

Sample Volunteer Fire Department Pension Fund

GASB Statement No. 68 Employer Reporting and Accounting Schedules for the Measurement Period Ending December 31, 2024 and Employer Reporting Period Ending December 31, 2025



EXECUTIVE SUMMARY
FOR THE MEASUREMENT PERIOD ENDING DECEMBER 31, 2024
TO BE USED FOR DECEMBER 31, 2025 REPORTING PURPOSES

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

Membership as of January 1, 2025

Number of	
- Retirees and Beneficiaries	18
- Inactive, Nonretired Members	0
- Active Members	<u>1</u>
- Total	19
Covered Payroll	N/A

Net Pension Liability/(Asset)

Total Pension Liability	\$ 1,371,332
Plan Fiduciary Net Position	<u>918,936</u>
Net Pension Liability/(Asset)	\$ 452,396
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	67.01 %
Net Pension Liability/(Asset) as a Percentage of Covered Payroll	N/A

Development of the Single Discount Rate

Single Discount Rate	6.00 %
Long-Term Expected Rate of Investment Return	6.00 %
Long-Term Municipal Bond Rate*	4.08 %
Last year ending December 31 in the 2025 to 2124 projection period for which projected benefit payments are fully funded	2124

Total Pension Expense/(Income)	\$ 348,900
---------------------------------------	-------------------

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 0	\$ 0
Changes in assumptions	0	0
Net difference between projected and actual earnings on pension plan investments	<u>61,208</u>	<u>45,862</u>
Total	<u>\$ 61,208</u>	<u>\$ 45,862</u>

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



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

A. Total pension liability	
1. Service Cost	\$ 1,117
2. Interest on the Total Pension Liability	70,122
3. Benefit changes	245,166
4. Difference between expected and actual experience of the Total Pension Liability	(5,086)
5. Changes of assumptions	112,944
6. Benefit payments	(106,448)
7. Net change in total pension liability	\$ 317,815
8. Total pension liability – beginning	1,053,517
9. Total pension liability – ending	<u>\$ 1,371,332</u>
B. Plan fiduciary net position	
1. Contributions – employer	\$ 26,177
2. Net investment income	83,524
3. Benefit payments	(106,448)
4. Pension Plan Administrative Expense	(6,296)
5. State of Colorado supplemental discretionary payment	17,635
6. Net change in plan fiduciary net position	\$ 14,592
7. Plan fiduciary net position – beginning (Market value of assets at beginning of year)	904,344
8. Plan fiduciary net position – ending (Market value of assets at end of year)	<u>\$ 918,936</u>
C. Net pension liability/(asset) (Item A.9 - Item B.8)	<u>\$ 452,396</u>
D. Plan fiduciary net position as a percentage of the total pension liability (Item B.8 / Item A.9)	67.01%
E. Covered payroll	N/A
F. Net pension liability/(asset) as a percentage of covered payroll	N/A



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

A. Pension Expense/(Income)

1. Service Cost	\$	1,117
2. Interest on the Total Pension Liability		70,122
3. Current-Period Benefit Changes		245,166
4. Projected Earnings on Plan Investments (made negative here to offset expense)		(60,932)
5. Pension Plan Administrative Expense		6,296
6. State of Colorado Supplemental Discretionary Payment		(17,635)
7. Recognition of Outflow (Inflow) of Resources due to Liabilities		107,858
8. Recognition of Outflow (Inflow) of Resources due to Assets		(3,092)
9. Total Pension Expense/(Income)	\$	348,900



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

A. Outflows (Inflows) of Resources due to Liabilities

1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	\$	(5,086)
2. Assumption Changes (gains) or losses	\$	112,944
3. Recognition period for Liabilities: Average of the expected remaining service lives of all participants (in years)*		1.0000
4. Outflow (Inflow) of Resources to be recognized in the current pension expense/(income) for the difference between expected and actual experience of the Total Pension Liability	\$	(5,086)
5. Outflow (Inflow) of Resources to be recognized in the current pension expense/(income) for assumption changes	\$	112,944
6. Outflow (Inflow) of Resources to be recognized in the current pension expense/(income) due to Liabilities (Item A.4 + Item A.5)	\$	107,858
7. Deferred Outflow (Inflow) of Resources to be recognized in future pension expense/(income) for the difference between expected and actual experience of the Total Pension Liability (Item A.1 - Item A.4)	\$	0
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expense/(income) for assumption changes (Item A.2 - Item A.5)	\$	0
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expense/(income) due to Liabilities (Item A.7 + Item A.8)	\$	0

B. Outflows (Inflows) of Resources due to Assets

1. Net difference between projected and actual earnings on pension plan investments (gains) or losses	\$	(22,592)
2. Recognition period for Assets (in years, closed 5-year period)		5.0000
3. Outflow (Inflow) of Resources to be recognized in the current pension expense/(income) due to Assets (Item B.1 / Item B.2)	\$	(4,518)
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets (Item B.1 - Item B.3)	\$	(18,074)

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



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

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

	Outflows of Resources	Inflows of Resources	Net Outflows/(Inflows) of Resources
1. Due to Liabilities	\$ 112,944	\$ 5,086	\$ 107,858
2. Due to Assets	30,603	33,695	(3,092)
3. Total	\$ 143,547	\$ 38,781	\$ 104,766

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

	Outflows of Resources	Inflows of Resources	Net Outflows/(Inflows) of Resources
1. Differences between expected and actual experience	\$ 0	\$ 5,086	\$ (5,086)
2. Assumption Changes	112,944	0	112,944
3. Net Difference between projected and actual earnings on pension plan investments	30,603	33,695	(3,092)
4. Total	\$ 143,547	\$ 38,781	\$ 104,766

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/ (Inflows) of Resources
1. Differences between expected and actual experience	\$ 0	\$ 0	\$ 0
2. Assumption Changes	0	0	0
3. Net Difference between projected and actual earnings on pension plan investments	61,208	45,862	15,346
4. Total	\$ 61,208	\$ 45,862	\$ 15,346

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

Fiscal Year Ending December 31	Net Deferred Outflows/ (Inflows) of Resources
2026	\$ 7,035
2027	21,718
2028	(8,887)
2029	(4,520)
2030	0
Thereafter	0
Total	\$ 15,346



History of Deferred Outflows and Inflows of Resources by Source for Measurement Periods Through December 31, 2024 for the Employer Fiscal Year Ending December 31, 2025

Differences between expected and actual experience - Net outflows of resources

Recognition Period	1.0000 2016	1.0000 2017	1.0000 2018	1.0000 2019	1.0000 2020	1.0000 2021	1.0000 2022	1.0000 2023	1.0000 2024	1.0000 2025	Total	Deferred Net Outflows at Reporting Date
Total	\$ 0	\$ 28,112	\$ 0	\$ (26,200)	\$ 0	\$ 39,791	\$ 0	\$ (9,375)	\$ 0	\$ (5,086)	\$ 27,242	\$ 0
2016	0											0
2017	0	28,112										28,112
2018	0	0	0									0
2019	0	0	0	(26,200)								(26,200)
2020	0	0	0	0	0							0
2021	0	0	0	0	0	39,791						39,791
2022	0	0	0	0	0	0	0					0
2023	0	0	0	0	0	0	0	(9,375)				(9,375)
2024	0	0	0	0	0	0	0	0	0			0
2025	0	0	0	0	0	0	0	0	0	(5,086)		(5,086)
2026	0	0	0	0	0	0	0	0	0	0		0
2027	0	0	0	0	0	0	0	0	0	0		0
2028	0	0	0	0	0	0	0	0	0	0		0
Thereafter	0	0	0	0	0	0	0	0	0	0		0

Assumption changes - Net outflows of resources

Recognition Period	1.0000 2016	1.0000 2017	1.0000 2018	1.0000 2019	1.0000 2020	1.0000 2021	1.0000 2022	1.0000 2023	1.0000 2024	1.0000 2025	Total	Deferred Net Outflows at Reporting Date
Total	\$ 0	\$ 40,514	\$ 0	\$ 40,977	\$ 0	\$ 0	\$ 0	\$ 8,559	\$ 0	\$ 112,944	\$ 202,994	\$ 0
2016	0											0
2017	0	40,514										40,514
2018	0	0	0									0
2019	0	0	0	40,977								40,977
2020	0	0	0	0	0							0
2021	0	0	0	0	0	0						0
2022	0	0	0	0	0	0	0					0
2023	0	0	0	0	0	0	0	8,559				8,559
2024	0	0	0	0	0	0	0	0	0			0
2025	0	0	0	0	0	0	0	0	0	112,944		112,944
2026	0	0	0	0	0	0	0	0	0	0		0
2027	0	0	0	0	0	0	0	0	0	0		0
2028	0	0	0	0	0	0	0	0	0	0		0
Thereafter	0	0	0	0	0	0	0	0	0	0		0



History of Deferred Outflows and Inflows of Resources by Source for Measurement Periods Through December 31, 2024 for the Employer Fiscal Year Ending December 31, 2025 (continued)

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

Recognition Period	5.0000 2016	5.0000 2017	5.0000 2018	5.0000 2019	5.0000 2020	5.0000 2021	5.0000 2022	5.0000 2023	5.0000 2024	5.0000 2025	Total	Deferred Net Outflows at Reporting Date
Total	\$ 55,314	\$ 20,453	\$ (62,940)	\$ 70,809	\$ (63,929)	\$ (50,617)	\$ (73,413)	\$ 153,017	\$ (21,845)	\$ (22,592)		
2016	11,063											11,063
2017	11,063	4,091										15,154
2018	11,063	4,091	(12,588)									2,566
2019	11,063	4,091	(12,588)	14,162								16,728
2020	11,062	4,091	(12,588)	14,162	(12,786)							3,941
2021	0	4,089	(12,588)	14,162	(12,786)	(10,123)						(17,246)
2022	0	0	(12,588)	14,162	(12,786)	(10,123)	(14,683)					(36,018)
2023	0	0	0	14,161	(12,786)	(10,123)	(14,683)	30,603				7,172
2024	0	0	0	0	(12,785)	(10,123)	(14,683)	30,603	(4,369)			(11,357)
2025	0	0	0	0	0	(10,125)	(14,683)	30,603	(4,369)	(4,518)		(3,092)
2026	0	0	0	0	0	0	(14,681)	30,603	(4,369)	(4,518)		7,035
2027	0	0	0	0	0	0	0	30,605	(4,369)	(4,518)		21,718
2028	0	0	0	0	0	0	0	0	(4,369)	(4,518)		(8,887)
Thereafter	0	0	0	0	0	0	0	0	0	(4,520)		(4,520)
	\$ 55,314	\$ 20,453	\$ (62,940)	\$ 70,809	\$ (63,929)	\$ (50,617)	\$ (73,413)	\$ 153,017	\$ (21,845)	\$ (22,592)	\$ 4,257	

Total - Net outflows of resources

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total	
Total	\$ 55,314	\$ 89,079	\$ (62,940)	\$ 85,586	\$ (63,929)	\$ (10,826)	\$ (73,413)	\$ 152,201	\$ (21,845)	\$ 85,266		
2016	11,063											11,063
2017	11,063	72,717										83,780
2018	11,063	4,091	(12,588)									2,566
2019	11,063	4,091	(12,588)	28,939								31,505
2020	11,062	4,091	(12,588)	14,162	(12,786)							3,941
2021	0	4,089	(12,588)	14,162	(12,786)	29,668						22,545
2022	0	0	(12,588)	14,162	(12,786)	(10,123)	(14,683)					(36,018)
2023	0	0	0	14,161	(12,786)	(10,123)	(14,683)	29,787				6,356
2024	0	0	0	0	(12,785)	(10,123)	(14,683)	30,603	(4,369)			(11,357)
2025	0	0	0	0	0	(10,125)	(14,683)	30,603	(4,369)	103,340		104,766
2026	0	0	0	0	0	0	(14,681)	30,603	(4,369)	(4,518)		7,035
2027	0	0	0	0	0	0	0	30,605	(4,369)	(4,518)		21,718
2028	0	0	0	0	0	0	0	0	(4,369)	(4,518)		(8,887)
Thereafter	0	0	0	0	0	0	0	0	0	(4,520)		(4,520)
	\$ 55,314	\$ 89,079	\$ (62,940)	\$ 85,586	\$ (63,929)	\$ (10,826)	\$ (73,413)	\$ 152,201	\$ (21,845)	\$ 85,266	\$ 234,493	

Schedule of Contributions For Purposes of Building a 10-Year History

Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution*	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2024	\$ 43,812	\$ 43,812	\$ 0	N/A	N/A

**Includes both employer and State of Colorado Supplemental Discretionary Payment.*

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



Notes to Schedule of Contributions

Valuation Date: Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2023 determines the contribution amounts for 2024 and 2025.

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

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open*
Remaining Amortization Period	20 years*
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	7.00%
Retirement Age	50% per year of eligibility until 100% at age 65.
Mortality	Pre-retirement: Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, projected with the MP-2020 Ultimate projection scale, 60% multiplier for off-duty mortality. Post-retirement: Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, projected with the MP-2020 Ultimate projection scale. Disabled: Pub-2010 Public Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, set forward five years projected with the MP-2020 Ultimate projection scale, with minimum probability of 3.5% for males and 2.5% for females.

*Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

FPPA System Description

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



Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 6.00%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

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

1% Decrease 5.00%	Current Single Discount Rate Assumption 6.00%	1% Increase 7.00%
\$ 585,642	\$ 452,396	\$ 339,452



Benefit Provisions Used to Determine the Total Pension Liability for the Measurement Period ending December 31, 2024

1. Normal Retirement Benefit at Age 50 with 20 years of Service (monthly):	
a. Regular	\$825.00
b. Extended Service Amount Per Year of Service	\$41.25
2. Vested Retirement Benefit (monthly):	
a. With 10 to 20 Years of Service Amount Per Year of Service per Minimum Vesting Years	\$41.25
b. Minimum Vesting Years	10
3. Disability Retirement Benefit (monthly):	
a. Short Term Disability for line of duty injury Amount payable for not more than 1 year	\$412.50
b. Long Term Disability for line of duty injury Lifetime Benefit	\$825.00
4. Survivor Benefits (monthly):	
a. Following Death before Retirement Eligible; Due to death in line of duty as a volunteer firefighter	\$412.50
b. Following Death after Normal Retirement	\$412.50
c. Following Death after Normal Retirement with Extended Service Amount Per Year of Service	\$20.63
d. Following Death after Vested Retirement with 10 to 20 Years of Service Amount Per Year of Service per Minimum Vesting Years	\$20.63
e. Following Death after Disability Retirement	\$412.50
f. Optional Survivor Benefit Following Death before or after Retirement Eligible; Due to death on or off duty as a volunteer firefighter (Purchase of Life Insurance Required)	\$0.00
5. Funeral Benefits (Required Benefit):	
a. Funeral Benefit Lump Sum, one time only	\$1,650.00

Includes any benefit improvements through the end of the measurement period at December 31, 2024, if applicable.



A few closing comments...

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

