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STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

SHARON EDMUNDSON
DEPUTY TREASURER

Memorandum No. 2023-01

TO: Local Government Finance Officials and Their Independent Auditors

FROM: Susan McCullen, Director, Fiscal Management Section

RE: Firefighters' and Rescue Squad Workers' Pension Fund Disclosure Amounts

DATE: July 13, 2022

For the units that have deemed the Firefighters' and Rescue Squad Workers' Pension Fund (FRSWPF) material to the financial statements, the following information will be useful for the fiscal year ended June 30, 2022.

Collective pension expense for the plan is \$(74.81) per employee. This will represent the per employee member amount of revenue and expense recognized by the unit. Please remember that this calculation, as well as the net pension liability (asset) and proportionate share of the State contributions, are only applicable to firefighters and rescue squad workers who are employees of your unit of government. Please note that the collective pension expense is negative. This is a result of the large difference in projected and actual earnings at the 06/30/2021 measurement date.

The proportionate share of the plan's net pension asset is \$(679.26) per employee member. Please take note that the share of the plan's net pension results in an asset rather than a liability share. This is a result of Plan Fiduciary Net Position at June 30, 2021 being \$27,931,000 greater than the Total Pension Liability in the NC Firefighter' and Rescue Squad Worker's Pension Fund.

The State contributions for the FRSWPF amount to \$462.11 per employee member.

In addition to the above, the following note disclosure should be included in the pension note to the financial statements.

Contributions. Plan members are required to contribute \$10 per month to the plan. The State, a non-employer contributor, funds the plan through appropriations. The [unit type] does not contribute to the plan. Contribution provisions are established by the General Statute 58-86 and may be amended only by the North Carolina General Assembly. The State's contributions recognized for accounting purposes for the fiscal year ending June 30, 2021, were \$19,002,000. The [unit name]'s proportionate share of the State's contribution is \$X, XXX.

For further information on the reporting for the FRSWPF, please consult [Memorandum #2015-19](#). When available, sample disclosures can be found in the City of Dogwood 2022 sample financial statements. Please remember that though the per member amounts for the proportionate share of the plan's net pension liability (asset) and State's contribution will change from year to year, the rest of the note disclosure will not change from the last year. If you have any other questions, please contact us at 919-814-4299 or at slgfd@nctreasurer.com