

MISSISSIPPI MUNICIPAL RETIREMENT SYSTEMS
GASB STATEMENT NO. 68
PREPARED AS OF JUNE 30, 2024

Natchez

Paragraph 40(c) Membership as of the Measurement Date of June 30, 2024

| | Number |
|--|----------|
| Inactive Members Or Their Beneficiaries Currently Receiving Benefits | 33 |
| Inactive Members Entitled To But Not Yet Receiving Benefits | 0 |
| Active Members | <u>0</u> |
| Total | 33 |

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) | \$3,693,606 | \$3,334,532 | \$3,021,427 |

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, 2023 | \$4,984,750 | \$1,002,881 | \$3,981,869 |
| Changes for the year: | | | |
| Service cost | 0 | | 0 |
| Interest | 329,826 | | 329,826 |
| Changes of benefit terms | 0 | | 0 |
| Difference between expected and actual experience | 19,796 | | 19,796 |
| Changes of assumptions | 0 | | 0 |
| Contributions – employer* | | 963,875 | (963,875) |
| Contributions – employee | | 0 | 0 |
| Net investment income | | 52,362 | (52,362) |
| Benefit payments, including refunds of employee contributions | (545,904) | (545,904) | 0 |
| Administrative expense | | (19,278) | 19,278 |
| Other changes | <u>0</u> | <u>0</u> | <u>0</u> |
| Net changes | (196,282) | 451,055 | (647,337) |
| Balances at June 30, 2024 | \$4,788,468 | \$1,453,936 | \$3,334,532 |

*Includes administrative expenses.

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Natchez
(continued)

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

| TPL Roll-Forward | |
|---|-------------|
| (a) TPL as of June 30, 2023 | \$4,984,750 |
| (b) Entry Age Normal Cost for the period July 1, 2023 – June 30, 2024 | \$ 0 |
| (c) Actual Benefit Payments and Refunds for the period July 1, 2023 – June 30, 2024 | (\$545,904) |
| (d) Expected TPL as of June 30, 2024 = [(a) x (1.07)] + (b) + [(c) x (1.035)] | \$4,768,672 |
| (e) Actual TPL as of June 30, 2024 with Old Assumptions and Old Benefit Terms | \$4,788,468 |
| (f) Experience (Gain)/Loss: (e) – (d) | \$19,796 |
| (g) Actual TPL as of June 30, 2024 with Old Assumptions and New Benefit Terms | \$4,788,468 |
| (h) Benefit Term (Gain)/Loss: (g) – (e) | \$ 0 |
| (i) Actual TPL as of June 30, 2024 with New Assumptions and New Benefit Terms | \$4,788,468 |
| (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 | 78,838 | 0 |
| Employer contributions subsequent to the Measurement Date | <u>0</u> | <u>0</u> |
| Total | \$78,838 | \$ 0 |

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

| Year Ended June 30 | |
|--------------------|-----------|
| 2025 | (\$2,918) |
| 2026 | \$65,080 |
| 2027 | \$10,318 |
| 2028 | \$6,358 |
| Thereafter | 0 |

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Natchez
(continued)

PENSION EXPENSE

| Service Cost | \$ 0 |
|---|-------------------------|
| Interest on the total pension liability | 329,826 |
| Current-period benefit changes | 0 |
| Expensed portion of current-period difference between expected and actual experience in the total pension liability | 19,796 |
| Expensed portion of current-period changes of assumptions | 0 |
| Member contributions | 0 |
| Projected earnings on plan investments | (84,156) |
| Expensed portion of current-period differences between actual and projected earnings on plan investments | 6,359 |
| Administrative expense | 19,278 |
| Other | 0 |
| Recognition of beginning deferred outflows of resources as pension expense | 7,560 |
| Recognition of beginning deferred inflows of resources as pension expense | <u>0</u> |
| Pension Expense (Income) | <u>\$298,663</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 | \$8,713 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Interest | 590,574 | 575,620 | 536,049 | 526,976 | 497,749 | 439,740 | 429,032 | 383,189 | 360,872 | 329,826 |
| Changes of benefit terms | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Differences between expected and actual experience | 24,636 | (321,817) | 65,267 | (187,585) | (565,058) | 57,415 | (219,783) | (100,982) | (61,515) | 19,796 |
| Changes of assumptions | 211,132 | 0 | 23,672 | 0 | (9,472) | 0 | (62,671) | 0 | 187,763 | 0 |
| Benefit payments | (797,844) | (781,925) | (746,855) | (737,275) | (695,743) | (647,714) | (622,928) | (591,325) | (564,259) | (545,904) |
| Net change in total pension liability | 37,211 | (528,122) | (121,867) | (397,884) | (772,524) | (150,559) | (476,350) | (309,118) | (77,139) | (196,282) |
| Total pension liability - beginning | 7,781,102 | 7,818,313 | 7,290,191 | 7,168,324 | 6,770,440 | 5,997,916 | 5,847,357 | 5,371,007 | 5,061,889 | 4,984,750 |
| Total pension liability - ending (a) | \$7,818,313 | \$7,290,191 | \$7,168,324 | \$6,770,440 | \$5,997,916 | \$5,847,357 | \$5,371,007 | \$5,061,889 | \$4,984,750 | \$4,788,468 |
| Plan fiduciary net position | | | | | | | | | | |
| Contributions – employer* | \$465,798 | \$468,000 | \$468,000 | \$351,000 | \$546,000 | \$468,000 | \$351,000 | \$312,000 | \$39,000 | \$963,875 |
| Contributions – member | 2,202 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net investment income | 75,057 | 4,777 | 271,127 | 146,673 | 125,738 | 51,226 | 461,225 | (142,179) | 70,464 | 52,362 |
| Benefit payments | (797,844) | (781,925) | (746,855) | (737,275) | (695,743) | (647,714) | (622,928) | (591,325) | (564,259) | (545,904) |
| Administrative Expense | (9,316) | (9,360) | (9,360) | (7,020) | (10,920) | (9,360) | (7,020) | (6,240) | (780) | (19,278) |
| Other | 0 | 49,678 | (1,619) | (196) | 750 | 0 | 0 | 0 | 0 | 0 |
| Net change in plan fiduciary net position | (264,103) | (268,830) | (18,707) | (246,818) | (34,175) | (137,848) | 182,277 | (427,744) | (455,575) | 451,055 |
| Plan net position - beginning | 2,674,404 | 2,410,301 | 2,141,471 | 2,122,764 | 1,875,946 | 1,841,771 | 1,703,923 | 1,886,200 | 1,458,456 | 1,002,881 |
| Plan net position - ending (b) | \$2,410,301 | \$2,141,471 | \$2,122,764 | \$1,875,946 | \$1,841,771 | \$1,703,923 | \$1,886,200 | \$1,458,456 | \$1,002,881 | \$1,453,936 |
| Net pension liability (asset) - ending (a) - (b) | \$5,408,012 | \$5,148,720 | \$5,045,560 | \$4,894,494 | \$4,156,145 | \$4,143,434 | \$3,484,807 | \$3,603,433 | \$3,981,869 | \$3,334,532 |
| Plan fiduciary net position as a percentage of the total pension liability | 30.83% | 29.37% | 29.61% | 27.71% | 30.71% | 29.14% | 35.12% | 28.81% | 20.12% | 30.36% |
| Covered payroll** | N/A | 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 | 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)* | \$465,798 | \$468,000 | \$438,750 | \$315,000 | \$449,400 | \$468,000 | \$269,100 | \$408,016 | \$355,712 | \$360,027 |
| Contributions in relation to the actuarially determined contribution** | <u>465,798</u> | <u>468,000</u> | <u>468,000</u> | <u>351,000</u> | <u>546,000</u> | <u>468,000</u> | <u>351,000</u> | <u>305,760</u> | <u>38,220</u> | <u>944,598</u> |
| Contribution deficiency / (excess) | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ (29,250)</u> | <u>\$ (36,000)</u> | <u>\$ (96,600)</u> | <u>\$ 0</u> | <u>\$ (81,900)</u> | <u>\$ 102,256</u> | <u>\$ 317,492</u> | <u>\$ (584,571)</u> |
| Covered payroll*** | N/A | 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 | 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, 2024 were based on the June 30, 2022 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.