



March 1, 2024

City of Wilton Manors Pension Plan for General Employees and Police, Pension Board  
c/o Ms. Judith Hoekstra  
City of Wilton Manors  
2020 Wilton Drive  
Wilton Manors, FL 33305

**Re: City of Wilton Manors Pension Plan for General Employees & Police Officers  
GASB No. 68 Disclosure Information for Reporting Year Ending September 30, 2023**

Dear Board Members:

As requested, we have prepared the actuarial disclosure information required under Governmental Accounting Standards Board (GASB) Statement Number 68 for the City of Wilton Manors Pension Plan for General Employees & Police Officers for use in the preparation of the City's GAAP-basis employer financial statement for the reporting year ending September 30, 2023.

GASB Statement No. 68 establishes the accounting and financial reporting standards for state and local government employers who provide their employees (including former employees) pension benefits through a trust. These calculations have been made on a basis that is consistent with our understanding of this accounting standard. Enclosed are the following exhibits:

- Executive Summary
- Schedule of Changes in Net Pension Liability and Related Ratios for Measurement Year
- Notes to Net Pension Liability
- Pension Expense Under GASB No. 68
- Statement of Outflows and Inflows Arising from Current Reporting Period
- Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods
- Summary of Remaining Deferred Outflows and Inflows of Resources
- Schedule of Contributions
- Notes to Schedule of Contributions
- Sensitivity of Net Pension Liability to the Single Discount Rate Assumption

The actuarial valuation of the liabilities was determined as of the beginning of the year, October 1, 2021 (based on the actuarial valuation results as reported in the October 1, 2021 actuarial valuation report dated May 17, 2022) and rolled forward to the September 30, 2022 measurement date. These liabilities are used for GASB Statement No. 68 reporting for the reporting period ending September 30, 2023. Using a measurement date of September 30, 2022 allows for timely reporting at the end of the year. If significant changes occur during the year, such as benefit changes or changes in assumptions or methods, these should be noted in the footnotes.

## Required Disclosures

This information is intended to assist in preparation of the financial statements of the Plan. Financial statements are the responsibility of management, subject to the auditor's review. Please let us know if the auditor recommends any changes.

Our actuarial 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 this Statement.

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 the City or Board only in its entirety and only with the permission of the City or Board. GRS is not responsible for unauthorized use of this report.

This report is based upon information, furnished to us by the Plan Administrator, concerning Plan benefits, active members, deferred vested members, retirees and beneficiaries, and financial data. This information was checked for internal consistency, but it was not audited. We are not responsible for the accuracy or completeness of the information provided by the Plan Administrator.

This report complements that actuarial valuation reports that were provided to the Board and should be considered in conjunction with these reports. Please see the actuarial valuation report as of October 1, 2021 dated May 17, 2022 and the actuarial valuation report as of October 1, 2022 dated March 10, 2023 for additional discussion of the nature of the actuarial calculations and information related to participant data, economic and demographic assumptions, and benefit provisions.

The findings in this report are based on data through September 30, 2021 and financial information through September 30, 2022. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as 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.

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.



This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge, the information contained with this report is accurate and fairly represents the actuarial position of the Plan. 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, and with applicable statutes.

Theora Braccialarghe and Melissa Zrelack are members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. The signing actuaries are independent of the plan sponsor.

Respectfully submitted,

GABRIEL, ROEDER, SMITH & COMPANY

By Theora Braccialarghe

Theora P. Braccialarghe, FSA, EA, MAAA  
Senior Consultant & Actuary

Melissa Zrelack

Melissa Zrelack, EA, MAAA  
Consultant & Actuary

Enclosures



**EXECUTIVE SUMMARY**  
**GASB Statement No. 68**

Actuarial Valuation Date	October 1, 2021
Measurement Date of the Net Pension Liability	September 30, 2022
Employer's Fiscal Year Ending Date (Reporting Date)	September 30, 2023

**Membership as of Actuarial Valuation Date**

Number of	
- Retirees and Beneficiaries	75
- Inactive, Nonretired Members	1
- Active Members	4
- Total	80
Covered Payroll	\$ 339,702

**Net Pension Liability**

Total Pension Liability	\$ 38,649,383
Plan Fiduciary Net Position	27,179,205
Net Pension Liability	\$ 11,470,178
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	70.32 %
Net Pension Liability as a Percentage of Covered Payroll	3,376.54 %

**Development of the Single Discount Rate**

Single Discount Rate	6.40 %
Long-Term Expected Rate of Investment Return	6.40 %
Long-Term Municipal Bond Rate*	4.40 %
Last year ending September 30 in the 2023 to 2122 projection period for which projected benefit payments are fully funded	2122

**Total Pension Expense** \$ 1,774,581

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

	<u>Outflows</u>	<u>Deferred Inflows</u>
Difference between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	4,929,255	2,275,791
Total	\$ 4,929,255	\$ 2,275,791

*\*Source: "Fidelity General Obligation AA" rate as of September 30, 2022. This is the rate for Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Investments' "20-Year Municipal GO AA Index." 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.*



**SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS  
FOR GASB STATEMENT NO. 68 EMPLOYER REPORTING YEAR ENDED SEPTEMBER 30, 2023**

Measurement year ending September 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>									
Service Cost	\$ 75,964	\$ 88,751	\$ 95,178	\$ 90,882	\$ 131,863	\$ 141,672	\$ 141,736	\$ 129,615	\$ 112,087
Interest on the Total Pension Liability	2,421,858	2,431,137	2,562,751	2,568,156	2,591,888	2,547,674	2,545,418	2,571,868	2,578,844
Benefit Changes	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	194,851	109,543	(119,148)	55,056	(344,394)	68,713	(360,289)	-	115,752
Assumption Changes	727,339	-	(135,320)	383,306	-	549,447	-	2,522,504	-
Benefit Payments	(2,778,974)	(2,735,482)	(2,670,408)	(2,626,235)	(2,728,566)	(2,603,571)	(2,706,165)	(2,756,178)	(3,224,482)
Refunds	-	-	-	-	-	-	-	-	-
Other (Change in State Contribution Reserve)	-	-	-	-	-	-	-	-	-
<b>Net Change in Total Pension Liability</b>	641,038	(106,051)	(266,947)	471,165	(349,209)	703,935	(379,300)	2,467,809	(417,799)
<b>Total Pension Liability - Beginning</b>	38,008,345	38,114,396	38,381,343	37,910,178	38,259,387	37,555,452	37,934,752	35,466,943	35,884,742
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 38,649,383</u>	<u>\$ 38,008,345</u>	<u>\$ 38,114,396</u>	<u>\$ 38,381,343</u>	<u>\$ 37,910,178</u>	<u>\$ 38,259,387</u>	<u>\$ 37,555,452</u>	<u>\$ 37,934,752</u>	<u>\$ 35,466,943</u>
<b>Plan Fiduciary Net Position</b>									
Contributions - Employer (from City)	\$ 1,651,838	\$ 1,714,248	\$ 1,666,916	\$ 1,674,468	\$ 1,667,049	\$ 1,685,242	\$ 1,638,492	\$ 1,676,869	\$ 1,645,738
Contributions - Employer (from State)	-	-	-	-	-	-	-	-	-
Contributions - Non-Employer Contributing Entity	-	-	-	-	-	-	-	-	-
Contributions - Member (& buyback contributions)	34,902	39,626	42,595	44,771	55,551	64,490	63,650	64,249	59,289
Pension Plan Net Investment Income	(3,794,169)	5,582,284	1,521,387	1,341,884	2,759,884	2,437,040	1,717,354	(1,489,322)	2,836,305
Benefit Payments	(2,778,974)	(2,735,482)	(2,670,408)	(2,626,235)	(2,728,566)	(2,603,571)	(2,706,165)	(2,756,178)	(3,224,482)
Refunds	-	-	-	-	-	-	-	-	-
Pension Plan Administrative Expense	(99,855)	(73,226)	(95,840)	(85,240)	(93,091)	(104,068)	(95,119)	(88,375)	(81,815)
Other	-	-	-	-	-	-	(1)	9,974	2,154
<b>Net Change in Plan Fiduciary Net Position</b>	(4,986,258)	4,527,450	464,650	349,648	1,660,827	1,479,133	618,211	(2,582,783)	1,237,189
<b>Plan Fiduciary Net Position - Beginning</b>	32,165,463	27,638,013	27,173,363	26,823,715	25,162,888	23,683,755	23,065,544	25,648,327	24,411,138
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 27,179,205</u>	<u>\$ 32,165,463</u>	<u>\$ 27,638,013</u>	<u>\$ 27,173,363</u>	<u>\$ 26,823,715</u>	<u>\$ 25,162,888</u>	<u>\$ 23,683,755</u>	<u>\$ 23,065,544</u>	<u>\$ 25,648,327</u>
<b>Net Pension Liability - Ending (a) - (b)</b>	11,470,178	5,842,882	10,476,383	11,207,980	11,086,463	13,096,499	13,871,697	14,869,208	9,818,616
<b>Plan Fiduciary Net Position as a Percentage</b>									
<b>of Total Pension Liability</b>	70.32 %	84.63 %	72.51 %	70.80 %	70.76 %	65.77 %	63.06 %	60.80 %	72.32 %
<b>Covered Payroll</b>	\$ 339,702	\$ 380,855	\$ 406,596	\$ 426,154	\$ 523,862	\$ 604,422	\$ 595,805	\$ 600,852	\$ 554,092
<b>Net Pension Liability as a Percentage</b>									
<b>of Covered Payroll</b>	3,376.54 %	1,534.15 %	2,576.61 %	2,630.03 %	2,116.29 %	2,166.78 %	2,328.23 %	2,474.69 %	1,772.02 %

Note: Covered Payroll for the fiscal year is estimated from actual member contributions to the plan for the same period. This amount should be updated to actual Covered Payroll (as defined in GASB No. 68) for the fiscal year, if needed.



**NOTES TO NET PENSION LIABILITY**  
**GASB Statement No. 68**

**Valuation Date:** October 1, 2021  
**Measurement Date:** September 30, 2022

**Significant Methods and Assumptions Used to Determine Net Pension Liability**

The Total Pension Liability was determined by the actuarial valuation as of October 1, 2021, using the actuarial assumptions and methods shown below, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Inflation	2.10%
Salary Increases	5.50%
Investment Rate of Return	6.40%

Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
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Mortality, Regular Class	Pre-retirement (Healthy) - PUB-2010 Headcount Weighted General Below Median Employee Male and Female Tables, setback 1 year for males.
	Post-Retirement (Healthy) - PUB-2010 Headcount Weighted General Below Median Healthy Retiree Male and Female Tables, setback 1 year for males.
	Post-Retirement (Disabled) - PUB-2010 Headcount Weighted General Disabled Retiree Male and Female Tables set-forward 3 years.

Mortality, Special Risk	Pre-retirement (Healthy) - PUB-2010 Headcount Weighted Safety Below Median Employee Male Table and the PUB-2010 Headcount Weighted Safety Employee Female Table, set forward 1 year for males and females.
	Post-retirement (Healthy) - PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table and the PUB-2010 Headcount Weighted Safety Healthy Retiree Female Table, set forward 1 year for males and females.
	Post-Retirement (Disabled) - 80% PUB-2010 Headcount Weighted General Disabled Retiree Male and Female Tables and 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Male and Female Tables.

Mortality Improvements	Mortality improvements are being made for each year after 2010 using gender-specific MP-2018 projection scales. There is no provision for mortality improvements for disabled members. The mortality assumption is the same as used for Regular Class Members (for General Employees) and Special Risk Members (for Police Officers) of the Florida Retirement System (FRS) in the July 1, 2020 actuarial valuation, in compliance with Florida Statutes.
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Standard actuarial update procedures were used to “roll forward” the Total Pension Liability to the September 30, 2022 measurement date.

**Other Information:**

Notes	See Discussion of Valuation Results in the October 1, 2021 Actuarial Valuation Report dated May 17, 2022.
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**PENSION EXPENSE**  
**EMPLOYER REPORTING YEAR ENDED SEPTEMBER 30, 2023**  
**BASED ON MEASUREMENT PERIOD ENDING SEPTEMBER 30, 2022**  
**GASB Statement No. 68**

**Pension Expense**

1. Service Cost	\$ 75,964
2. Interest on the Total Pension Liability	2,421,858
3. Current-Period Benefit Changes	-
4. Employee Contributions (made negative for addition here)	(34,902)
5. Projected Earnings on Plan Investments (made negative for addition here)	(2,083,582)
6. Pension Plan Administrative Expense	99,855
7. Other Changes in Plan Fiduciary Net Position	-
8. Other Changes in Total Pension Liability (Change in State Contribution Reserve)	-
9. Recognition of Outflow (Inflow) of Resources due to Liabilities	922,190
10. Recognition of Outflow (Inflow) of Resources due to Assets	<u>373,198</u>
<b>11. Total Pension Expense</b>	<b>\$ 1,774,581</b>



**STATEMENT OF OUTFLOWS AND INFLOWS ARISING FROM CURRENT REPORTING PERIOD  
EMPLOYER REPORTING YEAR ENDED SEPTEMBER 30, 2023  
BASED ON MEASUREMENT PERIOD ENDING SEPTEMBER 30, 2022  
GASB Statement No. 68**

**A. Outflows (Inflows) of Resources due to Liabilities**

1. Difference between expected and actual experience of the Total Pension Liability due to (gains) or losses	\$ 194,851
2. Assumption Changes (gains) or losses	727,339
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years}	1.0
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	194,851
5. Outflow (Inflow) of Resources to be recognized in the current pension expense for assumption changes	727,339
6. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Liabilities	922,190
7. Deferred Outflow (Inflow) of Resources to be recognized in future the difference between expected and actual experience of the Total Pension Liability	-
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for assumption changes	-
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Liabilities	-

**B. Outflows (Inflows) of Resources due to Assets**

1. Net difference between projected and actual earnings on pension plan investments due to (gains) or losses	\$ 5,877,751
2. Recognition period for Assets {in years}	5.0
3. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Assets	1,175,550
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets	4,702,201

**C. Outflow of Resources due to Employer Contribution**

1. Deferred Outflow of Resources due to Employer pension contribution made subsequent to September 30, 2022 but before September 30, 2023	\$ 1,605,634
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**STATEMENT OF OUTFLOWS AND INFLOWS  
ARISING FROM CURRENT AND PRIOR REPORTING PERIODS  
EMPLOYER FISCAL YEAR ENDED SEPTEMBER 30, 2023  
BASED ON MEASUREMENT PERIOD ENDING SEPTEMBER 30, 2022  
GASB Statement No. 68**

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

	<u>Outflows</u>	<u>Inflows</u>	<u>Net Outflows</u>
1. Due to Liabilities	\$ 922,190	\$ -	\$ 922,190
2. Due to Assets	1,339,184	965,986	373,198
<b>3. Total</b>	<b>\$ 2,261,374</b>	<b>\$ 965,986</b>	<b>\$ 1,295,388</b>

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

	<u>Outflows</u>	<u>Inflows</u>	<u>Net Outflows</u>
1. Differences between expected and actual experience	\$ 194,851	\$ -	\$ 194,851
2. Assumption Changes	727,339	-	727,339
3. Net Difference between projected and actual earnings on pension plan investments	1,339,184	965,986	373,198
<b>4. Total</b>	<b>\$ 2,261,374</b>	<b>\$ 965,986</b>	<b>\$ 1,295,388</b>

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Net Deferred Outflows of Resources</u>
1. Differences between expected and actual experience	\$ -	\$ -	\$ -
2. Assumption Changes	-	-	-
3. Net Difference between projected and actual earnings on pension plan investments	4,929,255	2,275,791	2,653,464
<b>4. Total</b>	<b>\$ 4,929,255</b>	<b>\$ 2,275,791</b>	<b>\$ 2,653,464</b>

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

<u>Year Ending September 30</u>	<u>Net Deferred Outflows</u>
2024	\$ 580,585
2025	480,375
2026	416,953
2027	1,175,551
2028	-
Thereafter	-
<b>Total</b>	<b>\$ 2,653,464</b>



**SUMMARY OF REMAINING DEFERRED  
OUTFLOWS AND INFLOWS OF RESOURCES  
GASB Statement No. 68**

<u>Date Established</u>	<u>Source</u>	<u>Recognition Period in Years</u>	<u>Original Amount</u>	<u>Years Remaining</u>	<u>Remaining Amount</u>	<u>Amount Recognized in Current Expense</u>
<u>Deferred Outflows of Resources</u>						
9/30/2020	Investment Exp. Loss	5.0	\$ 501,048	2.0	\$ 200,418	\$ 100,210
9/30/2021	Investment Exp. Loss	5.0	317,118	3.0	190,270	63,424
9/30/2023	Investment Exp. Loss	5.0	5,877,751	5.0	5,877,751	1,175,550
9/30/2023	Assumption Changes	1.0	727,339	1.0	727,339	727,339
9/30/2023	Liability Exp. Loss	1.0	194,851	1.0	194,851	194,851
SUBTOTALS:			7,618,107		7,190,629	2,261,374
<u>Deferred Inflows of Resources</u>						
9/30/2019	Investment Exp. Gain	5.0	(1,036,949)	1.0	(207,389)	(207,389)
9/30/2022	Investment Exp. Gain	5.0	(3,792,985)	4.0	(3,034,388)	(758,597)
SUBTOTALS:			(4,829,934)		(3,241,777)	(965,986)
GRAND TOTALS:			\$ 2,788,173		\$ 3,948,852	\$ 1,295,388



**SCHEDULE OF CONTRIBUTIONS**  
**GASB Statement No. 68**

<u>FY Ending September 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2014	\$ 1,645,738	\$ 1,645,738	\$ -	\$ 554,092	297.02 %
2015	1,674,023	1,676,869	(2,846)	600,852	279.08 %
2016	1,638,492	1,638,492	-	595,805	275.00 %
2017	1,685,242	1,685,242	-	604,422	278.82 %
2018	1,667,049	1,667,049	-	523,862	318.22 %
2019	1,674,468	1,674,468	-	426,154	392.93 %
2020	1,666,916	1,666,916	-	406,596	409.97 %
2021	1,651,838	1,714,248	(62,410)	380,855	450.11 %
2022	1,597,968	1,651,838	(53,870)	339,702	486.26 %
2023	1,605,634	1,605,634	-	305,484	525.60 %

*Note: Covered Payroll for the fiscal year is estimated from actual member contributions to the plan for the same period. This amount should be updated to actual Covered Payroll (as defined in GASB No. 68) for the fiscal year, if needed.*

**NOTES TO SCHEDULE OF CONTRIBUTIONS**  
**GASB Statement No. 68**

Valuation Date: October 1, 2022  
Notes Actuarially determined contributions are calculated as of the beginning of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	15 years
Asset Valuation Method	5-year smoothed market
Salary Increases	5.50%
Investment Rate of Return	6.40%
Annual cost-of-living	3.00% for eligible retirees.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.

Mortality, Regular Class	Pre-retirement (Healthy) - PUB-2010 Headcount Weighted General Below Median Employee Male and Female Tables, setback 1 year for males.
	Post-Retirement (Healthy) - PUB-2010 Headcount Weighted General Below Median Healthy Retiree Male and Female Tables, setback 1 year for males.
	Post-Retirement (Disabled) - PUB-2010 Headcount Weighted General Disabled Retiree Male and Female Tables set-forward 3 years.

Mortality, Special Risk	Pre-retirement (Healthy) - PUB-2010 Headcount Weighted Safety Below Median Employee Male Table and the PUB-2010 Headcount Weighted Safety Employee Female Table, set forward 1 year for males and females.
	Post-retirement (Healthy) - PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table and the PUB-2010 Headcount Weighted Safety Healthy Retiree Female Table, set forward 1 year for males and females.
	Post-Retirement (Disabled) - 80% PUB-2010 Headcount Weighted General Disabled Retiree Male and Female Tables and 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Male and Female Tables.

Mortality Improvements	Mortality improvements are being made for each year after 2010 using gender-specific MP-2018 projection scales. There is no provision for mortality improvements for disabled members. The mortality assumption is the same as used for Regular Class Members (for General Employees) and Special Risk Members (for Police Officers) of the Florida Retirement System (FRS) in the July 1, 2021 actuarial valuation, in compliance with Florida Statutes.
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**Other Information:**

Notes	See Discussion of Valuation Results in the October 1, 2022 Actuarial Valuation Report dated March 10, 2023.
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**SENSITIVITY OF NET PENSION LIABILITY  
TO THE SINGLE DISCOUNT RATE ASSUMPTION  
GASB Statement No. 68**

A single discount rate of 6.40% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on Pension Plan investments of 6.40%. The projection of cash flows used to determine this single discount rate assumed that Plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the Pension Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Pension Plan investments (6.40%) was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the Plan’s net pension liability, calculated using a single discount rate of 6.40%, as well as what the Plan’s net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

**Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption**

<b>1% Decrease</b>	<b>Current Single Discount</b>	<b>1% Increase</b>
<b>5.40%</b>	<b>Rate Assumption</b>	<b>7.40%</b>
<b>6.40%</b>		
\$15,519,579	\$11,470,178	\$8,069,133