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## **PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO**

### **GASB 67 DISCLOSURE**

**Fiscal Year: July 1, 2019 to June 30, 2020**

#### **Prepared by**

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## Certification

Actuarial computations presented in this report under Statement No. 67 of the Governmental Accounting Standards Board are for purposes of assisting PERSI in fulfilling its financial accounting requirements. No attempt is being made to offer any accounting opinion or advice. This report is for fiscal year July 1, 2019 to June 30, 2020. The reporting date for determining plan assets and obligations is June 30, 2020. The calculations enclosed in this report have been made on a basis consistent with our understanding of the plan provisions. Determinations for purposes other than meeting financial reporting requirements may be significantly different than the results contained in this report. Accordingly, additional determinations may be needed for other purposes, such as judging benefit security or meeting employer funding requirements.

Milliman has developed certain models to estimate the values included in this report. The intent of the models was to estimate pension liabilities and costs. We have reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice (ASOP).

In preparing this report and using our models, we relied, without audit, on information as of June 30, 2019 and June 30, 2020 furnished by PERSI. This information includes, but is not limited to, statutory provisions, member census data, and financial information. The membership as of June 30, 2020 includes 73,657 active participants, 41,945 terminated vested and other inactive participants, and 49,573 retirees and beneficiaries. Please see Milliman's funding valuation report dated October 14, 2020 for more information on the plan's participant group as of June 30, 2020 as well as a summary of the plan provisions and a summary of the actuarial methods and assumptions used for funding purposes.

We performed a limited review of the census and financial information used directly in our analysis and have found them to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is inaccurate or incomplete our results may be different and our calculations may need to be revised.

We hereby certify that, to the best of our knowledge, this report, including all costs and liabilities based on actuarial assumptions and methods, is complete and accurate and determined in conformance with generally recognized and accepted actuarial principles and practices, which are consistent with the Actuarial Standards of Practice promulgated by the Actuarial Standards Board and the applicable Guides to Professional Conduct, amplifying Opinions and supporting Recommendations of the American Academy of Actuaries.

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

## Certification

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of the actuarial assignment, we did not perform an analysis of the potential range of such future measurements.

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

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

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

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

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



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## Overview of GASB 67 and GASB 68

The Governmental Accounting Standards Board (GASB) released accounting standards for public pension plans and participating employers in 2012. These standards, GASB Statements No. 67 and 68, substantially revised the accounting requirements previously mandated under GASB Statements No. 25 and 27. The most notable change was the distinct separation of funding from financial reporting. The Annual Required Contribution (ARC) was eliminated under GASB 67 and 68 and is no longer relevant for financial reporting purposes. As a result, plan sponsors have been encouraged to establish a formal funding policy that is separate from financial reporting calculations.

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

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

## Executive Summary

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

The Valuation Date is June 30, 2020; this is the date as of which the actuarial valuation is performed. The Measurement Date is June 30, 2020; this is the date as of which the net pension liability is determined. The Reporting Date is June 30, 2020; this is the plan's fiscal year ending date.

### Significant Changes

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

### Data, Assumptions, Methods and Plan Provisions

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

The long-term expected rate of return on investments is 7.05%, including 0.05% for expected administrative expenses. For purposes of determining the contribution rate, we use an interest rate that is net of all expenses (7.00%). According to GASB Statements 67 and 68, the discount rate used to determine the Total Pension Liability is required to be net of investment expenses but not administrative expenses. Therefore the figures herein have been determined using a discount rate of 7.05%.

In this report, we assume that future COLAs will be 1.00% per year. COLAs above 1.00% per year are not guaranteed, but the Board has the authority to grant additional COLAs above 1.00% if the CPI-U increases by more than 1.00% in a year. The accounting methodology used in this report does not reflect additional COLAs in the Total Pension Liability until they are granted by the Board (in-line with the discretionary nature of these additional COLAs). When the Board does grant a discretionary COLA, it is then recognized as a plan change.

Except as noted otherwise, the attached exhibits present results that are based on the methods described in our July 1, 2020 funding valuation report (dated October 14, 2020).

These results are based on the plan provisions in effect at July 1, 2020. We have reflected census and asset data as of July 1, 2020, which are summarized in our July 1, 2020 Valuation Report.

## Schedule of Employer Contributions

Fiscal Year Ending June 30	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
2011	\$326,554,992	\$279,174,844	\$47,380,148	\$2,627,850,654	10.62%
2012	\$327,832,536	\$277,143,887	\$50,688,649	\$2,619,568,411	10.58%
2013	\$295,502,818	\$285,440,860	\$10,061,958	\$2,697,575,738	10.58%
2014	\$325,041,599	\$310,986,283	\$14,055,316	\$2,702,945,352	11.51%
2015	\$327,101,958	\$321,240,628	\$5,861,330	\$2,791,109,393	11.51%
2016	\$298,662,279	\$335,610,100	(\$36,947,821)	\$2,909,277,267	11.54%
2017	\$337,212,145	\$356,367,389	(\$19,155,244)	\$3,089,555,264	11.53%
2018	\$388,341,490	\$369,139,113	\$19,202,377	\$3,200,396,203	11.53%
2019	\$382,640,388	\$390,080,902	(\$7,440,514)	\$3,382,051,785	11.53%
2020	\$392,340,997	\$430,638,154	(\$38,297,157)	\$3,546,033,069	12.14%

## Contribution Summary

	<b>Fiscal Year Ending June 30, 2020</b>
<b>Actuarially Determined Contribution</b>	
Actuarially determined employer contribution	392,340,997
Contributions in relation to the actuarially determined employer contribution	430,638,154
Contribution deficiency (excess)	(38,297,157)
Covered payroll	3,546,033,069
Contributions as a percentage of covered payroll	12.14%
<b>Actuarially Determined Contribution Components</b>	
Normal cost	293,761,278
Normal cost as a % of covered payroll	8.28%
Unfunded liability amortization payment	98,579,719
Amortization payment as a % of covered payroll	2.78%
Total actuarially determined contribution	392,340,997
<b>Actual Contributions Made</b>	
Total member contributions made	280,790,591
Member contributions as a % of covered payroll	7.92%
Total employer contributions made	430,638,154
Employer contributions as a % of covered payroll	12.14%
Total contributions made	711,428,745
Total contributions as a % of covered payroll	20.06%

## Statement of Fiduciary Net Position

	June 30, 2019	June 30, 2020
<b>Assets</b>		
Cash and cash equivalents	\$9,802,920	\$10,701,463
Receivables and prepaid expenses:		
Receivable contributions	8,721,678	4,174,967
Receivable investment income	165,896,689	154,844,984
Receivables from brokers for unsettled trades	0	0
Prepaid expenses	75,996,230	83,140,123
Total receivables	250,614,597	242,160,074
Investments:		
Fixed income	4,658,190,744	4,724,979,858
Stocks	10,419,382,425	10,322,381,557
Short-term investments	308,069,886	334,190,577
Real estate	786,411,569	910,170,401
Alternative investments	1,003,931,164	1,002,221,225
Total investments	17,175,985,788	17,293,943,618
Invested securities lending cash collateral	0	0
Capital assets net of accumulated depreciation	0	0
Total assets	17,436,403,305	17,546,805,155
<b>Liabilities</b>		
Investments Purchased	181,982,696	139,979,388
Monies Due To Other Funds	2,037,897	1,752
Accrued Liabilities	12,484,448	14,228,841
Benefits and Refunds Payable	436,772	534,598
Total liabilities	196,941,813	154,744,579
<b>Net position restricted for pensions<sup>(1)</sup></b>	<b>\$17,239,461,492</b>	<b>\$17,392,060,576</b>

(1) Does not include assets held for IFP plan. For 6/30/20, the net position of IFP is \$32,778,408.  
For 6/30/19, the net position of IFP is \$31,953,955.

## Statement of Changes in Fiduciary Net Position

	June 30, 2020
<b>Additions</b>	
Member contributions	\$280,790,591
Employer contributions	430,638,154
Total contributions	711,428,745
Investment income (loss):	
Interest and dividends	340,379,691
Equity fund income, net	0
Net increase in fair value of investments	172,760,416
Securities lending income	0
Less investment & operating expenses:	
Direct investment expense	51,147,685
Securities lending management fees	0
Increase / (Decrease) in assets used in plan operations	(1,466,122)
Net investment income	463,458,544
Other income	421,066
Total additions	1,175,308,355
<b>Deductions</b>	
Service benefits	1,012,529,440
Disability benefits	N/A
Death benefits	N/A
Refunds of member contributions	N/A
Administrative expenses	10,179,831
Total deductions	1,022,709,271
Net increase (decrease)	152,599,084
<b>Net position restricted for pensions</b>	
Beginning of year (June 30, 2019)	17,239,461,492
End of year (June 30, 2020)	\$17,392,060,576

## Long-Term Expected Rate of Return

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

### Capital Market Assumptions from Callan Associates Investment Consulting as of 1/1/2020

Asset Class	Index	Target Allocation*	Long-Term Expected Real Rate of Return
Large Cap US Equity	S&P 500	18.00%	4.75%
Small/Mid Cap US Equity	Russell 2500	11.00%	5.00%
International Equity	MSCI World ex USA	15.00%	4.75%
Emerging Market Equity	MSCI Emerging Markets	10.00%	5.00%
Core US Fixed	Bloomberg Barclays Aggregate	20.00%	0.50%
TIPS	Bloomberg Barclays TIPS	10.00%	1.50%
Core Real Estate	NCREIF ODCE	8.00%	4.00%
Private Equity	Cambridge Private Equity	8.00%	6.25%
Portfolio Long-Term Expected Real Rate of Return			4.29%
Portfolio Standard Deviation			12.92%

### Valuation Assumptions Chosen by PERSI Board

Long-Term Expected Real Rate of Return	4.45%
Assumed Inflation	3.00%
Assumed Investment Expenses	<u>-0.40%</u>
<b>Long-Term Expected Nominal Rate of Return, Net of Investment Expenses</b>	<b>7.05%</b>

\* As outlined in PERSI's investment policy.

## Plan Membership Summary

	<u>June 30, 2019</u>	<u>June 30, 2020</u>
<b>Plan Membership</b>		
Active participants - vested	43,264	43,911
Active participants - non-vested	29,238	29,746
Retirees and beneficiaries	48,120	49,573
Terminated vested	13,536	13,788
Terminated non-vested	26,331	28,157
Total membership	160,489	165,175
	<u>2018 - 2019</u>	<u>2019 - 2020</u>
<b>Changes in Retirees and Beneficiaries</b>		
Beginning of fiscal year	46,907	48,120
New retirements	2,269	2,509
Death of retiree/beneficiary	(1,056)	(1,056)
End of fiscal year	48,120	49,573

## Depletion Date Projection

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

- The Fiduciary net position as a percentage of total pension liabilities is 88.22% as of June 30, 2020.
- Employers participating in the System are required by statute to make contributions that are deemed to be sufficient to amortize any unfunded actuarial accrued liability over a period no greater than 25 years.
- Since the Fiduciary Net Position is growing to be equal to the actuarial accrued liability, there is no point in time at which it is projected to be insufficient to make projected benefit
- GASB 67 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

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

## Net Pension Liability

Net Pension Liability	June 30, 2019	June 30, 2020
Total pension liability	\$18,380,933,618	\$19,714,192,796
Fiduciary net position	\$17,239,461,492	\$17,392,060,576
Net pension liability	\$1,141,472,126	\$2,322,132,220
Fiduciary net position as a % of total pension liability	93.79%	88.22%
Covered payroll	3,382,051,785	3,546,033,069
Net pension liability as a % of covered payroll	33.75%	65.49%

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

### Discount Rate

Discount rate	7.05%	7.05%
Long-term expected rate of return, net of investment expenses	7.05%	7.05%
Municipal bond rate	N/A	N/A

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

### Other Key Actuarial Assumptions

The actuarial assumptions that determined the total pension liability as of June 30, 2020 are regularly reviewed. The most recent actuarial experience study completed was for the period July 1, 2013 - July 1, 2017.

Valuation date	June 30, 2019	June 30, 2020
Measurement date	June 30, 2019	June 30, 2020
Inflation	3.00%	3.00%
Salary increases including inflation	3.75%	3.75%
Actuarial cost method	Entry Age Normal	Entry Age Normal

## Changes in Net Pension Liability

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of June 30, 2019	\$18,380,933,618	\$17,239,461,492	\$1,141,472,126
Changes for the year:			
Service cost	\$484,964,767		\$484,964,767
Interest *	\$1,321,253,945		\$1,321,253,945
Effect of plan changes	\$372,935,449		\$372,935,449
Effect of economic/demographic gains or losses	\$166,634,457		\$166,634,457
Effect of assumptions changes or inputs	\$0		\$0
Benefit payments	(\$1,012,529,440)	(\$1,012,529,440)	\$0
Employer contributions		\$430,638,154	(\$430,638,154)
Member contributions		\$280,790,591	(\$280,790,591)
Net investment income		\$463,879,610	(\$463,879,610)
Administrative expenses		(\$10,179,831)	\$10,179,831
Balances as of June 30, 2020	\$19,714,192,796	\$17,392,060,576	\$2,322,132,220

\* Includes interest on total pension liability, service cost, plan changes and benefit payments

### Sensitivity Analysis

The following presents the net pension liability of PERSI, calculated using the discount rate of 7.05%, as well as what PERSI's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.05%) or 1 percentage point higher (8.05%) than the current rate.

	1% Decrease 6.05%	Current Discount Rate 7.05%	1% Increase 8.05%
Total pension liability	\$22,154,117,585	\$19,714,192,796	\$17,696,772,613
Fiduciary net position	\$17,392,060,576	\$17,392,060,576	\$17,392,060,576
Net pension liability	\$4,762,057,009	\$2,322,132,220	\$304,712,037

## Schedule of Changes in Net Pension Liability and Related Ratios

	Fiscal Year Ending June 30									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Total Pension Liability</b>										
Service cost	\$484,964,767	\$461,646,272	\$437,257,407	\$406,910,895	\$397,283,921	\$384,419,252	\$376,800,000	N/A	N/A	N/A
Interest on total pension liability	\$1,321,253,945	1,250,119,942	1,202,947,872	1,129,286,928	1,088,670,726	1,045,505,462	992,942,358	N/A	N/A	N/A
Effect of plan changes	\$372,935,449	0	84,200,000	12,200,000	67,800,000	150,400,000	(1,300,000)	N/A	N/A	N/A
Effect of economic/demographic (gains) or losses	\$166,634,457	(105,480,176)	(38,113,799)	273,580,592	(104,512,779)	(105,531,304)	(111,248,209)	N/A	N/A	N/A
Effect of assumption changes or inputs	\$0	0	104,724,103	0	13,100,000	0	74,600,000	N/A	N/A	N/A
Benefit payments	(\$1,012,529,440)	(975,200,330)	(909,678,264)	(864,785,159)	(824,524,533)	(770,593,410)	(729,094,149)	N/A	N/A	N/A
Net change in total pension liability	\$1,333,259,178	631,085,708	881,337,319	957,193,256	637,817,335	704,200,000	602,700,000	N/A	N/A	N/A
Total pension liability, beginning	\$18,380,933,618	17,749,847,910	16,868,510,591	15,911,317,335	15,273,500,000	14,569,300,000	13,966,600,000	N/A	N/A	N/A
Total pension liability, ending (a)	\$19,714,192,796	18,380,933,618	17,749,847,910	16,868,510,591	15,911,317,335	15,273,500,000	14,569,300,000	N/A	N/A	N/A
<b>Fiduciary Net Position</b>										
Employer contributions	\$430,638,154	\$390,080,902	\$369,139,113	\$356,367,389	\$335,610,100	\$321,240,628	\$310,986,283	N/A	N/A	N/A
Member contributions	\$280,790,591	257,060,511	243,950,654	237,032,668	220,866,936	211,468,780	203,890,954	N/A	N/A	N/A
Investment income net of investment expenses	\$463,879,610	1,301,966,592	1,283,658,926	1,692,713,855	202,355,225	367,837,643	2,000,619,926	N/A	N/A	N/A
Benefit payments	(\$1,012,529,440)	(975,200,330)	(909,678,264)	(864,785,159)	(824,524,533)	(770,593,410)	(729,094,149)	N/A	N/A	N/A
Administrative expenses	(\$10,179,831)	(9,276,642)	(8,922,335)	(8,810,136)	(6,806,655)	(6,434,462)	(6,787,811)	N/A	N/A	N/A
Net change in plan fiduciary net position	\$152,599,084	964,631,033	978,148,094	1,412,518,617	(72,498,927)	123,519,179	1,779,615,203	N/A	N/A	N/A
Fiduciary net position, beginning	\$17,239,461,492	16,274,830,459	15,296,682,365	13,884,163,748	13,956,662,675	13,833,143,496	12,053,528,293	N/A	N/A	N/A
Fiduciary net position, ending (b)	\$17,392,060,576	17,239,461,492	16,274,830,459	15,296,682,365	13,884,163,748	13,956,662,675	13,833,143,496	N/A	N/A	N/A
Net pension liability, ending = (a) - (b)	\$2,322,132,220	\$1,141,472,126	\$1,475,017,451	\$1,571,828,226	\$2,027,153,587	\$1,316,837,325	\$736,156,504	N/A	N/A	N/A
Fiduciary net position as a % of total pension liability	88.22%	93.79%	91.69%	90.68%	87.26%	91.38%	94.95%	N/A	N/A	N/A
Covered payroll	\$3,546,033,069	\$3,382,051,785	\$3,200,396,203	\$3,089,555,264	\$2,909,277,267	\$2,791,109,393	\$2,702,945,352	N/A	N/A	N/A
Net pension liability as a % of covered payroll	65.49%	33.75%	46.09%	50.88%	69.68%	47.18%	27.24%	N/A	N/A	N/A

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

## Glossary

<b>Actuarially Determined Contribution</b>	<p>A target or recommended contribution to a defined benefit pension plan for the reporting period, determined based on the funding policy and most recent measurement available when the contribution for the reporting period was adopted.</p> <p>The system defines their Actuarially Determined Contribution as the contribution rate necessary to fully fund the system over a period of 25 years based on the valuation results two years prior to this measurement date. See our Actuarial Valuation reports for more details on this calculation.</p>
<b>Deferred Inflows/Outflows of Resources</b>	<p>Portion of changes in net pension liability that is not immediately recognized in Pension Expense. These changes include differences between expected and actual experience, changes in assumptions, and differences between expected and actual earnings on plan investments.</p>
<b>Discount Rate</b>	<p>Single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the sum of:</p> <ol style="list-style-type: none"><li>1) The actuarial present value of benefit payments projected to be made in future periods where the plan assets are projected to be sufficient to meet benefit payments, calculated using the Long-Term Expected Rate of Return.</li><li>2) The actuarial present value of projected benefit payments not included in (1), calculated using the Municipal Bond Rate.</li></ol>
<b>Fiduciary Net Position</b>	<p>Equal to market value of assets.</p>
<b>Long-Term Expected Rate of Return</b>	<p>Long-term expected rate of return on pension plan investments expected to be used to finance the payment of benefits, net of investment</p>
<b>Money-Weighted Rate of Return</b>	<p>The internal rate of return on pension plan investments, net of investment expenses.</p>
<b>Municipal Bond Rate</b>	<p>Yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.</p>
<b>Net Pension Liability</b>	<p>Total Pension Liability minus the Plan's Fiduciary Net Position (unfunded accrued liability).</p>
<b>Projected Benefit Payments</b>	<p>All benefits estimated to be payable through the pension plan to current active and inactive employees as a result of their past service and expected future service.</p>
<b>Service Cost</b>	<p>The portion of the actuarial present value of projected benefit payments that is attributed to a valuation year.</p>
<b>Total Pension Liability</b>	<p>The portion of actuarial present value of projected benefit payments that is attributable to past periods of member service using the Entry Age Normal cost method based on the requirements of GASB 67 and 68.</p>