

**Sample Old Hire Police Pension Fund**  
GASB Statement No. 68 Employer Reporting and Accounting  
Schedules for the  
Measurement Period Ending December 31, 2024 and  
Employer Reporting Period Ending December 31, 2025



# Executive Summary

## For the Measurement Period Ending December 31, 2024 To be Used for December 31, 2025 Reporting Purposes

Actuarial Valuation Date	January 1, 2024
Measurement Date of the Net Pension Liability/(Asset)	December 31, 2024
Employer's Fiscal Year Ending Date (Reporting Date)	December 31, 2025

### Membership as of January 1, 2024

Number of	
- Retirees and Beneficiaries	1
- Inactive, Nonretired Members	0
- Active Members	0
- Total	1
Covered Payroll	N/A

### Net Pension Liability/(Asset)

Total Pension Liability	\$ 60,959
Plan Fiduciary Net Position	34,666
Net Pension Liability/(Asset)	\$ 26,293
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	56.87 %
Net Pension Liability/(Asset) as a Percentage of Covered Payroll	N/A

### Development of the Single Discount Rate

Single Discount Rate	4.50 %
Long-Term Expected Rate of Investment Return	4.50 %
Long-Term Municipal Bond Rate*	4.08 %
Last year ending December 31 in the 2025 to 2124 projection period for which projected benefit payments are fully funded	2124

**Total Pension Expense/(Income)** \$ 4,966

### Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expense/(Income)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 0	\$ 0
Changes in assumptions	0	0
Net difference between projected and actual earnings on pension plan investments	1,884	350
<b>Total</b>	<b>\$ 1,884</b>	<b>\$ 350</b>

\*Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in the Bond Buyer's "20-Bond GO Index Rate" as of December 31, 2024.



## Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios Current Period Measurement Period Ended December 31, 2024

<b>A. Total pension liability</b>		
1. Service Cost	\$	0
2. Interest on the Total Pension Liability		2,737
3. Benefit changes		0
4. Difference between expected and actual experience of the Total Pension Liability		0
5. Changes of assumptions		0
6. Benefit payments		(5,158)
7. Net change in total pension liability	\$	(2,421)
8. Total pension liability – beginning		63,380
9. Total pension liability – ending	<u>\$</u>	<u>60,959</u>
<b>B. Plan fiduciary net position</b>		
1. Contributions – employer	\$	12,966
2. Contributions – employee		0
3. Net investment income		1,076
4. Benefit payments		(5,158)
5. Pension Plan Administrative Expense		(2,938)
6. Net change in plan fiduciary net position	\$	5,946
7. Plan fiduciary net position – beginning (Market value of assets at beginning of year)		28,720
8. Plan fiduciary net position – ending (Market value of assets at end of year)	<u>\$</u>	<u>34,666</u>
<b>C. Net pension liability/(asset) (Item A.9 - Item B.8)</b>	<u>\$</u>	<u>26,293</u>
<b>D. Plan fiduciary net position as a percentage of the total pension liability (Item B.8 / Item A.9)</b>		56.87%
<b>E. Covered-employee payroll</b>		N/A
<b>F. Net pension liability/(asset) as a percentage of covered employee payroll</b>		N/A



**Pension Expense/(Income) Under GASB Statement No. 68**  
**Measurement Period Ending December 31, 2024**  
**for the Employer Fiscal Year Ending December 31, 2025**

**A. Pension Expense/(Income)**

1. Service Cost	\$	0
2. Interest on the Total Pension Liability		2,737
3. Current-Period Benefit Changes		0
4. Employee Contributions (made negative here to offset expense)		0
5. Projected Earnings on Plan Investments (made negative here to offset expense)		(1,401)
6. Pension Plan Administrative Expense		2,938
7. Recognition of Outflow (Inflow) of Resources due to Liabilities		0
8. Recognition of Outflow (Inflow) of Resources due to Assets		692
<b>9. Total Pension Expense/(Income)</b>	<b>\$</b>	<b>4,966</b>



## Statement of Outflows and Inflows arising from the Current Measurement Period Ending December 31, 2024 for the Employer Fiscal Year Ending December 31, 2025

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

1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	\$	0
2. Assumption Changes (gains) or losses	\$	0
3. Recognition period for Liabilities: Average of the expected remaining service lives of all participants (in years)*		1.0000
4. Outflow (Inflow) of Resources to be recognized in the current pension expense/(income) for the difference between expected and actual experience of the Total Pension Liability	\$	0
5. Outflow (Inflow) of Resources to be recognized in the current pension expense/(income) for assumption changes	\$	0
6. Outflow (Inflow) of Resources to be recognized in the current pension expense/(income) due to Liabilities (Item A.4 + Item A.5)	\$	0
7. Deferred Outflow (Inflow) of Resources to be recognized in future pension expense/(income) for the difference between expected and actual experience of the Total Pension Liability (Item A.1 + Item A.2 - Item A.6)	\$	0
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expense/(income) for assumption changes	\$	0
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expense/(income) due to Liabilities (Item A.7 + Item A.8)	\$	0

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

1. Net difference between projected and actual earnings on pension plan investments (gains) or losses	\$	325
2. Recognition period for Assets (in years, closed 5-year period)		5.0000
3. Outflow (Inflow) of Resources to be recognized in the current pension expense/(income) due to Assets (Item B.1 / Item B.2)	\$	65
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets (Item B.1 - Item B.3)	\$	260

\*The expected remaining service life of a participant represents how long they are expected to be an active employee under the plan. The average shown is an average of all participants, including inactive participants (retirees, beneficiaries, etc.), who have a remaining service life of 0.0.



# Statement of Outflows and Inflows arising from the Current and Prior Measurement Periods Ending December 31, 2024 for the Employer Fiscal Year Ending December 31, 2025

**A. Current Pension Expense/(Income) - Outflows and Inflows of Resources due to Liabilities and Assets to be Recognized in Current Pension Expense/(Income)**

	Outflows of Resources	Inflows of Resources	Net Outflows/(Inflows) of Resources
1. Due to Liabilities	\$ 0	\$ 0	\$ 0
2. Due to Assets	967	275	692
<b>3. Total</b>	<b>\$ 967</b>	<b>\$ 275</b>	<b>\$ 692</b>

**B. Current Pension Expense/(Income) - Outflows and Inflows of Resources by Source to be Recognized in Current Pension Expense/(Income)**

	Outflows of Resources	Inflows of Resources	Net Outflows/(Inflows) of Resources
1. Differences between expected and actual experience	\$ 0	\$ 0	\$ 0
2. Assumption Changes	0	0	0
3. Net Difference between projected and actual earnings on pension plan investments	967	275	692
<b>4. Total</b>	<b>\$ 967</b>	<b>\$ 275</b>	<b>\$ 692</b>

**C. Future Pension Expense/(Income) - Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expense/(Income)**

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/ (Inflows) of Resources
1. Differences between expected and actual experience	\$ 0	\$ 0	\$ 0
2. Assumption Changes	0	0	0
3. Net Difference between projected and actual earnings on pension plan investments	1,884	350	1,534
<b>4. Total</b>	<b>\$ 1,884</b>	<b>\$ 350</b>	<b>\$ 1,534</b>

**D. Future Pension Expense/(Income) - Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expense/(Income)**

Fiscal Year Ending December 31	Net Deferred Outflows/ (Inflows) of Resources
2026	\$ 849
2027	673
2028	(53)
2029	65
2030	0
Thereafter	0
<b>Total</b>	<b>\$ 1,534</b>



## Recognition of Outflows and Inflows of Resources from the Current and Prior Measurement Periods Ending December 31, 2024 for the Employer Fiscal Year Ending December 31, 2025

### Net Difference between projected and actual earnings on pension plan investments - Net outflows of resources

Recognition Period	5.0000 2019	5.0000 2020	5.0000 2021	5.0000 2022	5.0000 2023	5.0000 2024	5.0000 2025	Total	Deferred Net Outflows at Reporting Date
<b>Total</b>	\$ 2,423	\$ (1,365)	\$ (795)	\$ 898	\$ 3,612	\$ (582)	\$ 325	4,516	
2019	485							485	
2020	485	(273)						212	
2021	485	(273)	(159)					53	
2022	485	(273)	(159)	180				233	
2023	483	(273)	(159)	180	722			953	
2024	0	(273)	(159)	180	722	(116)		354	
2025	0	0	(159)	180	722	(116)	65	692	
2026	0	0	0	178	722	(116)	65	849	\$ 1,534
2027	0	0	0	0	724	(116)	65	673	
2028	0	0	0	0	0	(118)	65	(53)	
2029	0	0	0	0	0	0	65	65	
Thereafter	0	0	0	0	0	0	0	0	
	\$ 2,423	\$ (1,365)	\$ (795)	\$ 898	\$ 3,612	\$ (582)	\$ 325	\$ 4,516	

Because the outflows and inflows attributable to liabilities are recognized over a period of one year, there are no associated deferred outflows and inflows. As such, only the historical outflows and inflows attributable to the difference between projected and actual earnings on pension plan investments is tracked.



## Schedule of Contributions

FY Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2024	\$ 12,966	\$ 12,966	\$ 0	N/A	N/A

*Information for the measurement periods ending December 31, 2014 through December 31, 2023 should be obtained from the prior years' reports for purposes of building the 10-year history.*



## Notes to Schedule of Contributions

**Valuation Date:**

**Notes**

Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2022, determines the contribution amounts for 2023 and 2024.

**Methods and Assumptions Used to Determine Contribution Rates for the Fiscal Year Ending December 31, 2024:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	N/A
Remaining Amortization Period	N/A
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	4.50%
Retirement Age	Any remaining actives are assumed to retire immediately.
Mortality	Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. Disabled (pre-1980): Post-retirement rates set forward three years.

## FPPA System Description

The Fire & Police Pension Association (FPPA) administers an agent multiple-employer Public Employee Retirement System (PERS). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at [FPPAco.org](http://FPPAco.org). Once in the site, locate the site map at the bottom of the web page and you will find the 'Annual Report' link.



Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan’s net pension liability/(asset), calculated using a Single Discount Rate of 4.50%, as well as what the plan’s net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

**Sensitivity of Net Pension Liability/(Asset)  
to the Single Discount Rate Assumption  
for the Measurement Period Ending December 31, 2024**

1% Decrease	Current Single Discount Rate Assumption	1% Increase
3.50%	4.50%	5.50%
\$ 31,785	\$ 26,293	\$ 21,536



## A few closing comments...

- GASB report every year (not every other year like funding)
- Receive in December
- Work with auditor or finance personnel
  - Implementation guide
  - [www.FPPAco.org](http://www.FPPAco.org)
- GASB 68 paragraph 34
  - Contribution adjustment for contributions made during 2025

