

Pace Fire Rescue District
Board of Commissioners
Regular Meeting
July 12, 2021

1. Call to Order
2. Pledge of Allegiance
3. Moment of Silence
4. Agenda approval (Additions / Deletions)
5. Public Forum
6. Minutes from the previous meeting
7. Financial Report (Written report attached)
8. Chief's Report (Written report attached)
9. 2019/2020 Budget Presentation – Warren Averrett
10. Mana Food Drive
11. Impact Fee's Resolution

Pace Fire Rescue District
Board of Commissioners
Regular Meeting
June 21,2021

1. **Meeting Called to Order**
 - a. Quorum present.
2. **Pledge of Allegiance was conducted**
3. **Moment of Silence was observed**
4. **Agenda was approved with no additions / deletions**
5. **Public Form - acknowledged**
6. **Minutes from the previous meeting**
 - a. Motion to approve 1st by Commissioner Page and 2nd by Commissioner Madine.
 - b. Motion Passed
7. **Financial Report (Written report attached)**
 - a. Motion to approve 1st made by Commissioner Madine, 2nd by Commissioner Page.
 - b. Motion Passed
8. **Chief Reports (written and attached)**
 - a. Motion to approve 1st made by Commissioner Madine, 2nd by Commissioner Page.
 - b. Motion Passed
9. **Station 3 update**
 - a. 27 rain days were approved to the contract. Completion date is not in the middle of August.
10. **Impact Fee Study**
 - a. Legal Counsel was hired to draft the proposed resolution

- 11. Memorandum of Understanding with Firefighter Pension Board**
 - a. Out of the excise tax monies that are eligible, Pension Board will come first then the Board of Fire Commission second. These monies will not affect the budget; it will only offset future expenses.
 - b. Motion to approve 1st made by Commissioner Gradia, 2nd by Vice Chairman Madine.
- 12. District estimated property values 2021**
 - a. Projected figures were presented for property values
- 13. Motion to Adjourn**
 - a. Motion made by Chairman Anderson, 2nd by Commissioner Mills.
 - b. Meeting adjourned.

Approved this 12th of July, 2021

Dean Anderson, Chairman

PACE FIRE & RESCUE DISTRICT INC
Profit & Loss Budget vs. Actual
 October 2020 through June 2021

	<u>Oct '20 - Jun 21</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
43400 · Direct Public Support	3,150.41	0.00	3,150.41	100.0%
44500 · MSBU FUNDS/Ad Valorem Taxes				
44500.5 · Discounts	-95,897.70			
44500 · MSBU FUNDS/Ad Valorem Taxes - Other	2,694,532.42	2,691,177.00	3,355.42	100.13%
Total 44500 · MSBU FUNDS/Ad Valorem Taxes	2,598,634.72	2,691,177.00	-92,542.28	96.56%
44530 · Public Safety FF Sup Comp	3,673.87			
44600 · Hydrant Grant	37,415.17			
44700 · Safer Grant	64,632.44			
44850 · Fire Prevention Review Fees	2,255.88			
45000 · Interest Income	541.15			
46400 · Other Types of Income	88,370.95			
46500 · Sheriff Utility Offset	7,504.28			
Total Income	2,806,178.87	2,691,177.00	115,001.87	104.27%
Gross Profit	2,806,178.87	2,691,177.00	115,001.87	104.27%
Expense				
62100 · Contract Services				
62110 · Accounting Fees	13,450.00	17,500.00	-4,050.00	76.86%
62140 · Legal Fees	6,439.80	20,000.00	-13,560.20	32.2%
62160 · Physicals				
62165 · Pre-Hiring Expenses	2,262.40	3,500.00	-1,237.60	64.64%
62160 · Physicals - Other	3,690.00	5,500.00	-1,810.00	67.09%
Total 62160 · Physicals	5,952.40	9,000.00	-3,047.60	66.14%
Total 62100 · Contract Services	25,842.20	46,500.00	-20,657.80	55.58%
62120 · Audit Expenses	18,000.00	18,000.00	0.00	100.0%
62300 · Books/Pubs/Subscriptions	4,862.47	12,500.00	-7,637.53	38.9%
62350 · Dues & Memberships	12,045.18	12,491.44	-446.26	96.43%
62380 · Medical Supplies	124.47	3,000.00	-2,875.53	4.15%
62400 · Office Supplies	4,756.99	5,500.00	-743.01	86.49%
62450 · Fire Prevention	0.00	3,000.00	-3,000.00	0.0%
62500 · Communication	1,852.37	5,500.00	-3,647.63	33.68%

PACE FIRE & RESCUE DISTRICT INC
Profit & Loss Budget vs. Actual
 October 2020 through June 2021

	<u>Oct '20 - Jun 21</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
62600 · Computer Supplies & Service	0.00	4,000.00	-4,000.00	0.0%
62800 · Repair & Maintenance				
62820 · Building Maintenance	2,501.97	7,500.00	-4,998.03	33.36%
62840 · Equip Maintenance & Repair	9,115.97	7,500.00	1,615.97	121.55%
62850 · Truck Maintenance & Repair	36,343.11	62,000.00	-25,656.89	58.62%
62800 · Repair & Maintenance - Other	37.07			
Total 62800 · Repair & Maintenance	47,998.12	77,000.00	-29,001.88	62.34%
63000 · Fuel/Lube/Oil	24,890.74	40,000.00	-15,109.26	62.23%
64100 · Utilities				
62135 · Garbage Service	1,638.94	2,400.00	-761.06	68.29%
64110.1 · Electric Station 1	11,366.03	26,000.00	-14,633.97	43.72%
64110.2 · Electric Station 2 & 3	875.23	9,600.00	-8,724.77	9.12%
64110.4 · Electric Station 4	972.44	2,520.00	-1,547.56	38.59%
64120 · Gas Sewer Water Station 3	966.62	2,500.00	-1,533.38	38.67%
64130 · Water Station 1	2,236.11	3,143.00	-906.89	71.15%
64150 · Internet & Telephone	1,814.92	2,000.00	-185.08	90.75%
64160 · Cell Phones	2,499.33	6,500.00	-4,000.67	38.45%
Total 64100 · Utilities	22,369.62	54,663.00	-32,293.38	40.92%
64200 · Training & Education	6,693.25	10,000.00	-3,306.75	66.93%
65000 · Operations				
65030 · Turnout Gear	1,627.72	12,000.00	-10,372.28	13.56%
65040 · Station Supplies	4,125.67	5,000.00	-874.33	82.51%
65050 · Uniforms	2,320.77	6,500.00	-4,179.23	35.7%
65060 · Operating Cleaning Supplies	2,040.46	6,500.00	-4,459.54	31.39%
Total 65000 · Operations	10,114.62	30,000.00	-19,885.38	33.72%
65100 · Insurance & Bonds				
65120 · Insurance-General Liability	0.00	60,000.00	-60,000.00	0.0%
65150 · Insurance-Vehicle & Property	33,767.92	0.00	33,767.92	100.0%
65160 · Insurance-Worker's Comp & Other	11,516.00	75,300.00	-63,784.00	15.29%
Total 65100 · Insurance & Bonds	45,283.92	135,300.00	-90,016.08	33.47%
65210 · Permits Licenses	175.00	8,200.00	-8,025.00	2.13%
66000 · Payroll Expenses				

PACE FIRE & RESCUE DISTRICT INC
Profit & Loss Budget vs. Actual
 October 2020 through June 2021

	<u>Oct '20 - Jun 21</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
66100 · Salaries	772,730.01	1,126,961.00	-354,230.99	68.57%
66120 · Benefits	135,467.35	249,600.00	-114,132.65	54.27%
66130 · Payroll Taxes	63,120.06	90,647.00	-27,526.94	69.63%
66140 · Retirement Match	89,045.48	203,854.00	-114,808.52	43.68%
66150 · Taxable Third Party Sick Pay	0.00			
66000 · Payroll Expenses - Other	3,120.58	0.00	3,120.58	100.0%
Total 66000 · Payroll Expenses	1,063,483.48	1,671,062.00	-607,578.52	63.64%
66200 · Other Current Charges	352.27			
66500 · Tax Collector Fees	51,940.61	127,268.00	-75,327.39	40.81%
67100 · Operational Service Test	4,518.00	7,000.00	-2,482.00	64.54%
68300 · Travel and Per Diem	1,073.00	5,500.00	-4,427.00	19.51%
69100 · Loan Payment-Engine 21	70,408.56	70,408.56	0.00	100.0%
Total Expense	1,416,784.87	2,346,893.00	-930,108.13	60.37%
Net Ordinary Income	1,389,394.00	344,284.00	1,045,110.00	403.56%
Other Income/Expense				
Other Expense				
70100 · Contingency	0.00	76,784.00	-76,784.00	0.0%
80100 · Capital Purchases				
80120 · Grant Capital Purchase Station3	334,807.36	112,500.00	222,307.36	297.61%
80130 · Grant Capital Purchase - Equip	38,502.72			
80140 · Grant Capital Purchase- Vehicle	0.00	40,000.00	-40,000.00	0.0%
80150 · Ladder 21 Replacement	1,758.00	115,000.00	-113,242.00	1.53%
Total 80100 · Capital Purchases	375,068.08	267,500.00	107,568.08	140.21%
Total Other Expense	375,068.08	344,284.00	30,784.08	108.94%
Net Other Income	-375,068.08	-344,284.00	-30,784.08	108.94%
Net Income	1,014,325.92	0.00	1,014,325.92	100.0%



Chief's Report

For the month of June 2021

Calls

EMS calls	114
Fire calls	115
Total calls	229

Response Time: Average response time for the month 6.10
Average response time for the year 6.66

Inspections/ Pre-fire Plans/ Hydrants

Annual Inspections	10
Pre-Plans	00
Plans Review	01
Permits Issued	02
Hydrants Tested	277

Training

- During the month we logged 673.84 personnel hours of required training.
- Personnel attending the following training:

Hazardous Materials Steel Drum Containers and Storage

Miscellaneous

- Firefighter Anderson has obtained his EMT certification.
- Firefighter St. Pierre has been accepted into the Paramedic Program at PSC and will be in the fall class.
- We are in the process of setting up a Swift / Flood Water Rescue class in conjunction with Skyline Fire, East Milton Fire, and Munson Fire. The class will be in August and we have four (4) personnel attending.

Pace Fire Rescue District

Pace, FL

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Incident Statistics

Zone(s): All Zones | Start Date: 06/01/2021 | End Date: 06/30/2021

INCIDENT COUNT			
INCIDENT TYPE		# INCIDENTS	
EMS		114	
FIRE		115	
TOTAL		229	
TOTAL TRANSPORTS (N2 and N3)			
APPARATUS	# of APPARATUS TRANSPORTS	# of PATIENT TRANSPORTS	TOTAL # of PATIENT CONTACTS
E21	0	0	14
E2102	0	0	4
LA21	0	0	15
TOTAL	0	0	33
PRE-INCIDENT VALUE		LOSSES	
\$501,090.00		\$110,900.00	
CO CHECKS			
736 - CO detector activation due to malfunction		1	
TOTAL		1	
MUTUAL AID			
Aid Type		Total	
Aid Given		10	
Aid Received		9	
OVERLAPPING CALLS			
# OVERLAPPING		% OVERLAPPING	
67		29.26	
LIGHTS AND SIREN - AVERAGE RESPONSE TIME (Dispatch to Arrival)			
Station	EMS	FIRE	
PACE FIRE RESCUE DISTRICT	0:06:07	0:07:50	
AVERAGE FOR ALL CALLS		0:06:19	
LIGHTS AND SIREN - AVERAGE TURNOUT TIME (Dispatch to Enroute)			
Station	EMS	FIRE	
PACE FIRE RESCUE DISTRICT	0:00:13	0:00:37	
AVERAGE FOR ALL CALLS		0:00:12	
AGENCY	AVERAGE TIME ON SCENE (MM:SS)		
Pace Fire Rescue District	21:00		

Only Reviewed Incidents included. EMS for Incident counts includes only 300 to 399 Incident Types. All other incident types are counted as FIRE. CO Checks only includes Incident Types: 424, 736 and 734. # Apparatus Transports = # of incidents where apparatus transported. # Patient Transports = All patients transported by EMS. # Patient Contacts = # of PCR contacted by apparatus. This report now returns both NEMSIS 2 & 3 data as appropriate. For overlapping calls that span over multiple days, total per month will not equal Total count for year.



Pace Fire Rescue District

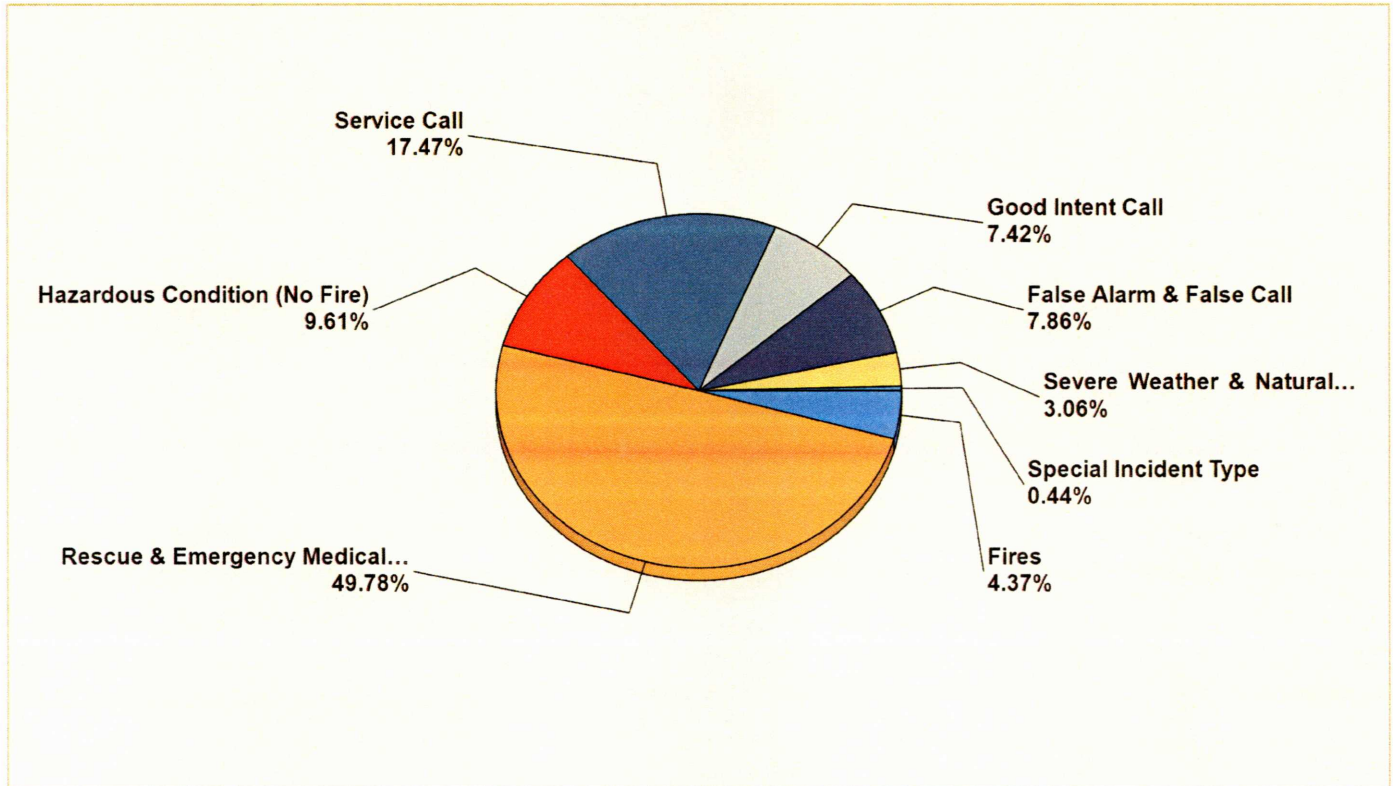
Pace, FL

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Breakdown by Major Incident Types for Date Range

Zone(s): All Zones | Start Date: 06/01/2021 | End Date: 06/30/2021



MAJOR INCIDENT TYPE	# INCIDENTS	% of TOTAL
Fires	10	4.37%
Rescue & Emergency Medical Service	114	49.78%
Hazardous Condition (No Fire)	22	9.61%
Service Call	40	17.47%
Good Intent Call	17	7.42%
False Alarm & False Call	18	7.86%
Severe Weather & Natural Disaster	7	3.06%
Special Incident Type	1	0.44%
TOTAL	229	100%

Only REVIEWED and/or LOCKED IMPORTED incidents are included. Summary results for a major incident type are not displayed if the count is zero.



Detailed Breakdown by Incident Type

INCIDENT TYPE	# INCIDENTS	% of TOTAL
111 - Building fire	3	1.31%
113 - Cooking fire, confined to container	1	0.44%
131 - Passenger vehicle fire	3	1.31%
140 - Natural vegetation fire, other	1	0.44%
151 - Outside rubbish, trash or waste fire	2	0.87%
311 - Medical assist, assist EMS crew	60	26.2%
320 - Emergency medical service, other	1	0.44%
321 - EMS call, excluding vehicle accident with injury	31	13.54%
322 - Motor vehicle accident with injuries	8	3.49%
324 - Motor vehicle accident with no injuries.	9	3.93%
352 - Extrication of victim(s) from vehicle	1	0.44%
365 - Watercraft rescue	4	1.75%
412 - Gas leak (natural gas or LPG)	1	0.44%
413 - Oil or other combustible liquid spill	1	0.44%
440 - Electrical wiring/equipment problem, other	3	1.31%
444 - Power line down	9	3.93%
445 - Arcing, shorted electrical equipment	8	3.49%
500 - Service Call, other	1	0.44%
511 - Lock-out	1	0.44%
550 - Public service assistance, other	1	0.44%
551 - Assist police or other governmental agency	7	3.06%
553 - Public service	7	3.06%
554 - Assist invalid	21	9.17%
561 - Unauthorized burning	2	0.87%
611 - Dispatched & cancelled en route	15	6.55%
651 - Smoke scare, odor of smoke	2	0.87%
700 - False alarm or false call, other	1	0.44%
730 - System malfunction, other	1	0.44%
733 - Smoke detector activation due to malfunction	1	0.44%
734 - Heat detector activation due to malfunction	1	0.44%
735 - Alarm system sounded due to malfunction	1	0.44%
736 - CO detector activation due to malfunction	1	0.44%
743 - Smoke detector activation, no fire - unintentional	4	1.75%
745 - Alarm system activation, no fire - unintentional	8	3.49%
813 - Wind storm, tornado/hurricane assessment	6	2.62%
814 - Lightning strike (no fire)	1	0.44%
900 - Special type of incident, other	1	0.44%
TOTAL INCIDENTS:	229	100%

Only REVIEWED and/or LOCKED IMPORTED incidents are included. Summary results for a major incident type are not displayed if the count is zero.



Pace Fire Rescue District

Pace, FL

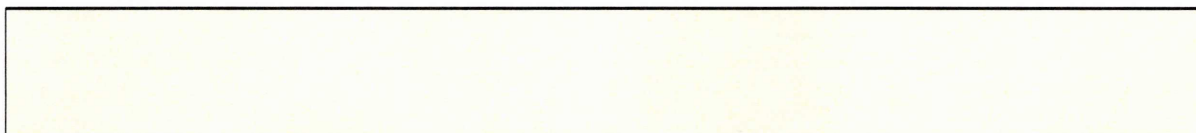
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Completed Inspections per Zone for Date Range

Start Date: 06/01/2021 | End Date: 06/30/2021

ZONE	ID	OCCUPANCY	ADDRESS	INSPECTED
2100 - 2100				
	572	Discount Tires	5036 Highway 90	06/07/2021
	163	AT&T	4749 Highway 90	06/14/2021
	210	Panera Bread	4763 Highway 90	06/14/2021
	513	Santino's Pizza & Grinders	4745 Highway 90 HWY	06/14/2021
	556	New Beginnings Preschool Center Inc.	4645 School LN	06/24/2021
	586	TNT Fireworks Sales	5054 Highway 90	06/28/2021
	331	Mugshots Grill & Bar	4955 Highway 90	06/28/2021
	121	America's Best Contacts & Eyeglasses	4805 Highway 90	06/30/2021
2103 - 2103				
	21	IMMANUEL BAPTIST CHURCH/First Steps Christian Preschool Buildings "B" and "C"	4187 Highway 90	06/17/2021
	585	James Dabney	3895 Highway 90 HWY	06/24/2021



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Pace Fire Rescue District

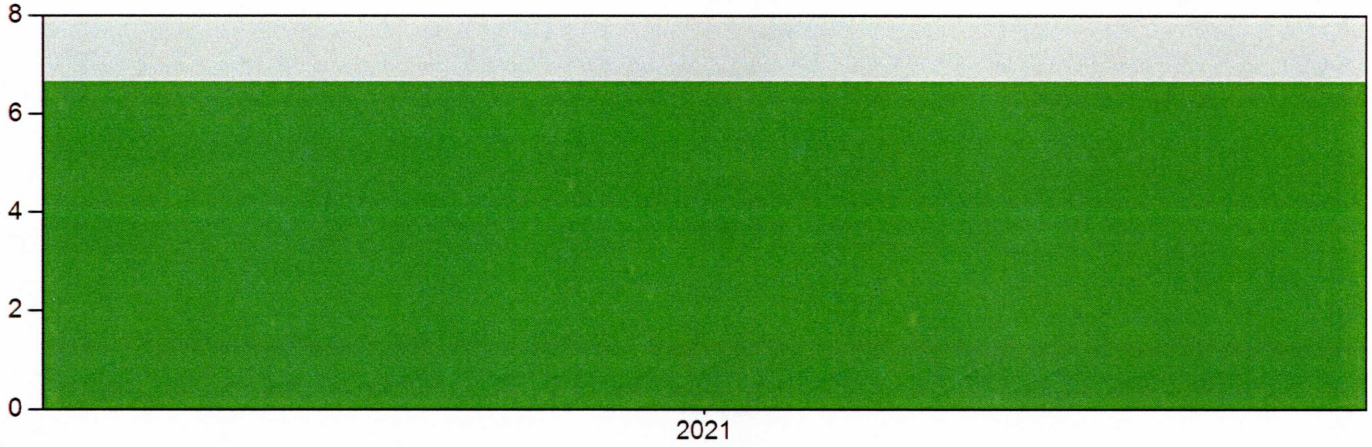
Pace, FL

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Average Response Time for Year Range

StartYear: 2021 | EndYear: 2021



YEAR	RESPONSE TIME (minutes)
2021	6.66

Response time calculated from DISPATCH and ARRIVED times of Basic Info 4 for all apparatus. Only REVIEWED incidents included.



Pace Fire Rescue District

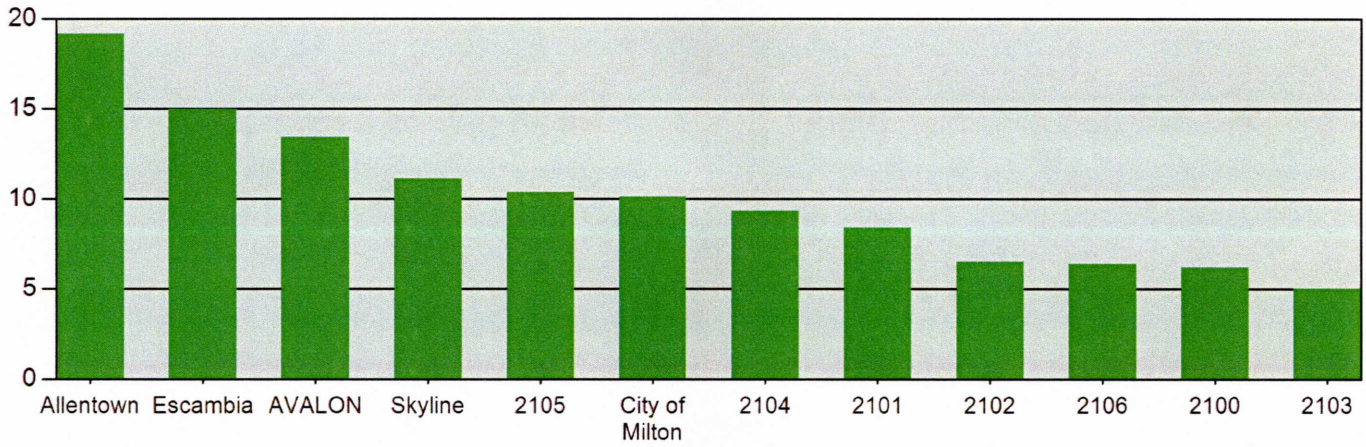
Pace, FL

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Average Response Time per Zone for Date Range

Start Date: 06/01/2021 | End Date: 06/30/2021



Zone	AVERAGE RESPONSE TIME in minutes (Dispatch to Arrived)
11 - Allentown	19:17
Escambia - Escambia	15:00
12 - AVALON	13:42
22 - Skyline	11:13
2105 - 2105	10:38
Milton - City of Milton	10:11
2104 - 2104	9:33
2101 - 2101	8:39
2102 - 2102	6:50
2106 - 2106	6:39
2100 - 2100	6:20
2103 - 2103	5:03

Only REVIEWED incidents included



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PACE FIRE RESCUE DISTRICT

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION**

SEPTEMBER 30, 2020

**PACE FIRE RESCUE DISTRICT
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SEPTEMBER 30, 2020**

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Pace Fire Rescue District

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the general fund and the pension trust fund of Pace Fire Rescue District (the "District"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the general fund, and the pension trust fund of the District, as of September 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund, and the pension related schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The District has omitted the Management's Discussion and Analysis (MD&A) that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the District's internal control over financial reporting and compliance.

Warren Averett, LLC

Pensacola, Florida
June 24, 2021

**PACE FIRE RESCUE DISTRICT
BALANCE SHEET
STATEMENT OF NET POSITION – GENERAL FUND
SEPTEMBER 30, 2020**

	<u>Balance Sheet</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS			
Cash and cash equivalents	\$ 1,397,891	\$ -	\$ 1,397,891
Capital assets			
Non-depreciable	-	214,660	214,660
Depreciable, net	-	1,344,559	1,344,559
Restricted cash	105,231	-	105,231
TOTAL ASSETS	<u>\$ 1,503,122</u>	<u>\$ 1,559,219</u>	<u>\$ 3,062,341</u>
LIABILITIES			
Accounts payable	\$ 51,534	\$ -	\$ 51,534
Accrued liabilities	52,482	-	52,482
Accrued interest	-	10,279	10,279
Due within one year			
Notes payable	-	113,649	113,649
Due in more than one year			
Net pension liability	-	222,108	222,108
Compensated absences	-	128,605	128,605
Notes payable	-	378,839	378,839
TOTAL LIABILITIES	104,016	853,480	957,496
FUND BALANCE / NET POSITION			
Fund Balance			
Restricted for capital expenditures	57,192	(57,192)	
Restricted for hydrant maintenance	48,039	(48,039)	
Unassigned	1,293,875	(1,293,875)	
TOTAL FUND BALANCE	<u>1,399,106</u>	<u>(1,399,106)</u>	
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,503,122</u>		
Net Position			
Net investment in capital assets		1,066,731	1,066,731
Restricted - capital projects and hydrant maintenance		105,231	105,231
Unrestricted		932,883	932,883
TOTAL NET POSITION		<u>\$ 2,104,845</u>	<u>\$ 2,104,845</u>

See notes to the financial statements.

**PACE FIRE RESCUE DISTRICT
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION – GENERAL FUND
SEPTEMBER 30, 2020**

Fund balance, general fund (page 3)		\$ 1,399,106
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources; therefore, they are not reported in the general fund.

Governmental non-depreciable assets	214,660	
Governmental depreciable assets	2,115,323	
Less accumulated depreciation	<u>(770,764)</u>	
		1,559,219

The net position of the pension trust fund is greater than the total pension liability; therefore, a net pension liability exists. This liability is not reported in the general fund.

(222,108)

Long-term liabilities are not due and payable in the current period and are not reported in the general fund.

Notes payable	(492,488)	
Accrued interest	(10,279)	
Compensated absences	<u>(128,605)</u>	<u>(631,372)</u>

Net position of governmental activities (page 3)

\$ 2,104,845

See notes to the financial statements.

**PACE FIRE RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE/STATEMENT OF ACTIVITIES – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
REVENUES			
Property taxes	\$ 2,454,317	\$ -	\$ 2,454,317
Intergovernmental revenues	175,292	-	175,292
Interest income	2,779	-	2,779
Miscellaneous income	25,802	-	25,802
Total revenues	2,658,190	-	2,658,190
EXPENDITURES			
Current			
Public safety - fire protection			
Personal services	1,353,172	243,092	1,596,264
Operating expenditures	502,980	-	502,980
Depreciation and amortization	-	94,920	94,920
Capital outlay	584,050	(584,050)	-
Debt service			
Principal	54,704	(54,704)	-
Interest	15,705	2,426	18,131
Total expenditures	2,510,611	(298,316)	2,212,295
EXCESS OF REVENUES OVER EXPENDITURES	147,579		
OTHER FINANCING SOURCES			
Debt proceeds	547,192	(547,192)	
NET CHANGE IN FUND BALANCE	694,771		
INCREASE IN NET POSITION			445,895
FUND BALANCE/NET POSITION:			
BEGINNING OF YEAR	704,335		1,658,950
END OF YEAR	\$ 1,399,106		\$ 2,104,845

See notes to the financial statements.

**PACE FIRE RESCUE DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Net change in fund balance - general fund (page 5)		\$ 694,771
Amounts reported for governmental activities in the Statement of Activities are different because:		
<p>The general fund reports capital outlays as expenditures; however, in the Statement of Activities, the cost of those assets is depreciated/amortized over the estimated useful lives of the assets.</p>		
Expenditures for capital assets	584,050	
Less current year depreciation	<u>(94,920)</u>	489,130
Pension expense in the statement of activities takes into consideration the change in the net pension liability.		(222,108)
<p>The issuance of long-term debt provides current financial resources to the general fund, while the repayment of the principal of long-term debt consumes the current financial resources of the general fund. Neither transaction, however, has any effect on net position. Also, the general fund reports the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.</p>		
Proceeds from debt	(547,192)	
Principal payments	<u>54,704</u>	(492,488)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources; therefore, they are not reported as expenditures in the general fund.</p>		
Change in accrued interest on long-term debt	(2,426)	
Change in long-term compensated absences	<u>(20,984)</u>	<u>(23,410)</u>
Change in net position of governmental activities (page 5)		<u>\$ 445,895</u>

See notes to the financial statements.

**PACE FIRE RESCUE DISTRICT
FIDUCIARY FUND
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2020**

ASSETS

Investments, at fair value	<u>\$ 134,726</u>
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TOTAL ASSETS

134,726

NET POSITION

Held in trust for pension benefits	<u>\$ 134,726</u>
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See notes to the financial statements.

**PACE FIRE RESCUE DISTRICT
FIDUCIARY FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

ADDITIONS

Contributions	
Employer	\$ 73,503
Plan members	<u>59,436</u>
Total contributions	132,939
Net increase in fair value of investments	<u>3,493</u>
Net investment income	<u>3,493</u>
TOTAL ADDITIONS	136,432

DEDUCTIONS

Administrative expenses	<u>1,706</u>
TOTAL DEDUCTIONS	<u>1,706</u>

NET INCREASE IN NET POSITION 134,726

NET POSITION HELD IN TRUST FOR PENSION BENEFITS

BEGINNING OF YEAR	<u>-</u>
END OF YEAR	<u><u>\$ 134,726</u></u>

See notes to the financial statements.

**PACE FIRE RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

1. DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Pace Fire Rescue District (the "District") was created in 1959 by Special Act of Legislation as Pace Fire Rescue District and was re-created by Special Act of legislation in 2018 as Pace Fire Rescue District. The purpose of the District is to raise funds for the operations of the fire department through the levy of ad valorem taxes on property within the District. The District is served by a five-member Board of Commissioners, elected at large from the residents of the District.

The financial statements of the District have been prepared in accordance with accounting principles generally accepted (GAAP) in the United States of America applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The following is a summary of the District's accounting policies applied in the preparation of the financial statements.

A. The Reporting Entity

As required by GAAP, these financial statements present Pace Fire Rescue District as the primary government. In evaluating the District as a reporting entity, management has concluded there are no component units, which are required to be included in these financial statements.

B. Government-Wide and Fund Financial Statements

The basic financial statements include presentations of both government-wide and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. Since only one governmental fund is utilized, there is no interfund activity, which requires elimination. Governmental activities of the District are primarily supported by taxes and intergovernmental revenues. There are no business-type activities conducted by the District, which rely, to a significant extent, on fees and charges for support.

As permitted by GAAP, the District has elected to present the government-wide financial statements and fund financial statements in a combined presentation with a column containing the adjustments to reconcile the two financial statements.

Separate fund financial statements are provided for the fiduciary fund, even though the fiduciary fund is excluded from the government-wide financial statements. Each fund is a separate accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

**PACE FIRE RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

**1. DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
– CONTINUED**

B. Government-Wide and Fund Financial Statements – Continued

The following two broad classifications are used to categorize the fund types used by the District:

Governmental

Governmental funds focus on the determination of financial position and changes in financial position (sources, uses and balances of financial resources). The District has only one governmental fund, the General Fund, which is the District's primary operating fund and is used to account for all financial resources except those required to be accounted for in another fund.

Fiduciary

Fiduciary funds are used to account for the assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District. The District has one type of fiduciary fund, the Pension Trust Fund, which reports the resources required to be held in trust for the members and beneficiaries of the defined benefit pension plan administered by Pace Fire Rescue District Firefighters' Pension Trust Fund Board of Trustees.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recorded as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for certain grant revenues which are recognized as revenues in the same period the grant expenditures occurred, or when received in advance, deferred until expenditures are made. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenue recognition criteria for property taxes requires that property taxes expected to be collected within 60 days of the current period be accrued. No accrual has been made for ad valorem taxes because property taxes are not legally due until subsequent to the end of the fiscal year.

Fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The accrual basis of accounting recognizes revenues when earned and expenses when incurred. The pension trust fund is used to account for the assets held by the District in a trustee capacity for the pension plan's participants.

**PACE FIRE RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

**1. DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
– CONTINUED**

C. Measurement Focus and Basis of Accounting – Continued

Plan contributions to the pension trust fund are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first and then unrestricted resources, as they are needed.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance or Net Position

Cash and Cash Equivalents

The District's cash on hand, demand deposits and short-term investments with maturities of three months or less when purchased are considered cash and cash equivalents.

Investments

Section 218.415, Florida Statutes, prescribes certain allowable investments including the Local Government Surplus Funds Trust Fund (Florida PRIME), Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency, interest-bearing time deposits or savings accounts in qualified public depositories or direct obligations of the U.S. Treasury.

Investments of the Firefighters' Pension Trust Fund are invested with the Florida Municipal Investment Trust (FMIVT), which is managed by the Florida Municipal Pension Trust Fund (FMPTF). The FMIVT is a Local Government Investment Pool (LGIP) and therefore, considered an external investment pool. The Firefighters' Pension Trust Fund has a beneficial interest in the shares of the FMIVT portfolio, not in the individual securities held within the portfolio. The District has adopted the investment policy of the FMPTF as the investment policy for the Firefighters' Pension Trust Fund. Under this policy, a wide array of investments are allowable.

Capital Assets

Capital assets, which include property and equipment, are reported in the governmental activities column in the government-wide financial statements. The District capitalizes assets that have an estimated useful life in excess of one year and an initial cost greater than \$1,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are not capitalized.

**PACE FIRE RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

**1. DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
– CONTINUED**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and
Fund Balance or Net Position – Continued**

Capital Assets – Continued

Property and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	5 - 40 years
Improvements	5 - 15 years
Equipment & apparatuses	2 - 10 years
Fire trucks & vehicles	5 - 15 years

Deferred Outflow/Inflow of Resources

In addition to assets, the statement of net position will sometimes report a separate section for *deferred outflow of resources*. This separate financial statement element, *deferred outflow of resources*, represents a consumption of net position that applies to a future period(s) and will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for *deferred inflow of resources*. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of net position that applies to a future period(s) and will *not* be recognized as an inflow of resources (revenue) until that time. The District does not have any items that qualify for reporting in this category.

Compensated Absences

The District allows employees to accumulate sick and vacation leave benefits, which will be paid upon separation from service. Unpaid compensated absences are recorded as a liability in the government-wide financial statements when the benefits are earned. For governmental funds, these expenditures are recognized when payments are made to the employees.

Fund Balances

In the fund financial statements, fund balances are reported as either non-spendable or as restricted, committed, assigned and unassigned, based on the extent to which there are external and internal constraints on the use of these fund balances. Restricted fund balance consists of unspent proceeds from debt for capital improvement projects and, cash for fire hydrant maintenance.

**PACE FIRE RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

**1. DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
– CONTINUED**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and
Fund Balance or Net Position – Continued**

Net Position

The government-wide financial statements utilize a net position presentation. Net investments in capital assets reflects the portion of net position, which is associated with capital assets less outstanding capital asset related debt. Restricted net position consists of \$57,192 unspent proceeds from debt for capital improvement projects and \$48,039 for hydrant maintenance. Unrestricted net position represents the portion of net position that is neither restricted nor invested in capital assets (net of related debt).

Net Pension Liability

The government-wide financial statements present a net pension liability equal to the difference between the actuarial present value of projected benefits to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service and the amount of the pension plan's fiduciary net position. Additionally, pension expense and deferred outflows of resources and deferred inflows of resources are annually recognized from changes in the components of the net pension liability. See note 7 for more information.

E. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

F. Property Tax

The Santa Rosa County Tax Collector bills and collects property taxes for the District. Property taxes attach as an enforceable lien on property as of the date of assessment and remain in effect until discharge by payment. Taxes are payable when levied (on November 1, or as soon thereafter as the assessment roll becomes available to the Tax Collector).

The following is the current property tax calendar:

Lien Date	January 1
Levy Date	November 1
Due Date	November 1
Delinquent Date	April 1

Beginning in November, discounts are granted of 1% for each month taxes are paid prior to the following March

**PACE FIRE RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

2. CASH AND INVESTMENTS

Cash

The District's deposits at year-end were held by a financial institution designated as a "Qualified Public Depository" as defined by the State Treasurer. All deposits were fully insured through a combination of federal depository insurance and participation of the financial institution in the multiple financial institution collateral pool as specified in Chapter 280, Florida Statutes. Accordingly, risk of loss due to bank failure is not significant.

Investments

The types of allowable investments are restricted by state statutes, retirement fund plan documents and other contractual agreements. A description of the requirements and the types of investments allowed is in Note 1-D.

Pension Trust Fund

The District is a participating employer of the Florida Municipal Pension Trust Fund (FMPTF), which provides the District's pension plan with administrative and investment services. All employee pension plan assets are included in the trust's Master Trust Fund and are invested by the FMPTF through the Florida Municipal Investment Trust (FMIvT) for the benefit of the District, employees and beneficiaries. The FMIvT is Local Government Investment Pool (an external investment pool for GASB reporting purposes) and the District has a beneficial interest in FMIvT Portfolio A and not the individual securities held within the portfolio. Portfolio "A" strives for a ratio of 60% Equities/40% Fixed Income. These investments are reported at fair value within the pool. At September 30, 2020, the District's investment in the FMPTF was \$134,726.

The District measures and records the investment in the pool using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1 Inputs – directly observable, quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation or by other means.

Level 3 Inputs – unobservable inputs used only when relevant Level 1 and Level 2 inputs are unavailable.

**PACE FIRE RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

2. CASH AND INVESTMENTS – CONTINUED

Investments – Continued

Fair Value of Investments:

<u>Investment Funds</u>	<u>Asset Value at 9/30/2020</u>	<u>Fair Value Hierarchy Level</u>
Fixed Income Fund		
FMIvT Broad Market High Quality Bond	\$ 18,727	2
FMIvT Core Plus	18,862	3
Equity Portfolios		
FMIvT Diversified Large Cap Equity	48,636	2
FMIvT Diversified Small to Mid Cap Equity	13,742	2
FMIvT International Equity	21,421	2
FMIvT Core Real Estate Portfolio	12,260	3
Cash and Money Market	1,078	NA
Totals	<u>\$ 134,726</u>	

Credit Risk and Interest Rate Risk Information:

<u>Investment Funds</u>	<u>Asset Allocation</u>	<u>Credit Risk (Fitch Rating)</u>	<u>Interest Rate Risk (Years) Modified Duration</u>	<u>Interest Rate Risk (Years) - WAM</u>
Fixed Income Fund				
FMIvT Broad Market High Quality Bond	13.90%	Aaf/S4	5.52	6.60
FMIvT Core Plus	14.00%	Not Rated	3.35	5.82
Equity Portfolios				
FMIvT Diversified Large Cap Equity	36.10%	Not Rated		
FMIvT Diversified Small to Mid Cap Equity	10.20%	Not Rated		
FMIvT International Equity	15.90%	Not Rated		
FMIvT Core Real Estate Portfolio	9.10%	Not Rated		
Cash and Money Market	0.80%	Not Rated		
Totals	<u>100%</u>			

**PACE FIRE RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

3. CHANGES IN CAPITAL ASSETS

Capital asset activity for the year was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Deletions/ Transfers</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 214,660	\$ -	\$ -	\$ 214,660
Total Capital assets not being depreciated	214,660	-	-	214,660
Capital assets being depreciated				
Buildings	1,284,000	-	-	1,284,000
Radios	67,000	-	-	67,000
Extrication tools	-	19,400	-	19,400
Equipment	147,254	74,669	-	221,923
Fire trucks and vehicles	523,000	-	-	523,000
Total capital assets being depreciated	2,021,254	94,069	-	2,115,323
Less accumulated depreciation				
Buildings	604,723	42,261	-	646,984
Radios	21,579	6,700	-	28,279
Extrication tools	-	970	-	970
Equipment	31,941	13,889	-	45,830
Fire trucks and vehicles	17,601	31,100	-	48,701
Total accumulated depreciation	675,844	94,920	-	770,764
Total capital assets being depreciated, net	1,345,410	(851)	-	1,344,559
Governmental activities, net	<u>\$ 1,560,070</u>	<u>\$ (851)</u>	<u>\$ -</u>	<u>\$ 1,559,219</u>

Depreciation expense reported in the government-wide financial statement was \$94,920.

4. RISK MANAGEMENT

The District is exposed to various risks of loss related to tort; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases insurance through commercial carriers to cover these risks. There have been no significant reductions in insurance coverage during the current year. Settlements have not exceeded insurance coverage in each of the past three years.

The District's worker's compensation is insured under a retrospectively rated policy in which the initial premium is adjusted based on actual experience during the period of coverage. Premiums are paid on the basis of the carrier's estimated cost of providing insurance to similar groups.

**PACE FIRE RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

5. LONG-TERM DEBT

The following table summarizes changes in long-term debt of the District for the year ended September 30, 2020:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities					
Notes payable	\$ 490,000	\$ 57,192	\$ (54,704)	\$ 492,488	\$ 113,649
Compensated absences	107,621	20,984		128,605	-
Total governmental activities	<u>\$ 597,621</u>	<u>\$ 78,176</u>	<u>\$ (54,704)</u>	<u>\$ 621,093</u>	<u>\$ 113,649</u>

Annual Requirements to Amortize Debt Outstanding

The annual debt service requirements to maturity to retire notes payable are as follows:

<u>Year ending September 30,</u>	<u>Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2021	\$ 113,649	\$ 13,951
2022	58,267	12,142
2023	60,134	10,274
2024	62,062	8,347
2025	64,051	6,358
Thereafter	<u>134,325</u>	<u>6,492</u>
Total	<u>\$ 492,488</u>	<u>\$ 57,564</u>

Notes Payable

\$490,000 note payable with SunTrust Bank; due in annual payments of \$70,409 through March 2027, including interest at 3.21%. Secured by the fire engine.

	<u>Current</u>	<u>Long-Term</u>	<u>Total</u>
	\$ 56,457	\$ 378,839	\$ 435,296

\$950,000 note payable with Synovus Bank; due in annual payments of \$56,073 beginning March 2022 through September 2031, including interest at 3.27%; in construction phase as of year end, to be completed in fiscal year 2022. Secured by District property.

	57,192	-	57,192
Total Notes Payable	<u>\$ 113,649</u>	<u>\$ 378,839</u>	<u>\$ 492,488</u>

**PACE FIRE RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

6. DEFINED BENEFIT PENSION PLAN

Plan Description

Plan Administration

District's Firefighters' Pension Trust Fund (Plan) is a single-employer defined benefit pension plan for the sole benefit of the firefighters of the District. The Plan was established in 2019 and is administered by a Board of Trustees. The Board consists of five Trustees, two of whom are appointed by the Fire District Commission; two of whom are full-time Firefighters (members of the Plan) elected by a majority vote of the members of the Plan; and a fifth Trustee chosen by a majority of the first four Trustees. Participation is mandatory for all firefighters. The Plan operates under the provisions of Chapter 175, Florida Statutes, as a "Chapter Plan" with administrative oversight provided by the Florida League of Cities. Chapter 175 establishes minimum benefits and minimum standards for the operation and funding of the Plan.

The financial activity of the Plan is reported as a Pension Trust Fund in the District's fiduciary fund financial statements. The Plan's assets may be used only for the payment of benefits to members. The Plan does not issue a stand-alone audited financial report.

Measurement Date for Pension Reporting

The pension related amounts reported in the financial statements as of and for the year ended September 30, 2020 (employer reporting period) are based upon the net pension liability and the pension expense determined as of and for the year ended September 30, 2020 (the measurement date).

Benefits Provided

The Plan provides retirement, termination, disability and death benefits.

Retirement Age:

Normal: The date the member attains age 55 or older with 10 or more years of Credited Service, or the date the member reaches 25 or more years of credited service regardless of age.

Early: date the member attains age 50 with 10 or more years of Credited Service.

Retirement Benefits:

Normal: Tiered calculation of 2.75% of average final compensation (AFC) for each year of Credited Service.

Early: Tiered calculation same as normal benefits except reduction equal to 3.00% per year for the years of credited service; early retirement date precedes normal retirement date.

Disability Retirement:

Line-of-duty: Accrued retirement benefit or 42% of AFC, whichever is greater

Non-line-of-duty: If vested, accrued normal retirement benefit or 25%, whichever is greater. If not vested, return of accumulated member contributions, without interest.

Pre-Retirement Death Benefits:

Vested member: Benefits, otherwise payable at early or normal retirement age, payable to Beneficiary.

Non-vested member: Refund of accumulated member contributions without interest payable to beneficiary.

**PACE FIRE RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

6. DEFINED BENEFIT PENSION PLAN– CONTINUED

Plan Descriptions – Continued

Plan Membership as of October 1, 2020:

Active Plan Members	21
	21

Contributions

The State legislature establishes, and may amend, minimum contribution rates for plan members. Employer contribution rates are actuarially determined by the plan's actuary. The State of Florida contributes a discretionary portion of the 1.85% excise tax imposed on insurance premiums on property within the District into the Plan. The actuarially determined combined contribution rate for 2020 for both the State of Florida and the District was 11.65%, resulting in a total contribution rate of 10.24% of covered payroll. Employees are required to contribute 10% of pensionable earnings.

Investments

The District's adopted asset allocation was a target allocation of 45% domestic equity, 15% international equities, 10% real estate and 30% fixed income.

Concentrations

The Plan did not hold investments in any one organization that represent five percent or more of the Pension Plan's fiduciary net position.

Rate of Return

For the year ended September 30, 2020, the annual money weighted rate of return on Plan investments, net of Plan investment expense, was 5.32%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

The components of the Net Pension liability of the Sponsor based upon the measurement date of September 30, 2020, were as follows:

Total Pension Liability	\$ 356,834
Plan Fiduciary Net Position	(134,726)
Sponsor's Net Pension Liability	\$ 222,108

**PACE FIRE RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

6. DEFINED BENEFIT PENSION PLAN– CONTINUED

Net Pension Liability – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2019, using the following actuarial assumptions:

Inflation	2.77%
Salary Increases	4.00%
Discount Rate	7.00%
Investment Rate of Return	7.00%

The date of the most recent experience study for which significant assumptions are based upon is not available. The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2020, are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
Core Bonds	1.60%
Core Plus	2.10%
US Large Cap Equity	4.60%
US Small Cap Equity	5.50%
Non- US Equity	6.70%
Core Real Estate	5.00%

Discount Rate

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the 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 Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2020, the District recognized a pension expenditure of \$73,503 (employer contributions) in the fund level financial statements and pension expense of \$295,708 in the government-wide financial statements.

**PACE FIRE RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

6. DEFINED BENEFIT PENSION PLAN – CONTINUED

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) – (b)
Beginning Balances	\$ -	\$ -	\$ -
Changes:			
Service cost	36,971	-	36,971
Expected interest growth	16,750	3,372	13,378
Changes of benefit terms	303,937	-	303,937
Unexpected investment income	-	121	(121)
Changes in assumptions	-	-	-
Contributions – Employer	-	73,503	(73,503)
Contributions – State	-	-	-
Contributions – Employee	-	59,436	(59,436)
Benefit payment and refunds	(824)	-	(824)
Administrative expenses	-	(1,706)	1,706
Net changes	<u>356,834</u>	<u>134,726</u>	<u>222,108</u>
Balances at September 30, 2020	<u>\$ 356,834</u>	<u>\$ 134,726</u>	<u>\$ 222,108</u>

Sensitivity of the Net Pension Liability to changes in the Discount Rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
	Sponsor's Net Pension Liability	\$ 296,840	\$ 222,108

7. COMMITMENTS AND CONTINGENCIES

The District may be contingently liable with respect to lawsuits and claims incidental to the ordinary course of its operations. In the opinion of management, there are no claims, either asserted or unasserted, which are likely to have a material effect on the financial position of the District.

**PACE FIRE RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

8. GOVERNMENTAL FUND BALANCES

Fund balance at year end consists of the following:

Restricted fund balances can only be used for specific purposes, which are externally imposed by creditors, grantors, contributors or laws or regulations or are imposed by law through constitutional provisions or enabling legislation. As of September 30, 2020, the District had restricted fund balance in its General Fund, consisting of \$57,192 for future capital expenditures and improvements and \$48,039 for fire hydrant maintenance.

Unassigned fund balances represent the residual positive fund balance within the General Fund, which has not been restricted, committed or assigned. As of September 30, 2020, the District had unassigned fund balance in its General Fund of \$1,293,875.

9. SUBSEQUENT EVENT

In November 2020, the District entered into an agreement to finance the purchase of a ladder fire truck totaling \$905,805. The agreement requires annual debt service payments of \$127,622, bearing interest at 1.61% through November 2028.

REQUIRED SUPPLEMENTARY INFORMATION

**PACE FIRE RESCUE DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET TO ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property taxes	\$ 2,457,584	\$ 2,457,584	\$ 2,454,317	\$ (3,267)
Intergovernmental	-	-	175,292	175,292
Interest	-	-	2,779	2,779
Miscellaneous	-	-	25,802	25,802
Total revenues	<u>2,457,584</u>	<u>2,457,584</u>	<u>2,658,190</u>	<u>200,606</u>
EXPENDITURES				
Current				
Public safety				
Personal services	1,611,195	1,611,195	1,353,172	258,023
Operating expenditures	473,509	473,509	502,980	(29,471)
Capital outlay	222,380	222,380	584,050	(361,670)
Contingency	80,000	80,000	-	80,000
Debt service				
Principal and interest	70,500	70,500	70,409	91
Total expenditures	<u>2,457,584</u>	<u>2,457,584</u>	<u>2,510,611</u>	<u>(53,027)</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	147,579	(147,579)
OTHER FINANCING SOURCES				
Debt Proceeds	-	-	547,192	(547,192)
NET CHANGE IN FUND BALANCE	-	-	694,771	(694,771)
FUND BALANCE - BEGINNING OF YEAR	-	-	704,335	704,335
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,399,106</u>	<u>\$ 1,399,106</u>

See notes to required supplementary information.

**PACE FIRE RESCUE DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2020**

Measurement Date	9/30/2020
Total Pension Liability	
Service cost	\$ 36,971
Interest	16,750
Change in benefit terms	303,937
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments	(824)
Net Change in Total Pension Liability	356,834
Total Pension Liability – Beginning	-
Total Pension liability – Ending (a)	\$ 356,834
Plan Fiduciary Net Position	
Contributions – Employer	\$ 73,503
Contributions – Employee	59,436
Net investment income	3,493
Administrative expenses	(1,706)
Net Change in Plan Fiduciary Net Position	134,726
Plan Fiduciary Net Position – Beginning	-
Plan Fiduciary Net Position – Ending (b)	\$ 134,726
Net Pension Liability – Ending (a) – (b)	\$ 222,108
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	37.76%
Covered Employee Payroll*	\$ 717,859
Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	30.94%

*The covered payroll amounts are in compliance with GASB 82.

Notes to the Schedule of Changes in Net Pension Liability and Related Ratios

The schedule is not available for years prior to 2020 because the plan began on December 31, 2019.

See notes to required supplementary information.

**PACE FIRE RESCUE DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2020**

	9/30/2020
Actuarially determined contribution	\$ 73,503
Contributions in relation to the actuarially determined contributions:	73,503
Contribution Deficiency (Excess)	\$ -
Covered Employee Payroll*	\$ 717,859
Contributions as a Percentage of Covered Employee Payroll	10.24%

*The covered payroll amounts are in compliance with GASB 82.

See notes to required supplementary information.

**PACE FIRE RESCUE DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
SEPTEMBER 30, 2020**

9/30/2020

Annual money-weighted rate of return:

 Net of investment expense*

5.32%

Notes to schedule:

*The covered payroll amounts are in compliance with GASB 82.

See notes to required supplementary information.

**PACE FIRE RESCUE DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL- GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Revenues and expenditures are controlled by a formal budget adopted by the Board of Commissioners of the District. The budget is prepared on a basis consistent with GAAP.

The legal level of control for appropriations is exercised at the total expenditure level, including a contingency. The tax rate in effect for the current year was 1.48 mills. The District may only increase the millage rate 2/10ths of a mill annually up to the State maximum allowed millage of 3.75 mills. Budget workshops are held by the District to plan, review and discuss the proposed budget prior to its advertisement in a newspaper of general circulation. Public hearings are conducted for the purpose of hearing requests and complaints from the public. The final budget is adopted by District resolution. Any subsequent amendments must be enacted in the same manner as the original budget, except for individual line item transfers, which are approved by the Board of Commissioners.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners
Pace Fire Rescue District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the general fund and the pension trust fund of Pace Fire Rescue District (the "District") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 24, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting (internal control) as a basis for determining audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was, for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, where applicable, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements.

However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Warren Averett, LLC

Pensacola, Florida
June 24, 2021

**INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF
COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

To the Board of Commissioners
Pace Fire Rescue District

We have examined Pace Fire Rescue District's (hereinafter referred to as "the District") compliance with Florida Statute 218.415, in regard to investments for the year ended September 30, 2020.

Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence that we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

Warren Averett, LLC

Pensacola, Florida
June 24, 2021

MANAGEMENT LETTER

To the Board of Commissioners
Pace Fire Rescue District

Report on the Financial Statements

We have audited the financial statements of Pace Fire Rescue District (the "District"), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated June 24, 2021.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Auditor General*.

Other Reports

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, if any, which are dated June 24, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The legal authority for the District is disclosed in Note 1 to the financial statements. There are no component units related to the District.

Financial Condition

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require that we apply appropriate procedures and report the results of our determination as to whether the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Other Matters

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires that we communicate noncompliance with provisions of contracts or grant agreements or abuse that have occurred or are likely to have occurred that have an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Warren Averett, LLC

Pensacola, Florida
June 24, 2021

RESOLUTION NO. ___ - 21

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PACE FIRE RESCUE DISTRICT ESTABLISHING FIRE RESCUE SERVICES IMPACT FEES FOR THE DISTRICT; ESTABLISHING THE AMOUNT OF IMPACT FEES; PROVIDING FOR CREDITS AND EXEMPTIONS; PROVIDING FOR ACCOUNTING AND REPORTING OF IMPACT FEE COLLECTIONS AND EXPENDITURES; REQUIRING THAT IMPACT FEES BE USED ONLY IN ACQUIRING, CONSTRUCTING, OR IMPROVING CAPITAL FACILITIES TO BENEFIT NEW USERS; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Pace Fire Rescue District (the "District") was created pursuant to Laws of Florida, Ch. 2017-221 (the "Act").

WHEREAS, the District has the responsibility to provide fire prevention and emergency rescue services in accordance with Ch. 191, Florida Statutes, for the area of Santa Rosa County, Florida, more particularly identified in the Act.

WHEREAS, the Board of Commissioners (the "Board") of the District has determined that there exist in the District increasing demands for fire prevention and emergency rescue that are the result, in whole or in part, of new residential and nonresidential development in the District; and in order to fulfill the District's responsibility to reasonably meet such new increasing demands, it is reasonably necessary for the District to acquire new fire prevention and emergency rescue facilities and equipment.

WHEREAS, the Board finds that such acquisition of such new or additional facilities and equipment will necessitate significant capital expenditure that would not have been needed but for the demands created by such new residential and nonresidential development in the District.

WHEREAS, Santa Rosa County has not adopted an impact fee for fire services for distribution to the District, while the Legislature, in Section 8(4) of the Act, has authorized the District to impose impact fees.

WHEREAS, the Board finds that it reasonable and equitable that new development in the District contribute directly to the funding of new or additional fire prevention and emergency rescue facilities and equipment that would not be needed but for the demands created by such new development in the District; and, therefore, the Board has determined that it is reasonable and appropriate to establish a Fire Rescue Service Impact Fee as contemplated herein as a means of enabling such new development in the District to contribute directly to the funding of such new or additional facilities and equipment.

NOW, THEREFORE, it is hereby resolved by the Board of Commissioners of the Pace Fire Rescue District as follows:

Section 1. Intent and Purpose.

The purpose of this Resolution is to regulate the use and development of land so as to ensure that new development bears a proportionate share of the cost of capital expenditures necessary to provide fire protection and emergency rescue services in the District. The purpose of this Resolution is to establish a Fire Rescue Service Impact Fee on new development within the District to assign, to the extent practical, the District's growth-related future capital costs to new development responsible for such costs. To the extent population growth and associated development in the District requires capacity-related capital costs to provide fire rescue services, equity and modern capital funding practices suggest the assignment of such costs to the new development responsible for such costs. The collection of impact fees is an appropriate funding strategy for the District to use to help fund fire rescue service capacity that will be required by new development.

Section 2. Findings.

2.1. The proposed method for implementing the impact fee for the District is the cost per dwelling unit for residential properties and the cost per square foot of development for nonresidential development. The utilization of this method is common and is used to some degree by most public agencies that have implemented impact fees for fire and rescue services.

2.2. The level of service currently provided by the District is based on operating two fire stations with one fire engine, one ladder truck and one crossed staffed tanker. The stations are staffed for three shifts with ten operations personnel for two shifts and nine operations personnel for the third shift. The staff includes 25 career personnel, 21 firefighters, one Battalion Chief, one full time Fire Chief, one full-time Fire Inspector and one full-time administrative staff. Four of the operations personnel are cross-trained as firefighter/paramedic and 17 operations personnel cross-trained Firefighter/EMT. The staff also includes six part-time firefighter positions and 11 volunteers. The District staff is designed to provide service levels described in National Fire Protection Association 1710, which targets an average response time of approximately six minutes or less and maintain the District's ISO rating of 4/4X. In order to maintain the current level of service and meet the needs of a growing community, the District has added a new fire engine and a new ladder truck. The Fire Rescue Service Impact Fee contemplated herein was estimated based on the capital costs to equip a full-time firefighter (e.g., fire apparel, self-contained breathing apparatus), extrication equipment, the cost of vehicles for proper response and firefighting (e.g., pumper trucks and ladder trucks), the recognition of the cost of current and anticipated investment in emergency management and fire/EMS station facilities, and the level of service standard used for providing fire protection.

2.3. The Fire Rescue Service Impact Fee contemplated herein:

(a) was calculated based on the most recent and localized data as reflected in the *Fire Rescue Impact Fee Study* dated April 26, 2021, prepared for the District by Raftelis Financial Consultants, Inc., which study is incorporated herein by this reference (and a copy of which is available upon request at the District's offices);

(b) is proportional and reasonably connected to, or has a rational nexus with, the need for additional capital facilities and the increased impact generated by the new residential or commercial construction; and

(c) is proportional and reasonably connected to, or has a rational nexus with, the expenditures of the funds collected and the benefits accruing to the new residential or nonresidential construction.

Section 3. Definitions.

As used in this Resolution, the following words and phrases shall mean:

"Infrastructure" means a fixed capital expenditure or fixed capital outlay, excluding the cost of repairs or maintenance, associated with the construction, reconstruction, or improvement of public facilities that have a life expectancy of at least 5 years; related land acquisition, land improvement, design, engineering, and permitting costs; and other related construction costs required to bring the public facility into service. The term also includes a fire department vehicle, an emergency medical service vehicle, a sheriff's office vehicle, a police department vehicle, a school bus as defined in Florida Statute Section 1006.25, and the equipment necessary to outfit the vehicle or bus for its official use. The term includes new facilities.

"New facilities" means land, buildings, and capital equipment, including, but not limited to, fire and emergency vehicles, radiotelemetry equipment, and other firefighting or rescue equipment

"Nonresidential development" shall mean the development of all structures that are not residential units and includes commercial buildings, industrial buildings, institutional buildings, and public assembly buildings.

"Residential unit" includes single-family and multi-family residential dwelling units.

Section 4. Establishment of Fire Rescue Services Impact Fee.

4.1. There is hereby established for the District a Fire Rescue Services Impact Fee which must be paid to the District as a condition precedent to the issuance of a building permit or development order for construction of, substantial reconstruction of, or substantial improvement to, as appropriate, residential units or nonresidential development; provided, however, any development activity that is in progress as of the effective date of this Resolution shall not be required to pay a Fire Rescue Services Impact Fee. No building permit or development order for development of residential units or nonresidential development shall be issued unless and until the required Fire Rescue Services Impact Fees have been paid as provided herein.

4.2. Notwithstanding subsection 4.1., above, any person who, after the effective date of this Resolution, seeks to develop or improve land by applying for a development permit or building permit to make an improvement to land that will generate additional demand on the fire rescue services of the District shall be assessed a Fire Rescue Services Impact Fee as provided herein.

4.3. The District's Fire Chief is authorized to enter into appropriate interlocal agreements with other governmental entities, including Santa Rosa County, providing for the collection of the impact fees contemplated herein.

Section 5. Amount of Fire Rescue Services Impact Fee; Exemptions; Credits.

5.1. The amount of the Fire Rescue Services Impact Fee contemplated herein shall be calculated for the applicable property classification in accordance with the following schedule:

- (a) Residential Unit: \$493.00 per unit
- (b) Nonresidential Development: \$0.46 per square feet

The amount of the impact fee shall be determined by the District's Fire Chief based on the information contained in the application.

5.2. The following shall be exempted wholly or in part from payment of the Fire Rescue Services Impact Fees:

(a) Alteration or expansion of an existing building where no additional residential dwelling units are created;

(b) The construction of accessory buildings or structures which will not produce additional need for fire/EMS facilities over and above that produced by the principal building or use of the land; and

(c) The replacement of a destroyed or partially destroyed building or structure in existence on or after the effective date of this Resolution, with a new building or structure of the same or a different use; provided that no additional need for fire/EMS protection facilities will be produced over and above those produced by the original use of the land.

Any claim of exemption must be made no later than the time of application for a building permit. Any claim not so made shall be deemed waived.

5.3. A credit against the collection of the Fire Rescue Services Impact Fee shall be made for any contribution, if any, whether identified in a proportionate share agreement or other form of exaction, related to public facilities or infrastructure, including land dedication, site planning and design, or construction. Any contribution will be applied on a dollar-for-dollar basis at fair market value to reduce any education-based impact fee collected for the general category or class of public facilities or infrastructure for which the contribution was made

Section 6. Time for Payment; Refunds.

6.1. The Fire Rescue Services Impact Fee shall be paid by the applicant for issuance, as appropriate, of the building permit, development order, other permit, or certificate of occupancy for improvements to real property lying within the boundaries of the District. Such fee shall be paid at the time of submission of the application.

6.2. If it determined that no construction has occurred, no certificate of occupancy has been issued, and the building permit issued for such construction has expired or otherwise has been

cancelled, the Fire Rescue Services Impact Fees collected by or for the District pursuant to this Resolution may be refunded upon written application therefore. In order to receive a refund from impact fees paid pursuant to this Resolution, the application for refund must be made within the earlier of (a) three years of when the permit expired or was cancelled, or (b) four years from the date the impact fees were paid.

Section 7. Use of Funds.

7.1. The Fire Rescue Services Impact Fees collected by or for the District pursuant to this Resolution shall be specifically earmarked for use in acquiring, constructing, or improving capital facilities to benefit new users.

7.2. The Fire Rescue Services Impact Fees collected by or for the District pursuant to this Resolution may not be used, in whole or in part, to pay existing debt or for previously approved projects unless the expenditure is reasonably connected to, or has a rational nexus with, the increased impact generated by the residential or nonresidential development.

7.3. The Fire Rescue Services Impact Fees collected by or for the District pursuant to this Resolution shall be kept separate from other revenues of the District and must be used exclusively to acquire, purchase, or construct new facilities or portions thereof needed to provide fire protection and emergency services to new construction.

7.4. The District shall maintain adequate records to ensure that Fire Rescue Services Impact Fees collected by or for the District pursuant to this Resolution are expended only for permissible new facilities or equipment. All such impact fees shall be deposited in an appropriate account of the District to be accounted for separately.

7.5. Administrative charges for the collection of impact fees must be limited to actual costs.

7.6. The District must submit along with its annual financial report required under Florida Statute Section 218.32 or its financial audit report required under Florida Statute Section 218.39, a separate affidavit signed by its chief financial officer or, if there is no chief financial officer, its executive officer attesting, to the best of his or her knowledge, that all impact fees were collected and expended by District, or were collected and expended on its behalf, in full compliance with the spending period provision in this Resolution, and that funds expended from the impact fee account were used only to acquire, construct, or improve specific infrastructure needs.

Section 8. Appeals.

8.1. Any decision made by the District personnel in the course of administering the provisions of this Resolution may be appealed to the Board by filing a petition of appeal within 30 calendar days of the date of the rendition of the decision.

8.2. The Board shall review the petition at a public meeting within 30 calendar days from the date of appeal of said decision. The petitioner shall be provided reasonable notice of the

time, date, and place of the public meeting by certified mail, return receipt requested, and invited to attend. The Board's decision shall be final for the purpose of administrative appeals.

8.3. The Board shall revoke the decision of the District personnel only if there is competent, substantial evidence in the record that the decision fails to comply with provisions of this Resolution.

Section 9. Conflicts.

The provisions of this Resolution shall be deemed to control and prevail over any resolution or portion thereof in conflict with the terms hereof.

Section 10. Severability.

If any section, paragraph, sentence, clause, phrase, or word of this Resolution is for any reason held by any court to be unconstitutional, inoperative, invalid, or void, such holding shall not in any manner affect the validity of the remaining portions of this Resolution.

Section 11. Effective Date.

This Resolution shall become effective 91 days following the later of the date of its final adoption by the Board or the date that notice hereof is provided as contemplated in Section 163.31801(4)(d), Florida Statutes (2021).

THIS RESOLUTION was passed and adopted by the Board of Commissioners of the Pace Fire Rescue District at a duly noticed public meeting held on the ____ day of _____, 2021.

Pace Fire Rescue District

By: _____
Dean Anderson,
Chairman

Notice of the adoption of this Resolution was published in the Santa Rosa Press Gazette on the ____ day of _____, 2021.