

Retirement Plan for the Firefighters  
of the Pace Fire District

Actuarial Valuation  
As of December 31, 2019

GASB 67/68 Supplement  
As of September 30, 2020



## DISCLOSURES RELATED TO THE FIREFIGHTERS' PENSION PLAN

This report was issued on April 30, 2021 as a supplement to the October 1, 2020 actuarial valuation report, which report provides important information related to the assumptions, participant data, and assets used to prepare the following disclosures under Governmental Accounting Standards Board Statements Nos. 67 and 68 (GASB 67/68).

### NET PENSION LIABILITY AS OF SEPTEMBER 30, 2020

Total pension liability	\$356,834 *
Less fiduciary net position	(134,726)
<b>Net pension liability</b>	<b><u>\$222,108 **</u></b>

\* This amount has been rolled forward from December 31, 2019.

\*\* This amount is recognized on the employer's balance sheet.

### PENSION EXPENSE FOR THE 2019/20 FISCAL YEAR

Service cost	\$36,971
Other recognized changes in net pension liability:	
Expected interest growth	13,378
Investment gain/loss	(24)
Demographic gain/loss	0
Employee contributions	(59,436)
Benefit payments & refunds	(824)
Administrative expenses	1,706
Changes in benefit terms	303,937
Assumption changes	0
<b>Pension expense</b>	<b><u>\$295,708 *</u></b>

\* This amount is recognized on the employer's income statement, along with the employer contribution for the 2019/20 fiscal year.

### DEFERRED INFLOW AND OUTFLOW OF RESOURCES

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Balance as of September 30, 2019	\$0	\$0
Change due to:		
Amortization payments	\$0	\$(24)
Investment gain/loss	\$0	\$121
Demographic gain/loss	\$0	\$0
Assumption changes	<u>\$0</u>	<u>\$0</u>
Total change	\$0	\$97
Balance as of September 30, 2020	<b>\$0 *</b>	<b>\$97 *</b>

\* These amounts are recognized on the employer's balance sheet.

### BALANCE EQUATION

Net pension liability as of September 30, 2019	\$0
Plus pension expense for the 2019/20 fiscal year	\$295,708
Minus employer contribution for the 2019/20 fiscal year	\$(73,503)
Plus change in balance of deferred outflows of resources	\$0
Minus change in balance of deferred inflows of resources	\$(97)
Net pension liability as of September 30, 2020	\$222,108

**DISCLOSURES RELATED TO THE FIREFIGHTERS' PENSION PLAN (continued)**

**DEFERRED INFLOW AND OUTFLOW OF RESOURCES (continued)**

Amortization schedule for deferred outflows and inflows of resources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Balance as of September 30, 2020	\$0	\$97
Amount recognized in the 2020/21 pension expense:		
<i>Investment gain/loss</i>	\$0	\$24
<i>Demographic gain/loss</i>	\$0	\$0
<i>Assumption changes</i>	\$0	\$0
<i>Total</i>	\$0	\$24
Balance as of September 30, 2021	\$0	\$73
Amount recognized in the 2021/22 pension expense:		
<i>Investment gain/loss</i>	\$0	\$24
<i>Demographic gain/loss</i>	\$0	\$0
<i>Assumption changes</i>	\$0	\$0
<i>Total</i>	\$0	\$24
Balance as of September 30, 2022	\$0	\$49
Amount recognized in the 2022/23 pension expense:		
<i>Investment gain/loss</i>	\$0	\$24
<i>Demographic gain/loss</i>	\$0	\$0
<i>Assumption changes</i>	\$0	\$0
<i>Total</i>	\$0	\$24
Balance as of September 30, 2023	\$0	\$25
Amount recognized in the 2023/24 pension expense:		
<i>Investment gain/loss</i>	\$0	\$25
<i>Demographic gain/loss</i>	\$0	\$0
<i>Assumption changes</i>	\$0	\$0
<i>Total</i>	\$0	\$25
Balance as of September 30, 2024	\$0	\$0
Amount recognized in the 2024/25 pension expense:		
<i>Investment gain/loss</i>	\$0	\$0
<i>Demographic gain/loss</i>	\$0	\$0
<i>Assumption changes</i>	\$0	\$0
<i>Total</i>	\$0	\$0
Balance as of September 30, 2025	\$0	\$0

**DISCLOSURES RELATED TO THE FIREFIGHTERS' PENSION PLAN** *(continued)*

**CHANGES IN THE NET PENSION LIABILITY**

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balance as of September 30, 2019	\$0	\$0	\$0
Change due to:			
<i>Service cost</i>	\$36,971	\$0	\$36,971
<i>Expected interest growth</i>	\$16,750	\$(3,372)	\$13,378
<i>Unexpected investment income</i>	\$0	\$(121)	\$(121)
<i>Demographic experience</i>	\$0	\$0	\$0
<i>Employer contributions</i>	\$0	\$(73,503)	\$(73,503)
<i>Employee contributions</i>	\$0	\$(59,436)	\$(59,436)
<i>Benefit payments &amp; refunds</i>	\$(824)	\$0	\$(824)
<i>Administrative expenses</i>	\$0	\$1,706	\$1,706
<i>Changes in benefit terms</i>	\$303,937	\$0	\$303,937
<i>Assumption changes</i>	\$0	\$0	\$0
Balance as of September 30, 2020	\$356,834	\$(134,726)	\$222,108

**COMPARISON OF NET PENSION LIABILITY USING ALTERNATIVE DISCOUNT RATES**

	Discount Rate Minus 1.00%	7.00% Discount Rate	Discount Rate Plus 1.00%
Total pension liability	\$431,566	\$356,834	\$301,254
Less fiduciary net position	<u>(134,726)</u>	<u>(134,726)</u>	<u>(134,726)</u>
Net pension liability	\$296,840	\$222,108	\$166,528

**HISTORICAL TREND INFORMATION**

Measurement Date	Total Pension Liability	Fiduciary Net Position	Net Pension Liability	Funded Percentage	Covered Payroll	Net Pension Liability as a % of Covered Payroll
September 30, 2020	\$356,834	\$134,726	\$222,108	37.76%	\$717,859	30.94%

DISCLOSURES RELATED TO THE FIREFIGHTERS' PENSION PLAN (continued)

HISTORICAL TREND INFORMATION (continued)

Changes in the net pension liability by source

Fiscal Year	Service Cost	Expected Interest Growth	Unexpected Investment Income	Demographic Experience	Employer Contributions	Employee Contributions	Benefit Payments & Refunds	Administrative Expenses	Changes In Benefit Terms	Assumption Changes
2019/20	\$36,971	\$13,378	\$(121)	\$0	\$(73,503)	\$(59,436)	\$(824)	\$1,706	\$303,937	\$0

**DISCLOSURES RELATED TO THE FIREFIGHTERS' PENSION PLAN (continued)**

**HISTORICAL TREND INFORMATION (continued)**

Fiscal Year End	(1) Actuarially Determined Contribution	(2) Contributions Recognized By the Plan	(3) Difference Between (1) and (2)	Covered Payroll	Column (2) as a % of Covered Payroll
September 30, 2020	\$73,503	\$73,503	\$0	\$717,859	10.24%

**INFORMATION USED TO DETERMINE THE NET PENSION LIABILITY**

Employer's reporting date: *September 30, 2020*  
 Measurement date: *September 30, 2020*  
 Actuarial valuation date: *December 31, 2019*

**Actuarial assumptions**

Discount rate: *7.00% per annum (2.77% per annum is attributable to long-term inflation); this rate was used to discount all future benefit payments.*

Salary increases: *4.00% per annum*

Cost-of-living increases: *None assumed*

Pre-retirement mortality: *Sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Employee Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year*

Post-retirement mortality: *For non-disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Healthy Retiree Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year; for disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Disabled Retiree Mortality Table (80% general employee rates plus 20% public safety employee rates), with full generational improvements in mortality using Scale MP-2018*

Retirement: *Retirement is assumed to occur at normal retirement age.*

Other decrements: *Assumed employment termination is based on the Scale 255 Table; assumed disability is based on the Wyatt 1985 Disability Study (Class 4); all disabilities are assumed to be service-connected.*

Marriage assumption: *80% of male employees and 60% of female employees are assumed to be married to a spouse; husbands are assumed to be three years older than wives.*

Future contributions: *Contributions from the employer and employees are assumed to be made as legally required.*

Changes: *No assumptions were changed since the prior measurement date.*

**DETERMINATION OF THE LONG-TERM EXPECTED RATE OF RETURN ON PLAN ASSETS**

Investment Category	Target Allocation	Expected Long-Term Real Return
Core bonds	15.00%	1.60% per annum
Core plus	15.00%	2.10% per annum
U.S. large cap equity	34.00%	4.60% per annum
U.S. small cap equity	11.00%	5.50% per annum
Non-U.S. equity	15.00%	6.70% per annum
Core real estate	10.00%	5.00% per annum
Total or weighted arithmetic average	100.00%	4.23% per annum

**DISCLOSURES RELATED TO THE FIREFIGHTERS' PENSION PLAN (continued)**

**PENSION PLAN DESCRIPTION**

Name of the pension plan: *Retirement Plan for the Firefighters of the Pace Fire District*  
Legal plan administrator: *Board of Trustees of the Retirement Trust for the Firefighters of the Pace Fire District*  
Plan type: *Single-employer defined benefit pension plan*  
Number of covered individuals: *21 (no inactive employees or beneficiaries currently receiving benefits; no inactive employees entitled to but not yet receiving benefits; 21 active employees)*  
Contribution requirement: *Employer contributions are actuarially determined; employees must contribute 10.00% of pensionable earnings; employee contribution requirement may be amended by District resolution, but employer contribution requirement is subject to State minimums.*  
Pension plan reporting: *The plan issues a stand-alone financial report each year, which contains information about the plan's fiduciary net position. The plan's fiduciary net position has been determined on the same basis used by the pension plan and is equal to the market value of assets calculated under the accrual basis of accounting. This report is available to the public at the plan's administrative office: Retirement Department, Florida League of Cities, Inc., P. O. Box 1757, Tallahassee, FL 32302, (800) 342-8112.*

**Description of the benefit terms**

Employees covered: *Firefighters employed by the Pace Fire District*  
Types of benefits offered: *Retirement, disability, and pre-retirement death benefits*  
Basic pension formula: *2.75% of average earnings x service*  
Early retirement adjustment: *Early retirement pension is reduced by 3% for each year by which the early retirement date precedes the normal retirement date.*  
Disability pension: *Larger of basic pension formula or 42% of average earnings (for service-connected disabilities)*  
*Larger of basic pension formula or 25% of average earnings (for non-service-connected disabilities if the participant has earned at least 10 years of service)*  
*Disability benefits are offset as necessary to preclude the total of the disability benefit, worker's compensation, and other District-provided disability compensation from exceeding average earnings.*  
Pre-retirement death benefit: *Basic pension formula payable for 10 years at early or normal retirement age (payable to the beneficiary of a vested participant)*  
*Return of accumulated employee contributions (payable to the beneficiary of a non-vested participant)*  
Normal retirement age: *Age 55 with at least 10 years of service, or*  
*Age 52 with at least 25 years of service*  
Early retirement age: *Age 50 with at least 10 years of service*  
Vesting requirement: *100% vesting after 10 years of service*  
Form of payment: *Actuarially increased single life annuity*  
*10-year certain and life annuity*  
*Actuarially equivalent 50%, 66⅔%, 75%, or 100% joint and contingent annuity*  
*Any other actuarially equivalent form of payment approved by the Board of Trustees*  
Average earnings: *Average of the highest five years of pensionable earnings out of the last 10 years*  
Cost-of-living adjustment: *None provided*  
Legal authority: *The plan was established effective December 31, 2019 pursuant to District resolution.*  
Changes: *No plan amendments were adopted since the prior measurement date.*

**DISCLOSURES RELATED TO THE FIREFIGHTERS' PENSION PLAN (continued)**

**PROJECTION OF THE FIDUCIARY NET POSITION**

Date	BOY Balance	Contributions	Benefit Payments	Administrative Expenses	Investment Earnings	EOY Balance
October 1, 2019	\$0	\$132,939	\$0	\$1,706	\$3,493	\$134,726
October 1, 2020	\$134,726	\$138,257	\$7,056	\$1,706	\$13,886	\$278,107
October 1, 2021	\$278,107	\$143,787	\$8,213	\$1,774	\$24,071	\$435,978
October 1, 2022	\$435,978	\$149,538	\$11,943	\$1,845	\$35,189	\$606,917
October 1, 2023	\$606,917	\$155,520	\$18,121	\$1,919	\$47,146	\$789,543
October 1, 2024	\$789,543	\$161,741	\$19,210	\$1,996	\$60,104	\$990,182
October 1, 2025	\$990,182	\$168,211	\$28,716	\$2,076	\$74,041	\$1,201,642
October 1, 2026	\$1,201,642	\$174,939	\$29,248	\$2,159	\$89,054	\$1,434,228
October 1, 2027	\$1,434,228	\$181,937	\$30,296	\$2,245	\$105,536	\$1,689,160
October 1, 2028	\$1,689,160	\$189,214	\$39,162	\$2,335	\$123,324	\$1,960,201
October 1, 2029	\$1,960,201	\$196,783	\$39,709	\$2,428	\$142,535	\$2,257,382
October 1, 2030	\$2,257,382	\$86,148	\$40,874	\$2,525	\$159,488	\$2,459,619
October 1, 2031	\$2,459,619	\$0	\$42,135	\$2,626	\$170,633	\$2,585,491
October 1, 2032	\$2,585,491	\$0	\$43,279	\$2,731	\$179,401	\$2,718,882
October 1, 2033	\$2,718,882	\$0	\$44,301	\$2,840	\$188,700	\$2,860,441
October 1, 2034	\$2,860,441	\$0	\$45,850	\$2,954	\$198,552	\$3,010,189
October 1, 2035	\$3,010,189	\$0	\$46,919	\$3,072	\$208,993	\$3,169,191
October 1, 2036	\$3,169,191	\$0	\$73,957	\$3,195	\$219,189	\$3,311,228
October 1, 2037	\$3,311,228	\$0	\$96,662	\$3,323	\$228,346	\$3,439,589
October 1, 2038	\$3,439,589	\$0	\$97,328	\$3,456	\$237,303	\$3,576,108
October 1, 2039	\$3,576,108	\$0	\$98,868	\$3,594	\$246,802	\$3,720,448
October 1, 2040	\$3,720,448	\$0	\$100,701	\$3,738	\$256,838	\$3,872,847
October 1, 2041	\$3,872,847	\$0	\$171,952	\$3,888	\$265,049	\$3,962,056
October 1, 2042	\$3,962,056	\$0	\$194,408	\$4,044	\$270,516	\$4,034,120
October 1, 2043	\$4,034,120	\$0	\$194,823	\$4,206	\$275,540	\$4,110,631
October 1, 2044	\$4,110,631	\$0	\$236,699	\$4,374	\$279,449	\$4,149,007
October 1, 2045	\$4,149,007	\$0	\$239,672	\$4,549	\$282,027	\$4,186,813
October 1, 2046	\$4,186,813	\$0	\$237,634	\$4,731	\$284,738	\$4,229,186
October 1, 2047	\$4,229,186	\$0	\$238,902	\$4,920	\$287,654	\$4,273,018
October 1, 2048	\$4,273,018	\$0	\$268,690	\$5,117	\$289,690	\$4,288,901
October 1, 2049	\$4,288,901	\$0	\$281,812	\$5,322	\$290,343	\$4,292,110
October 1, 2050	\$4,292,110	\$0	\$308,672	\$5,535	\$289,636	\$4,267,539
October 1, 2051	\$4,267,539	\$0	\$345,496	\$5,756	\$286,642	\$4,202,929
October 1, 2052	\$4,202,929	\$0	\$344,915	\$5,986	\$282,131	\$4,134,159
October 1, 2053	\$4,134,159	\$0	\$348,817	\$6,225	\$277,175	\$4,056,292
October 1, 2054	\$4,056,292	\$0	\$353,126	\$6,474	\$271,567	\$3,968,259
October 1, 2055	\$3,968,259	\$0	\$349,700	\$6,733	\$265,514	\$3,877,340
October 1, 2056	\$3,877,340	\$0	\$346,126	\$7,002	\$259,263	\$3,783,475
October 1, 2057	\$3,783,475	\$0	\$342,396	\$7,282	\$252,812	\$3,686,609
October 1, 2058	\$3,686,609	\$0	\$336,699	\$7,573	\$246,217	\$3,588,554
October 1, 2059	\$3,588,554	\$0	\$331,681	\$7,876	\$239,515	\$3,488,512
October 1, 2060	\$3,488,512	\$0	\$325,746	\$8,191	\$232,706	\$3,387,281
October 1, 2061	\$3,387,281	\$0	\$318,983	\$8,519	\$225,841	\$3,285,620
October 1, 2062	\$3,285,620	\$0	\$313,943	\$8,860	\$218,886	\$3,181,703
October 1, 2063	\$3,181,703	\$0	\$308,725	\$9,214	\$211,780	\$3,075,544
October 1, 2064	\$3,075,544	\$0	\$303,283	\$9,583	\$204,523	\$2,967,201
October 1, 2065	\$2,967,201	\$0	\$297,583	\$9,966	\$197,122	\$2,856,774
October 1, 2066	\$2,856,774	\$0	\$291,595	\$10,365	\$189,584	\$2,744,398
October 1, 2067	\$2,744,398	\$0	\$285,277	\$10,780	\$181,921	\$2,630,262
October 1, 2068	\$2,630,262	\$0	\$278,604	\$11,211	\$174,146	\$2,514,593
October 1, 2069	\$2,514,593	\$0	\$271,543	\$11,659	\$166,277	\$2,397,668
October 1, 2070	\$2,397,668	\$0	\$264,073	\$12,125	\$158,333	\$2,279,803
October 1, 2071	\$2,279,803	\$0	\$256,181	\$12,610	\$150,338	\$2,161,350



**DISCLOSURES RELATED TO THE FIREFIGHTERS' PENSION PLAN (continued)**

**PROJECTION OF THE FIDUCIARY NET POSITION (continued)**

Date	BOY Balance	Contributions	Benefit Payments	Administrative Expenses	Investment Earnings	EOY Balance
October 1, 2072	\$2,161,350	\$0	\$247,866	\$13,114	\$142,315	\$2,042,685
October 1, 2073	\$2,042,685	\$0	\$239,143	\$13,639	\$134,290	\$1,924,193
October 1, 2074	\$1,924,193	\$0	\$230,013	\$14,185	\$126,291	\$1,806,286
October 1, 2075	\$1,806,286	\$0	\$220,490	\$14,752	\$118,346	\$1,689,390
October 1, 2076	\$1,689,390	\$0	\$210,598	\$15,342	\$110,483	\$1,573,933
October 1, 2077	\$1,573,933	\$0	\$200,392	\$15,956	\$102,731	\$1,460,316
October 1, 2078	\$1,460,316	\$0	\$189,905	\$16,594	\$95,117	\$1,348,934
October 1, 2079	\$1,348,934	\$0	\$179,208	\$17,258	\$87,665	\$1,240,133
October 1, 2080	\$1,240,133	\$0	\$168,333	\$17,948	\$80,400	\$1,134,252
October 1, 2081	\$1,134,252	\$0	\$157,334	\$18,666	\$73,342	\$1,031,594
October 1, 2082	\$1,031,594	\$0	\$146,324	\$19,413	\$66,509	\$932,366
October 1, 2083	\$932,366	\$0	\$135,375	\$20,190	\$59,913	\$836,714
October 1, 2084	\$836,714	\$0	\$124,538	\$20,998	\$53,562	\$744,740
October 1, 2085	\$744,740	\$0	\$113,879	\$21,838	\$47,462	\$656,485
October 1, 2086	\$656,485	\$0	\$103,458	\$22,712	\$41,613	\$571,928
October 1, 2087	\$571,928	\$0	\$93,317	\$22,562	\$36,048	\$492,097
October 1, 2088	\$492,097	\$0	\$83,515	\$20,192	\$30,878	\$419,268
October 1, 2089	\$419,268	\$0	\$74,113	\$17,919	\$26,182	\$353,418
October 1, 2090	\$353,418	\$0	\$65,143	\$15,750	\$21,956	\$294,481
October 1, 2091	\$294,481	\$0	\$56,607	\$13,686	\$18,195	\$242,383
October 1, 2092	\$242,383	\$0	\$48,650	\$11,763	\$14,888	\$196,858
October 1, 2093	\$196,858	\$0	\$41,304	\$9,986	\$12,015	\$157,583
October 1, 2094	\$157,583	\$0	\$34,589	\$8,363	\$9,553	\$124,184
October 1, 2095	\$124,184	\$0	\$28,567	\$6,907	\$7,472	\$96,182
October 1, 2096	\$96,182	\$0	\$23,155	\$5,598	\$5,743	\$73,172
October 1, 2097	\$73,172	\$0	\$18,485	\$4,469	\$4,332	\$54,550
October 1, 2098	\$54,550	\$0	\$14,495	\$3,505	\$3,199	\$39,749
October 1, 2099	\$39,749	\$0	\$11,099	\$2,684	\$2,308	\$28,274
October 1, 2100	\$28,274	\$0	\$8,290	\$2,004	\$1,625	\$19,605
October 1, 2101	\$19,605	\$0	\$6,081	\$1,470	\$1,113	\$13,167
October 1, 2102	\$13,167	\$0	\$4,313	\$1,043	\$737	\$8,548
October 1, 2103	\$8,548	\$0	\$3,002	\$726	\$470	\$5,290
October 1, 2104	\$5,290	\$0	\$2,025	\$490	\$284	\$3,059
October 1, 2105	\$3,059	\$0	\$1,322	\$320	\$158	\$1,575
October 1, 2106	\$1,575	\$0	\$756	\$183	\$78	\$714
October 1, 2107	\$714	\$0	\$428	\$103	\$32	\$215
October 1, 2108	\$215	\$0	\$179	\$43	\$7	\$0
October 1, 2109	\$0	\$0	\$0	\$0	\$0	\$0

NOTES: *The fiduciary net position is projected to be sufficient to cover all future benefit payments when due.  
The plan requires only a 7% average investment return per year to avoid a crossover date.  
The projection shown above does not reflect future new entrants into the pension plan.*

DISCLOSURES RELATED TO THE FIREFIGHTERS' PENSION PLAN (continued)

AMORTIZATION BASES ATTRIBUTABLE TO UNEXPECTED INVESTMENT INCOME

Payment Year	YEAR DURING WHICH THE GAIN OR LOSS AROSE		TOTAL
	2019/20		
2019/20	-\$24		-\$24
2020/21	-\$24		-\$24
2021/22	-\$24		-\$24
2022/23	-\$24		-\$24
2023/24	-\$25		-\$25
Remaining Balance	-\$121		-\$121

<u>SUMMARY OF DEFERRED OUTFLOWS AND INFLOWS AS OF SEPTEMBER 30, 2020</u>		
	Deferred Outflows	Deferred Inflows
Unexpected investment income	\$0	\$97
Demographic experience	\$0	\$0
Assumption changes	\$0	\$0
Total	\$0	\$97