Covered Valuation Payroll¹	\$ 29,526,123	\$ 28,465,522	\$ 27,336,705	\$ 27,713,351	\$ 27,157,382	\$ 26,335,298	\$ 25,690,842	\$ 24,924,034	\$ 24,380,386	
Net Pension Liability as a Percentage of Covered Valuation Payroll	42.16%	80.52%	(75.04)%	0.22%	54.35%	115.08%	19.79%	95.63%	93.42%	

¹ Does not necessarily represent Covered-Employee Payroll as defined in GASB Statement No. 68.

Multiyear Schedule of Contributio



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Last 10 Calendar Years

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$ 3,159,698	\$ 3,168,474	\$ (8,776)	\$ 24,380,386	13.00%
2016	3,257,571	3,257,572	(1)	24,924,034	13.07%
2017	3,170,250	3,170,250	(0)	25,690,842	12.34%
2018	3,349,850	3,355,360	(5,510)	26,335,298	12.74%
2019	2,718,454	2,718,454	0	27,157,382	10.01%
2020	3,502,968	3,502,858	110	27,713,351	12.64%
2021	3,428,023	3,428,023	0	27,336,705	12.54%
2022	2,960,414	3,574,965	(614,551)	28,465,522	12.56%
2023	2,297,132 *	3,252,836	(955,704)	29,526,123	11.02%

* Estimated based on contribution rate of 7.78% and covered valuation payroll of \$29,526,123.
This number should be verified by the auditor.



Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2023 Contribution Rate¹

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the calendar year in which contributions are reported.

Methods and Assumptions Used to Determine 2023 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 20-year closed period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 15 years for most employers (five employers were financed over 16 years; one employer was financed over 17 years; two employers were financed over 18 years; one employer was financed over 21 years; three employers were financed over 24 years; four employers were financed over 25 years and one employer was financed over 26 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	2.75%
Price Inflation	2.25%
Salary Increases	2.75% to 13.75% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes There were no benefit changes during the year.

¹ Based on Valuation Assumptions used in the December 31, 2021 actuarial valuation.

Development of Market Value of As



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Market Value of Assets as of December 31, 2023

1. Employee Contribution Reserve (MDF Assets from IMRF)	\$	28,775,382
2. Employer Contribution Reserve (EAF assets from IMRF)		38,842,459
3. Annuitant Reserve		138,462,565
4. Miscellaneous Adjustment ¹		<u>3,797,608</u>
5. Net Market Value	\$	209,878,014

¹ Includes an adjustment factor of 0.018427797 on Items 1 through 3 to ensure that Market Value of Assets for all employers balance to the total Market Value of the IMRF. Miscellaneous adjustments are due to various items such as suspended annuity reserve, disability benefit reserve, death benefit reserve, supplemental benefit reserve, employers with no assets, etc.

Schedule of Contributions

Total Contributions

1. Employer

a.) Wage Reporting	\$	2,297,132
b.) Accelerated Payments and Reserve Payments		<u>955,704</u>
Total Employer Contributions (a+b)	\$	3,252,836

2. Member

a.) Wage Reporting	\$	1,328,677
b.) Member Payments (i.e., ERI, Pension Payments)		<u>1,365</u>
Sub-total (Amount used for valuation on Schedule of Changes Page 11)	\$	1,330,042

c.) Voluntary Additional Plan	\$	<u>421,136</u>
Total Member Contributions (a+b+c)	\$	1,751,178

Total Employer and Member Contributions (1+2)	\$	5,004,014
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Summary of Actuarial Methods and Assu Used in the Calculation of the Total Pension Liability



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Methods and Assumptions Used to Determine Total Pension Liability:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return ¹	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

Other Information:

Notes There were no benefit changes during the year.

¹ There were no changes in the discount rate used to calculate the Total Pension Liability (TPL), since the December 31, 2022 valuation. Mortality and other demographic assumptions used to determine the TPL were updated after the December 31, 2022 valuation, based on the experience study results published in the January 4, 2024 experience study report for IMRF.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2023 IMRF annual actuarial valuation report.



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SECTION C

CALCULATION OF THE SINGLE DISCOUNT RATE



GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects: (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits); and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 3.77%; and the resulting SDR is 7.25%.

The tables in this section provide background for the development of the SDR.

The **Projection of Contributions** table shows the development of expected contributions in future years. Normal Cost contributions for future hires are not included (nor are their liabilities).

Expected Contributions are developed based on the following:

- Member Contributions for current members
- Normal Cost contributions for current members
- Unfunded Liability contributions for current members

The **Projection of Plan Fiduciary Net Position** table shows the development of expected asset levels in future years.

The **Present Values of Projected Benefit Payments** table shows the development of the SDR. It breaks down the benefit payments into present values for funded and unfunded portions and shows the equivalent total at the SDR.

Single Discount Rate Developer Projection of Contributions



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Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost Contributions	UAL Contributions	Total Contributions
2023	\$ 29,526,123				
2024	28,638,172	\$ 1,288,718	\$ 1,535,521	\$ 667,615	\$ 3,491,854
2025	26,781,433	1,205,164	1,340,408	825,040	3,370,612
2026	25,160,243	1,132,211	1,244,305	1,002,367	3,378,883
2027	23,698,095	1,066,414	1,169,646	1,202,482	3,438,542
2028	22,354,016	1,005,931	1,098,876	988,241	3,093,048
2029	21,062,451	947,810	1,033,298	1,012,947	2,994,055
2030	19,866,550	893,995	970,690	1,038,271	2,902,956
2031	18,721,487	842,467	909,175	1,064,228	2,815,870
2032	17,604,119	792,185	849,678	1,090,833	2,732,696
2033	16,576,123	745,926	795,132	1,118,104	2,659,162
2034	15,576,009	700,920	742,527	1,146,057	2,589,504
2035	14,544,964	654,524	687,609	1,174,708	2,516,841
2036	13,507,089	607,819	633,189	1,204,076	2,445,084
2037	12,492,436	562,160	579,433	1,234,178	2,375,770
2038	11,555,182	519,983	529,089	1,265,032	2,314,104
2039	10,688,890	481,000	484,126	1,296,658	2,261,784
2040	9,866,722	444,002	441,020	1,329,075	2,214,098
2041	9,077,731	408,498	400,356	1,362,301	2,171,155
2042	8,337,526	375,189	362,752	1,396,359	2,134,300
2043	7,640,419	343,819	327,879	0	671,698
2044	6,964,303	313,394	294,032	0	607,426
2045	6,333,486	285,007	263,005	0	548,012
2046	5,719,785	257,390	233,552	0	490,943
2047	5,109,978	229,949	205,107	0	435,056
2048	4,512,984	203,084	178,461	0	381,545
2049	3,931,648	176,924	152,745	0	329,669
2050	3,421,686	153,976	131,237	0	285,213
2051	2,953,039	132,887	111,799	0	244,686
2052	2,460,479	110,722	91,932	0	202,653
2053	1,971,479	88,717	73,075	0	161,791
2054	1,523,354	68,551	56,163	0	124,714
2055	1,148,876	51,699	42,357	0	94,056
2056	880,242	39,611	32,365	0	71,976
2057	677,323	30,480	24,837	0	55,317
2058	518,470	23,331	19,012	0	42,343
2059	390,718	17,582	14,289	0	31,871
2060	282,437	12,710	10,301	0	23,010
2061	213,162	9,592	7,774	0	17,367
2062	146,209	6,579	5,303	0	11,883
2063	69,870	3,144	2,527	0	5,672
2064	25,287	1,138	940	0	2,078
2065	11,081	499	447	0	946
2066	4,429	199	194	0	393
2067	2,111	95	104	0	199
2068	1,159	52	63	0	115
2069	336	15	19	0	34
2070	6	0	0	0	1
2071	2	0	0	0	0
2072	0	0	0	0	0
2073	0	0	0	0	0

The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.



Single Discount Rate Developer Projection of Contributions (Concluded)



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Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost Contributions	UAL Contributions	Total Contributions
2074	\$ 0	\$ 0	\$ 0	\$ 0	0
2075	0	0	0	0	0
2076	0	0	0	0	0
2077	0	0	0	0	0
2078	0	0	0	0	0
2079	0	0	0	0	0
2080	0	0	0	0	0
2081	0	0	0	0	0
2082	0	0	0	0	0
2083	0	0	0	0	0
2084	0	0	0	0	0
2085	0	0	0	0	0
2086	0	0	0	0	0
2087	0	0	0	0	0
2088	0	0	0	0	0
2089	0	0	0	0	0
2090	0	0	0	0	0
2091	0	0	0	0	0
2092	0	0	0	0	0
2093	0	0	0	0	0
2094	0	0	0	0	0
2095	0	0	0	0	0
2096	0	0	0	0	0
2097	0	0	0	0	0
2098	0	0	0	0	0
2099	0	0	0	0	0
2100	0	0	0	0	0
2101	0	0	0	0	0
2102	0	0	0	0	0
2103	0	0	0	0	0
2104	0	0	0	0	0
2105	0	0	0	0	0
2106	0	0	0	0	0
2107	0	0	0	0	0
2108	0	0	0	0	0
2109	0	0	0	0	0
2110	0	0	0	0	0
2111	0	0	0	0	0
2112	0	0	0	0	0
2113	0	0	0	0	0
2114	0	0	0	0	0
2115	0	0	0	0	0
2116	0	0	0	0	0
2117	0	0	0	0	0
2118	0	0	0	0	0
2119	0	0	0	0	0
2120	0	0	0	0	0
2121	0	0	0	0	0
2122	0	0	0	0	0
2123	0	0	0	0	0

The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.





Single Discount Rate Developer

Projection of Plan Fiduciary Net Position

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Investment Earnings at 7.25%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)=(a)+(b)-(c)+(d)
2024	\$ 209,878,014	\$ 3,491,854	\$ 13,765,390	\$ 14,850,256	\$ 214,454,734
2025	214,454,734	3,370,613	14,276,216	15,159,557	218,708,688
2026	218,708,688	3,378,884	14,799,334	15,449,632	222,737,870
2027	222,737,870	3,438,542	15,311,222	15,725,641	226,590,830
2028	226,590,830	3,093,048	15,826,703	15,974,316	229,831,491
2029	229,831,491	2,994,055	16,347,019	16,187,207	232,665,734
2030	232,665,734	2,902,956	16,801,612	16,373,255	235,140,332
2031	235,140,332	2,815,870	17,262,913	16,533,132	237,226,421
2032	237,226,421	2,732,697	17,713,803	16,665,352	238,910,667
2033	238,910,667	2,659,162	18,109,699	16,770,741	240,230,871
2034	240,230,871	2,589,504	18,542,259	16,848,569	241,126,684
2035	241,126,684	2,516,841	18,986,950	16,895,089	241,551,665
2036	241,551,665	2,445,084	19,387,424	16,909,081	241,518,406
2037	241,518,406	2,375,770	19,765,021	16,890,753	241,019,908
2038	241,019,908	2,314,104	20,004,552	16,843,885	240,173,344
2039	240,173,344	2,261,784	20,223,816	16,772,836	238,984,149
2040	238,984,149	2,214,097	20,410,410	16,678,275	237,466,112
2041	237,466,112	2,171,155	20,539,699	16,562,083	235,659,651
2042	235,659,651	2,134,300	20,612,718	16,427,202	233,608,435
2043	233,608,435	671,698	20,615,859	16,226,285	229,890,559
2044	229,890,559	607,426	20,573,268	15,955,967	225,880,684
2045	225,880,684	548,012	20,483,384	15,666,336	221,611,649
2046	221,611,649	490,943	20,397,143	15,357,870	217,063,319
2047	217,063,319	435,056	20,273,970	15,030,513	212,254,917
2048	212,254,917	381,545	20,096,620	14,686,314	207,226,157
2049	207,226,157	329,669	19,925,770	14,325,966	201,956,022
2050	201,956,022	285,213	19,751,539	13,948,504	196,438,200
2051	196,438,200	244,686	19,569,818	13,553,490	190,666,559
2052	190,666,559	202,653	19,449,721	13,137,827	184,557,318
2053	184,557,318	161,791	19,270,462	12,699,836	178,148,483
2054	178,148,483	124,714	19,048,770	12,241,770	171,466,197
2055	171,466,197	94,056	18,790,646	11,765,406	164,535,012
2056	164,535,012	71,976	18,390,203	11,276,371	157,493,157
2057	157,493,157	55,317	17,924,640	10,781,824	150,405,657
2058	150,405,657	42,343	17,417,159	10,285,593	143,316,435
2059	143,316,435	31,871	16,921,658	9,788,899	136,215,547
2060	136,215,547	23,010	16,393,713	9,292,572	129,137,417
2061	129,137,417	17,367	15,797,403	8,800,445	122,157,825
2062	122,157,825	11,883	15,254,865	8,313,552	115,228,395
2063	115,228,395	5,672	14,755,038	7,828,749	108,307,777
2064	108,307,777	2,078	14,162,561	7,347,978	101,495,272
2065	101,495,272	946	13,513,256	6,877,156	94,860,117
2066	94,860,117	393	12,863,304	6,419,236	88,416,442
2067	88,416,442	199	12,211,247	5,975,286	82,180,681
2068	82,180,681	115	11,566,870	5,546,141	76,160,067
2069	76,160,067	34	10,929,124	5,132,357	70,363,334
2070	70,363,334	1	10,297,640	4,734,584	64,800,279
2071	64,800,279	0	9,674,516	4,353,455	59,479,217
2072	59,479,217	0	9,061,312	3,989,518	54,407,424
2073	54,407,424	0	8,459,750	3,643,238	49,590,912

The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.



Single Discount Rate Developer

Projection of Plan Fiduciary Net Position (Concluded)

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Investment Earnings at 7.25%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)=(a)+(b)-(c)+(d)
2074	\$ 49,590,912	\$ 0	\$ 7,871,764	\$ 3,314,982	\$ 45,034,130
2075	45,034,130	0	7,299,274	3,005,005	40,739,861
2076	40,739,861	0	6,744,291	2,713,437	36,709,007
2077	36,709,007	0	6,208,681	2,440,276	32,940,602
2078	32,940,602	0	5,694,047	2,185,396	29,431,951
2079	29,431,951	0	5,201,760	1,948,552	26,178,743
2080	26,178,743	0	4,732,879	1,729,394	23,175,258
2081	23,175,258	0	4,288,246	1,527,477	20,414,489
2082	20,414,489	0	3,868,422	1,342,274	17,888,340
2083	17,888,340	0	3,473,648	1,173,188	15,587,880
2084	15,587,880	0	3,103,979	1,019,571	13,503,472
2085	13,503,472	0	2,759,286	880,728	11,624,914
2086	11,624,914	0	2,439,287	755,929	9,941,555
2087	9,941,555	0	2,143,625	644,416	8,442,346
2088	8,442,346	0	1,871,834	545,403	7,115,916
2089	7,115,916	0	1,623,412	458,085	5,950,588
2090	5,950,588	0	1,397,790	381,634	4,934,433
2091	4,934,433	0	1,194,219	315,213	4,055,427
2092	4,055,427	0	1,011,871	257,980	3,301,536
2093	3,301,536	0	849,803	209,095	2,660,828
2094	2,660,828	0	706,935	167,732	2,121,625
2095	2,121,625	0	582,130	133,085	1,672,580
2096	1,672,580	0	474,161	104,374	1,302,793
2097	1,302,793	0	381,752	80,856	1,001,897
2098	1,001,897	0	303,600	61,825	760,121
2099	760,121	0	238,315	46,621	568,427
2100	568,427	0	184,486	34,640	418,581
2101	418,581	0	140,725	25,335	303,191
2102	303,191	0	105,659	18,218	215,751
2103	215,751	0	77,984	12,864	150,631
2104	150,631	0	56,501	8,908	103,039
2105	103,039	0	40,121	6,041	68,959
2106	68,959	0	27,879	4,007	45,086
2107	45,086	0	18,926	2,595	28,755
2108	28,755	0	12,531	1,638	17,863
2109	17,863	0	8,078	1,007	10,792
2110	10,792	0	5,062	602	6,332
2111	6,332	0	3,078	349	3,604
2112	3,604	0	1,813	197	1,987
2113	1,987	0	1,033	107	1,061
2114	1,061	0	569	57	549
2115	549	0	302	29	276
2116	276	0	155	15	136
2117	136	0	77	7	66
2118	66	0	38	3	32
2119	32	0	18	2	16
2120	16	0	8	1	8
2121	8	0	4	0	5
2122	5	0	2	0	4
2123	4	0	1	0	3

The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Single Discount Rate Developer

Present Values of Projected Benefits



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Year	Projected		Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of	Present Value of	Present Value of
	Beginning Plan Net Position	Projected Benefit Payments			Funded Benefit Payments using Expected Return Rate (v)	Unfunded Benefit Payments using Municipal Bond Rate (vf)	Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v ^{(a)-5}	(g)=(e)*vf ^{(a)-5}	(h)=(c)/(1+sdr) ^{(a)-5}
2024	\$ 209,878,014	\$ 13,765,390	\$ 13,765,390	\$ 0	\$ 13,291,985	\$ 0	\$ 13,291,985
2025	214,454,734	14,276,216	14,276,216	0	12,853,375	0	12,853,375
2026	218,708,688	14,799,334	14,799,334	0	12,423,642	0	12,423,642
2027	222,737,870	15,311,222	15,311,222	0	11,984,483	0	11,984,483
2028	226,590,830	15,826,703	15,826,703	0	11,550,549	0	11,550,549
2029	229,831,491	16,347,019	16,347,019	0	11,123,806	0	11,123,806
2030	232,665,734	16,801,612	16,801,612	0	10,660,277	0	10,660,277
2031	235,140,332	17,262,913	17,262,913	0	10,212,553	0	10,212,553
2032	237,226,421	17,713,803	17,713,803	0	9,770,904	0	9,770,904
2033	238,910,667	18,109,699	18,109,699	0	9,314,014	0	9,314,014
2034	240,230,871	18,542,259	18,542,259	0	8,891,827	0	8,891,827
2035	241,126,684	18,986,950	18,986,950	0	8,489,581	0	8,489,581
2036	241,551,665	19,387,424	19,387,424	0	8,082,652	0	8,082,652
2037	241,518,406	19,765,021	19,765,021	0	7,683,051	0	7,683,051
2038	241,019,908	20,004,552	20,004,552	0	7,250,500	0	7,250,500
2039	240,173,344	20,223,816	20,223,816	0	6,834,471	0	6,834,471
2040	238,984,149	20,410,410	20,410,410	0	6,431,263	0	6,431,263
2041	237,466,112	20,539,699	20,539,699	0	6,034,500	0	6,034,500
2042	235,659,651	20,612,718	20,612,718	0	5,646,576	0	5,646,576
2043	233,608,435	20,615,859	20,615,859	0	5,265,675	0	5,265,675
2044	229,890,559	20,573,268	20,573,268	0	4,899,577	0	4,899,577
2045	225,880,684	20,483,384	20,483,384	0	4,548,411	0	4,548,411
2046	221,611,649	20,397,143	20,397,143	0	4,223,087	0	4,223,087
2047	217,063,319	20,273,970	20,273,970	0	3,913,832	0	3,913,832
2048	212,254,917	20,096,620	20,096,620	0	3,617,338	0	3,617,338
2049	207,226,157	19,925,770	19,925,770	0	3,344,136	0	3,344,136
2050	201,956,022	19,751,539	19,751,539	0	3,090,811	0	3,090,811
2051	196,438,200	19,569,818	19,569,818	0	2,855,361	0	2,855,361
2052	190,666,559	19,449,721	19,449,721	0	2,646,003	0	2,646,003
2053	184,557,318	19,270,462	19,270,462	0	2,444,397	0	2,444,397
2054	178,148,483	19,048,770	19,048,770	0	2,252,938	0	2,252,938
2055	171,466,197	18,790,646	18,790,646	0	2,072,176	0	2,072,176
2056	164,535,012	18,390,203	18,390,203	0	1,890,925	0	1,890,925
2057	157,493,157	17,924,640	17,924,640	0	1,718,466	0	1,718,466
2058	150,405,657	17,417,159	17,417,159	0	1,556,935	0	1,556,935
2059	143,316,435	16,921,658	16,921,658	0	1,410,388	0	1,410,388
2060	136,215,547	16,393,713	16,393,713	0	1,274,019	0	1,274,019
2061	129,137,417	15,797,403	15,797,403	0	1,144,687	0	1,144,687
2062	122,157,825	15,254,865	15,254,865	0	1,030,653	0	1,030,653
2063	115,228,395	14,755,038	14,755,038	0	929,495	0	929,495
2064	108,307,777	14,162,561	14,162,561	0	831,862	0	831,862
2065	101,495,272	13,513,256	13,513,256	0	740,069	0	740,069
2066	94,860,117	12,863,304	12,863,304	0	656,852	0	656,852
2067	88,416,442	12,211,247	12,211,247	0	581,403	0	581,403
2068	82,180,681	11,566,870	11,566,870	0	513,495	0	513,495
2069	76,160,067	10,929,124	10,929,124	0	452,385	0	452,385
2070	70,363,334	10,297,640	10,297,640	0	397,432	0	397,432
2071	64,800,279	9,674,516	9,674,516	0	348,143	0	348,143
2072	59,479,217	9,061,312	9,061,312	0	304,034	0	304,034
2073	54,407,424	8,459,750	8,459,750	0	264,662	0	264,662

The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.



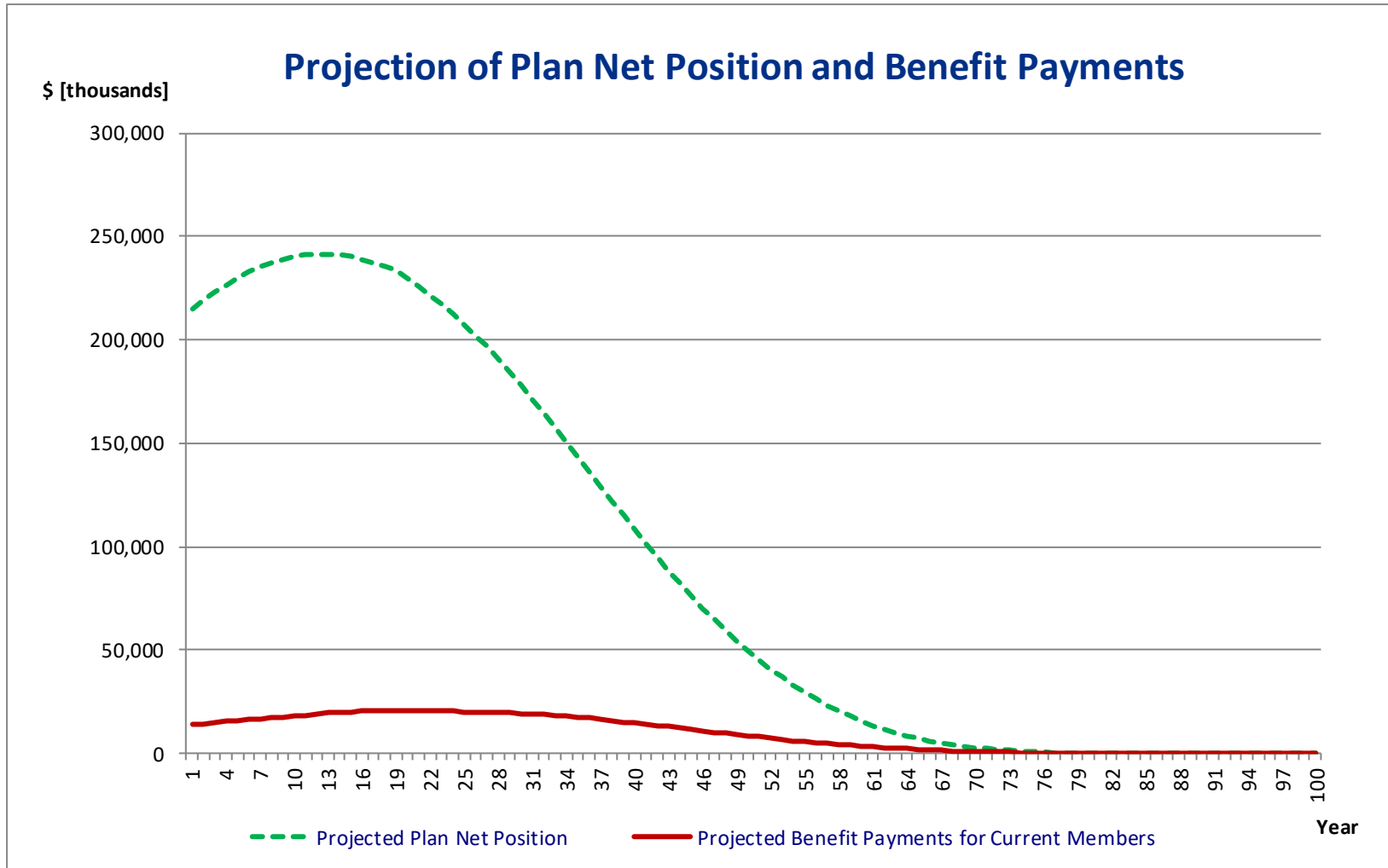


Single Discount Rate Developer Present Values of Projected Benefits (Concluded)

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^(a)-.5	(g)=(e)*vf^(a)-.5	(h)=(c)/(1+sdr)^(a)-.5
2074	\$ 49,590,912	\$ 7,871,764	\$ 7,871,764	\$ 0	\$ 229,619	\$ 0	\$ 229,619
2075	45,034,130	7,299,274	7,299,274	0	198,527	0	198,527
2076	40,739,861	6,744,291	6,744,291	0	171,032	0	171,032
2077	36,709,007	6,208,681	6,208,681	0	146,806	0	146,806
2078	32,940,602	5,694,047	5,694,047	0	125,536	0	125,536
2079	29,431,951	5,201,760	5,201,760	0	106,930	0	106,930
2080	26,178,743	4,732,879	4,732,879	0	90,715	0	90,715
2081	23,175,258	4,288,246	4,288,246	0	76,636	0	76,636
2082	20,414,489	3,868,422	3,868,422	0	64,460	0	64,460
2083	17,888,340	3,473,648	3,473,648	0	53,969	0	53,969
2084	15,587,880	3,103,979	3,103,979	0	44,966	0	44,966
2085	13,503,472	2,759,286	2,759,286	0	37,270	0	37,270
2086	11,624,914	2,439,287	2,439,287	0	30,721	0	30,721
2087	9,941,555	2,143,625	2,143,625	0	25,172	0	25,172
2088	8,442,346	1,871,834	1,871,834	0	20,495	0	20,495
2089	7,115,916	1,623,412	1,623,412	0	16,573	0	16,573
2090	5,950,588	1,397,790	1,397,790	0	13,305	0	13,305
2091	4,934,433	1,194,219	1,194,219	0	10,599	0	10,599
2092	4,055,427	1,011,871	1,011,871	0	8,374	0	8,374
2093	3,301,536	849,803	849,803	0	6,557	0	6,557
2094	2,660,828	706,935	706,935	0	5,086	0	5,086
2095	2,121,625	582,130	582,130	0	3,905	0	3,905
2096	1,672,580	474,161	474,161	0	2,966	0	2,966
2097	1,302,793	381,752	381,752	0	2,226	0	2,226
2098	1,001,897	303,600	303,600	0	1,651	0	1,651
2099	760,121	238,315	238,315	0	1,208	0	1,208
2100	568,427	184,486	184,486	0	872	0	872
2101	418,581	140,725	140,725	0	620	0	620
2102	303,191	105,659	105,659	0	434	0	434
2103	215,751	77,984	77,984	0	299	0	299
2104	150,631	56,501	56,501	0	202	0	202
2105	103,039	40,121	40,121	0	134	0	134
2106	68,959	27,879	27,879	0	87	0	87
2107	45,086	18,926	18,926	0	55	0	55
2108	28,755	12,531	12,531	0	34	0	34
2109	17,863	8,078	8,078	0	20	0	20
2110	10,792	5,062	5,062	0	12	0	12
2111	6,332	3,078	3,078	0	7	0	7
2112	3,604	1,813	1,813	0	4	0	4
2113	1,987	1,033	1,033	0	2	0	2
2114	1,061	569	569	0	1	0	1
2115	549	302	302	0	0	0	0
2116	276	155	155	0	0	0	0
2117	136	77	77	0	0	0	0
2118	66	38	38	0	0	0	0
2119	32	18	18	0	0	0	0
2120	16	8	8	0	0	0	0
2121	8	4	4	0	0	0	0
2122	5	2	2	0	0	0	0
2123	4	1	1	0	0	0	0
Totals					\$ 241,247,743	\$ -	\$ 241,247,743

The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.





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SECTION D

GLOSSARY OF TERMS

Glossary of Terms



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Actuarial Accrued Liability (AAL)

The AAL is the difference between the actuarial present value of all benefits and the actuarial value of future normal costs. The definition comes from the fundamental equation of funding which states that the present value of all benefits is the sum of the Actuarial Accrued Liability and the present value of future normal costs. The AAL may also be referred to as “accrued liability” or “actuarial liability.”

Actuarial Assumptions

These assumptions are estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and compensation increases. Actuarial assumptions are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (compensation increases, payroll growth, inflation and investment return) consist of an underlying real rate of return plus an assumption for a long-term average rate of inflation.

Accrued Service

Service credited under the fund which was rendered before the date of the actuarial valuation.

Actuarial Equivalent

A single amount or series of amounts of equal actuarial value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.

Actuarial Cost Method

A mathematical budgeting procedure for allocating the dollar amount of the actuarial present value of the pension trust benefits between future normal cost and actuarial accrued liability. The actuarial cost method may also be referred to as the actuarial funding method.

Actuarial Gain (Loss)

The difference in liabilities between actual experience and expected experience during the period between two actuarial valuations is the gain (loss) on the accrued liabilities.

Actuarial Present Value (APV)

The amount of funds currently required to provide a payment or series of payments in the future. The present value is determined by discounting future payments at predetermined rates of interest and probabilities of payment.

Actuarial Valuation

The actuarial valuation report determines, as of the actuarial valuation date, the service cost, total pension liability, and related actuarial present value of projected benefit payments for pensions.

Actuarial Valuation Date

The date as of which an actuarial valuation is performed.

Actuarially Determined Contribution (ADC) or Annual Required Contribution (ARC)

A calculated contribution into a defined benefit pension plan for the reporting period, most often determined based on the funding policy of the plan. Typically the Actuarially Determined Contribution has a normal cost payment and an amortization payment.



Amortization Payment

The amortization payment is the periodic payment required to pay off an interest-discounted amount with payments of interest and principal.

Amortization Method

The method used to determine the periodic amortization payment may be a level dollar amount, or a level percent of pay amount. The period will typically be expressed in years, and the method will either be “open” (meaning, reset each year) or “closed” (the number of years remaining will decline each year).

Cost-of-Living Adjustments

Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.

Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (cost-sharing pension plan)

A multiple-employer defined benefit pension plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan.

Covered Valuation Payroll

The earnings of covered employees for the year ended on the valuation date, which is typically only the pensionable pay and does not include pay above any pay cap. It is not necessarily the same as payroll actually paid because it excludes all pay for people who exited during the year.

Deferred Inflows and Outflows

The deferred inflows and outflows of pension resources are amounts used under GASB Statement No. 68 in developing the annual pension expense. Deferred inflows and outflows arise with differences between expected and actual experiences; changes of assumptions. The portion of these amounts not included in pension expense should be included in the deferred inflows or outflows of resources.

Discount Rate

For GASB purposes, the discount rate is the single rate of return that results in the present value of all projected benefit payments to be equal to the sum of the funded and unfunded projected benefit payments, specifically:

1. The benefit payments to be made while the pension plans' fiduciary net position is projected to be greater than the benefit payments that are projected to be made in the period; and
2. The present value of the benefit payments not in (1) above, discounted using the municipal bond rate.

Entry Age Actuarial Cost Method (EAN)

The EAN is a funding method for allocating the costs of the plan between the normal cost and the accrued liability. The actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis (either level dollar or level percent of pay) over the earnings or service of the individual between entry age and assumed exit age(s). The portion of the actuarial present value allocated to a valuation year is the normal cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is the actuarial accrued liability. The sum of the accrued liability plus the present value of all future normal costs is the present value of all benefits.

Glossary of Terms (Continued)



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<i>GASB</i>	The Governmental Accounting Standards Board is an organization that exists in order to promulgate accounting standards for governmental entities.
<i>Fiduciary Net Position</i>	The fiduciary net position is the value of the assets of the trust.
<i>Long-Term Expected Rate of Return</i>	The long-term rate of return is the expected return to be earned over the entire trust portfolio based on the asset allocation of the portfolio.
<i>Money-Weighted Rate of Return</i>	The money-weighted rate of return is a method of calculating the returns that adjusts for the changing amounts actually invested. For purposes of GASB Statement No. 68, money-weighted rate of return is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense.
<i>Multiple-Employer Defined Benefit Pension Plan</i>	A multiple-employer plan is a defined benefit pension plan that is used to provide pensions to the employees of more than one employer.
<i>Municipal Bond Rate</i>	The Municipal Bond Rate is the discount rate to be used for those benefit payments that occur after the assets of the trust have been depleted.
<i>Net Pension Liability (NPL)</i>	The NPL is the liability of employers and non-employer contribution entities to plan members for benefits provided through a defined benefit pension plan.
<i>Non-Employer Contribution Entities</i>	Non-employer contribution entities are entities that make contributions to a pension plan that is used to provide pensions to the employees of other entities. For purposes of the GASB Accounting statement plan members are not considered non-employer contribution entities.
<i>Normal Cost</i>	The actuarial present value of the pension trust benefits allocated to the current year by the actuarial cost method.
<i>Other Postemployment Benefits (OPEB)</i>	All postemployment benefits other than retirement income (such as death benefits, life insurance, disability, and long-term care) that are provided separately from a pension plan, as well as postemployment healthcare benefits regardless of the manner in which they are provided. Other post-employment benefits do not include termination benefits.
<i>Real Rate of Return</i>	The real rate of return is the rate of return on an investment after adjustment to eliminate inflation.
<i>Service Cost</i>	The service cost is the portion of the actuarial present value of projected benefit payments that is attributed to a valuation year.



Total Pension Expense

The total pension expense is the sum of the following items that are recognized at the end of the employer's fiscal year:

1. Service Cost;
2. Interest on the Total Pension Liability;
3. Current-Period Benefit Changes;
4. Employee Contributions (made negative for addition here);
5. Projected Earnings on Plan Investments (made negative for addition here);
6. Pension Plan Administrative Expense;
7. Other Changes in Plan Fiduciary Net Position;
8. Recognition of Outflow (Inflow) of Resources due to Liabilities; and
9. Recognition of Outflow (Inflow) of Resources due to Assets.

Total Pension Liability (TPL)

The TPL is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service.

Unfunded Actuarial Accrued Liability (UAAL)

The UAAL is the difference between actuarial accrued liability and valuation assets.

Valuation Assets

The valuation assets are the assets used in determining the unfunded liability of the plan. For purposes of the GASB Statement No. 68, the valuation asset is equal to the market value of assets.