

**MISSISSIPPI MUNICIPAL RETIREMENT SYSTEMS
GASB STATEMENT NO. 68
PREPARED AS OF JUNE 30, 2020**



Gulfport

Paragraph 40(c) Membership as of the Measurement Date of June 30, 2020

	Number
Inactive Members Or Their Beneficiaries Currently Receiving Benefits	81
Inactive Members Entitled To But Not Yet Receiving Benefits	0
Active Members	0
Total	81

Paragraph 42(g) Sensitivity of the NPL to Changes in the Discount Rate

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Plan's Net Pension Liability (Asset)	\$11,024,277	\$9,557,473	\$8,291,188

Paragraph 44 Schedule of Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) – (b)
Balances at June 30, 2019	\$18,097,413	\$9,031,161	\$9,066,252
Changes for the year:			
Service cost	0		0
Interest	1,332,995		1,332,995
Changes of benefit terms	0		0
Difference between expected and actual experience	(84,918)		(84,918)
Changes of assumptions	0		0
Contributions - employer		521,352	(521,352)
Contributions - employee		0	0
Net investment income		245,931	(245,931)
Benefit payments, including refunds of employee contributions	(1,794,964)	(1,794,964)	0
Administrative expense		(10,427)	10,427
Other changes	0	0	0
Net changes	(546,887)	(1,038,108)	491,221
Balances at June 30, 2020	\$17,550,526	\$7,993,053	\$9,557,473

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(continued)**

Paragraph 45(a) Roll-forward of the Total Pension Liability

TPL Roll-Forward	
(a) TPL as of June 30, 2019	\$18,097,413
(b) Entry Age Normal Cost for the period July 1, 2019 – June 30, 2020	\$ 0
(c) Actual Benefit Payments and Refunds for the period July 1, 2019 – June 30, 2020	(\$1,794,964)
(d) Expected TPL as of June 30, 2020 = [(a) x (1.0775)] + (b) + [(c) x (1.03875)]	\$17,635,444
(e) Actual TPL as of June 30, 2020 with Old Assumptions and Old Benefit Terms	\$17,550,526
(f) Experience (Gain)/Loss: (e) – (d)	\$(84,918)
(g) Actual TPL as of June 30, 2020 with Old Assumptions and New Benefit Terms	\$17,550,526
(h) Benefit Term (Gain)/Loss: (g) – (e)	\$ 0
(i) Actual TPL as of June 30, 2020 with New Assumptions and New Benefit Terms	\$17,550,526
(j) Assumption (Gain)/Loss: (i) – (g)	\$ 0

Paragraph 45(h) Summary of Deferred Inflows and Outflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$0	\$0
Changes of assumptions	0	0
Net difference between projected and actual earnings on plan investments	289,186	0
Employer contributions subsequent to the Measurement Date	<u>0</u>	<u>0</u>
Total	\$289,186	\$ 0

Paragraph 45(i): Schedule of Amortization of Deferred Inflows and Outflows of Resources:

Year Ended June 30	
2021	(\$5,854)
2022	\$104,457
2023	\$109,736
2024	\$80,847
Thereafter	0

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(continued)

PENSION EXPENSE

Service Cost	\$ 0
Interest on the total pension liability	1,332,995
Current-period benefit changes	0
Expensed portion of current-period difference between expected and actual experience in the total pension liability	(84,918)
Expensed portion of current-period changes of assumptions	0
Member contributions	0
Projected earnings on plan investments	(650,158)
Expensed portion of current-period differences between actual and projected earnings on plan investments	80,845
Administrative expense	10,427
Other	0
Recognition of beginning deferred outflows of resources as pension expense	40,281
Recognition of beginning deferred inflows of resources as pension expense	<u>0</u>
Pension Expense (Income)	<u>\$729,472</u>



Schedules of Required Supplementary Information
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
Last 10 Fiscal Years Ending June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total pension liability										
Service Cost	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				
Interest	1,553,407	1,518,469	1,493,682	1,453,102	1,405,776	1,332,995				
Changes of benefit terms	0	0	0	0	0	0				
Differences between expected and actual experience	57,114	139,083	(139,582)	(163,651)	(522,721)	(84,918)				
Changes of assumptions	548,351	0	74,488	0	10,485	0				
Benefit payments	(1,986,362)	(1,980,266)	(1,974,506)	(1,929,887)	(1,870,339)	(1,794,964)				
Net change in total pension liability	172,510	(322,714)	(545,918)	(640,436)	(976,799)	(546,887)				
Total pension liability - beginning	20,410,770	20,583,280	20,260,566	19,714,648	19,074,212	18,097,413				
Total pension liability - ending (a)	\$20,583,280	\$20,260,566	\$19,714,648	\$19,074,212	\$18,097,413	\$17,550,526				
Plan fiduciary net position										
Contributions - employer	\$987,168	\$899,471	\$943,358	\$1,025,767	\$1,060,100	\$521,352				
Contributions - member	0	0	0	0	0	0				
Net investment income	317,976	113,727	1,228,049	722,036	545,354	245,931				
Benefit payments	(1,986,362)	(1,980,266)	(1,974,506)	(1,929,887)	(1,870,339)	(1,794,964)				
Administrative Expense	(19,743)	(17,989)	(18,867)	(20,515)	(21,202)	(10,427)				
Other	0	29,650	6,262	(798)	711	0				
Net change in plan fiduciary net position	(700,961)	(955,407)	184,296	(203,397)	(285,376)	(1,038,108)				
Plan net position - beginning	10,910,290	10,209,329	9,253,922	9,438,218	9,316,537	9,031,161				
Plan net position - ending (b)	\$10,209,329	\$9,253,922	\$9,438,218	\$9,234,821	\$9,031,161	\$7,993,053				
Net pension liability (asset) - ending (a) - (b)	\$10,373,951	\$11,006,644	\$10,276,430	\$9,839,391	\$9,066,252	\$9,557,473				
Plan fiduciary net position as a percentage of the total pension liability	49.60%	45.67%	47.87%	48.42%	49.90%	45.54%				
Covered payroll*	N/A	N/A	N/A	N/A	N/A	N/A				
Net pension liability (asset) as a percentage of covered payroll*	N/A	N/A	N/A	N/A	N/A	N/A				

*Payroll-related information not provided because plan is closed to new entrants and there are no remaining active members.

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

Schedules of Required Supplementary Information
SCHEDULE OF EMPLOYER CONTRIBUTIONS
 Last 10 Fiscal Years



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially determined contribution	\$987,168	\$899,471	\$943,358	\$1,025,767	\$1,060,100	\$521,352				
Contributions in relation to the actuarially determined contribution	<u>987,168</u>	<u>899,471</u>	<u>943,358</u>	<u>1,025,767</u>	<u>1,060,100</u>	<u>521,352</u>				
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0				
Covered payroll*	N/A	N/A	N/A	N/A	N/A	N/A				
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A				

*Payroll-related information not provided because plan is closed to new entrants and there are no remaining active members.

Notes to Schedule

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported. Contributions for the fiscal year ending September 30, 2020 were based on the June 30, 2018 actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Ultimate Asset Reserve
Amortization method	N/A
Remaining amortization period	N/A
Asset valuation method	Market value of assets
Inflation	3.00%
Salary increases	3.25 – 4.75%, including inflation
Investment rate of return	6.50%, net of pension plan investment expense, including inflation

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