

**MISSISSIPPI MUNICIPAL RETIREMENT SYSTEMS
GASB STATEMENT NO. 68
PREPARED AS OF JUNE 30, 2023**



Hattiesburg

Paragraph 40(c) Membership as of the Measurement Date of June 30, 2023

	Number
Inactive Members Or Their Beneficiaries Currently Receiving Benefits	133
Inactive Members Entitled To But Not Yet Receiving Benefits	0
Active Members	0
Total	133

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Plan's Net Pension Liability (Asset)	\$17,683,883	\$14,961,471	\$12,599,947

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, 2022	\$32,274,593	\$17,754,351	\$14,520,242
Changes for the year:			
Service cost	0		0
Interest	2,312,878		2,312,878
Changes of benefit terms	0		0
Difference between expected and actual experience	319,592		319,592
Changes of assumptions	1,339,218		1,339,218
Contributions – employer*		2,302,455	(2,302,455)
Contributions – employee		0	0
Net investment income		1,274,053	(1,274,053)
Benefit payments, including refunds of employee contributions	(3,280,902)	(3,280,902)	0
Administrative expense		(46,049)	46,049
Other changes	0	0	0
Net changes	690,786	249,557	441,229
Balances at June 30, 2023	\$32,965,379	\$18,003,908	\$14,961,471

*Includes administrative expenses.

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**Hattiesburg
(continued)**

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

TPL Roll-Forward	
(a) TPL as of June 30, 2022	\$32,274,593
(b) Entry Age Normal Cost for the period July 1, 2022 – June 30, 2023	\$ 0
(c) Actual Benefit Payments and Refunds for the period July 1, 2022 – June 30, 2023	(\$3,280,902)
(d) Expected TPL as of June 30, 2023 = [(a) x (1.0755)] + (b) + [(c) x (1.03775)]	\$31,306,569
(e) Actual TPL as of June 30, 2023 with Old Assumptions and Old Benefit Terms	\$31,626,161
(f) Experience (Gain)/Loss: (e) – (d)	\$319,592
(g) Actual TPL as of June 30, 2023 with Old Assumptions and New Benefit Terms	\$31,626,161
(h) Benefit Term (Gain)/Loss: (g) – (e)	\$ 0
(i) Actual TPL as of June 30, 2023 with New Assumptions and New Benefit Terms	\$32,965,379
(j) Assumption (Gain)/Loss: (i) – (g)	\$1,339,218

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	568,086	0
Employer contributions subsequent to the Measurement Date	<u>0</u>	<u>0</u>
Total	\$568,086	\$ 0

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

Year Ended June 30	
2024	\$38,849
2025	(\$146,216)
2026	\$669,907
2027	\$5,546
Thereafter	0

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**Hattiesburg
(continued)**

PENSION EXPENSE

Service Cost	\$ 0
Interest on the total pension liability	2,312,878
Current-period benefit changes	0
Expensed portion of current-period difference between expected and actual experience in the total pension liability	319,592
Expensed portion of current-period changes of assumptions	1,339,218
Member contributions	0
Projected earnings on plan investments	(1,301,779)
Expensed portion of current-period differences between actual and projected earnings on plan investments	5,545
Administrative expense	46,049
Other	0
Recognition of beginning deferred outflows of resources as pension expense	99,255
Recognition of beginning deferred inflows of resources as pension expense	<u>0</u>
Pension Expense (Income)	<u>\$2,820,758</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	\$23,592	\$12,368	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Interest	2,793,872	2,745,617	2,698,813	2,675,610	2,607,704	2,566,428	2,484,563	2,373,657	2,312,878	
Changes of benefit terms	0	0	0	0	452,917	0	0	0	0	
Differences between expected and actual experience	53,434	9,542	251,676	(162,934)	(278,833)	(296,942)	354,630	109,065	319,592	
Changes of assumptions	982,479	0	145,391	0	49,122	0	(158,655)	0	1,339,218	
Benefit payments	(3,350,127)	(3,348,794)	(3,394,117)	(3,396,431)	(3,381,328)	(3,345,678)	(3,305,934)	(3,294,579)	(3,280,902)	
Net change in total pension liability	503,250	(581,267)	(298,237)	(883,755)	(550,418)	(1,076,192)	(625,396)	(811,857)	690,786	
Total pension liability - beginning	36,598,465	37,101,715	36,520,448	36,222,211	35,338,456	34,788,038	33,711,846	33,086,450	32,274,593	
Total pension liability - ending (a)	\$37,101,715	\$36,520,448	\$36,222,211	\$35,338,456	\$34,788,038	\$33,711,846	\$33,086,450	\$32,274,593	\$32,965,379	
Plan fiduciary net position										
Contributions – employer*	\$1,626,692	\$1,326,942	\$1,346,302	\$1,490,690	\$1,407,181	\$1,358,079	\$1,397,689	\$140,496	\$2,302,455	
Contributions – member	9,755	9,993	5,383	5,540	2,798	0	0	0	0	
Net investment income	664,715	16,092	2,778,391	1,646,904	1,241,612	587,028	5,485,345	(1,731,455)	1,274,053	
Benefit payments	(3,350,127)	(3,348,794)	(3,394,117)	(3,396,431)	(3,381,328)	(3,345,678)	(3,305,934)	(3,294,579)	(3,280,902)	
Administrative Expense	(32,534)	(26,539)	(26,926)	(29,811)	(28,144)	(26,745)	(28,370)	(2,810)	(46,049)	
Other	0	92,588	(16,601)	(1,968)	3,750	0	0	0	0	
Net change in plan fiduciary net position	(1,081,499)	(1,929,718)	692,432	(285,076)	(754,131)	(1,427,316)	3,548,730	(4,888,348)	249,557	
Plan net position - beginning	23,692,891	22,611,392	20,681,674	21,374,106	21,275,416	20,521,285	19,093,969	22,642,699	17,754,351	
Plan net position - ending (b)	\$22,611,392	\$20,681,674	\$21,374,106	\$21,089,030	\$20,521,285	\$19,093,969	\$22,642,699	\$17,754,351	\$18,003,908	
Net pension liability (asset) - ending (a) - (b)	\$14,490,323	\$15,838,774	\$14,848,105	\$14,249,426	\$14,266,753	\$14,617,877	\$10,443,751	\$14,520,242	\$14,961,471	
Plan fiduciary net position as a percentage of the total pension liability	60.94%	56.63%	59.01%	59.68%	58.99%	56.64%	68.43%	55.01%	54.61%	
Covered payroll**	N/A	N/A	N/A	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	N/A	N/A	N/A	

*Includes administrative expenses.

**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 employer contribution (ADEC)*	\$1,458,558	\$1,304,603	\$1,346,302	\$1,490,690	\$1,407,181	\$1,310,427	\$1,397,689	\$1,349,361	\$1,079,102	
Contributions in relation to the actuarially determined contribution**	<u>1,626,692</u>	<u>1,326,942</u>	<u>1,346,302</u>	<u>1,490,690</u>	<u>1,407,181</u>	<u>1,358,079</u>	<u>1,397,689</u>	<u>137,686</u>	<u>2,256,406</u>	
Contribution deficiency / (excess)	<u>\$ (168,134)</u>	<u>\$ (22,339)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (47,652)</u>	<u>\$ 0</u>	<u>\$ 1,211,675</u>	<u>\$ (1,177,304)</u>	
Covered payroll***	N/A	N/A	N/A	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	N/A	N/A	N/A	

- * Beginning in 2022, methodology for ADEC determination was changed to match cash flow projections that calculate the certified millage rates.
- ** Net of administrative expenses.
- *** 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, 2023 were based on the June 30, 2021 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	2.40%
Salary increases	N/A
Investment rate of return	6.05%, net of pension plan investment expense, including inflation

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.