City of Plantation
Police Officers' Pension Plan

For the Years Ended September 30, 2022 and 2021

Keefe McCullough
CPA's + Trusted Advisors

City of Plantation Police Officers' Pension Plan

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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Trustees
City of Plantation Police Officers' Pension Plan

Opinion

We have audited the accompanying financial statements of the City of Plantation Police Officers' Pension Plan (the "Plan"), which comprise the statements of fiduciary net position as of September 30, 2022 and 2021, and the related statements of changes in fiduciary net position for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Plan as of September 30, 2022, and 2021, and the changes in its fiduciary net position for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Plantation Police Officers' Pension Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 Plan's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis and required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Plan as a whole. The other supplementary information section, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial basic statements as a whole.

Keefe McCullough

KEEFE McCULLOUGH

Fort Lauderdale, Florida
January 24, 2023

Our discussion and analysis of the City of Plantation Police Officers' Pension Plan (the "Plan") financial performance provides an overview of the Plan's financial activities for the fiscal years ended September 30, 2022 and 2021. Its purpose is to provide explanations and insights into the information presented in the financial statements, notes to the financial statements and required supplementary information. Please read it in conjunction with the Plan's financial statements which follow this discussion.

Financial Statements

- The Plan's assets exceeded its liabilities at the close of fiscal years ended September 30, 2022 and 2021 by $ 184,701,068 and $ 221,393,399, respectively (reported as net position restricted for pensions). Net position is held in trust to meet future benefit payments. The decrease of $ 36,692,331 and increase of $ 41,426,173 of the respective years has resulted primarily from the changes in the fair value of the Plan's investments due to financial market results.

- For the fiscal year ended September 30, 2022, receivables increased by $ 102,707 (or 52.03%) due to year end dividends and interest balances.

- For the fiscal year ended September 30, 2022, liabilities decreased by $ 1,958,931 (or 89.88%) primarily due to decreases in payable for securities purchased.

- For the fiscal years ended September 30, 2022 and 2021, City contributions to the Plan were $ 6,712,187 and $ 6,807,121 respectively, based on the actuarial valuation resulting in a decrease of $ 94,934 (or 1.39%).

- For the fiscal years ended September 30, 2022 and 2021, employee contributions to the Plan were $ 1,185,756 and $ 1,020,972, respectively, resulting in an increase of $ 164,784 (or 16.14%).

- For the fiscal year ended September 30, 2022, net investment income decreased by $ 79,049,761. The actual results for 2022 were $ (36,653,156) of net depreciation in fair value of investments and $ 4,646,571 of income from interest, dividends and other, compared to $ 42,945,993 of net appreciation in fair value of investments and $ 3,878,824 income from interest, dividends and other for 2021. Investment expenses increased by $ 218,359.

- For the fiscal year ended September 30, 2022 benefit payments decreased by $ 835,783 from 2021 (or 6.70%). Refund of contributions increased by $ 29,149.

- For the fiscal year ended September 30, 2022, administrative expenses decreased by $ 15,763 from 2021 (or 5.57%) primarily due to decreases in professional services.

Plan Highlights

For the years ended September 30, 2022 and 2021, the total return of the portfolio was -14.82% and 25.77%, respectively. Actual net returns from investments were net investment income (loss) of $ (33,540,889) in 2022 compared with net investment income of $ 45,508,872 in 2021.

Overview of the Financial Statements

The basic financial statements include the Statements of Fiduciary Net Position, the Statements of Changes in Fiduciary Net Position and Notes to the Financial Statements. The Plan also includes additional information to supplement the financial statements in this report.

The Plan presents required supplementary schedules, which provide historical trend information about the Plan.

The Plan prepares its financial statements on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America. These statements provide information about the Plan's overall financial status.

Description of the Financial Statements

The *Statements of Fiduciary Net Position* present information that includes all of the Plan's assets and liabilities, with the balance representing the net position restricted for pension benefits. It is a snapshot of the financial position of the Plan at that specific point in time and reflects the resources available to pay employees, retirees and beneficiaries at that point in time.

The *Statements of Changes in Fiduciary Net Position* report how the Plan's net position changed during the fiscal year. The additions and deductions to net assets are summarized in this statement. The additions include contributions to the retirement plan from employer (City), the State and employees and net investment (loss) income, which includes interest, dividends, investment expenses, and the net (depreciation) appreciation in the fair value of investments. The deductions include benefit payments, refunds of participant contributions, and administrative expenses.

The *Notes to the Financial Statements* are presented to provide the information necessary for a full understanding of the financial statements. They include additional information not readily evident in the statements themselves such as a description of the Plan, contributions, significant accounting policies, funding policy, and investment risk disclosures.

There is also *Required Supplementary Information* included in this report as required by the Governmental Accounting Standards Board. These schedules consist of the Plan's actuarial methods and assumptions and provide data on changes in the City's net pension liability, the City's contributions, and the Plan's investment returns.

Additional information is presented as part of *Other Supplementary Information*. This section is not required but management has chosen to include it. It includes *Schedules of Investment Expenses and Administrative Expenses*. The *Schedule of Investment Expenses* presents the expenses incurred in managing and monitoring the investments of the Plan and include financial management, consultant, and custodial fees. The *Schedule of Administrative Expenses* presents the expenses incurred in the administration of the Plan.

Condensed Statements of Fiduciary Net Position

The tables below reflect condensed comparative statements of fiduciary net position as of September 30:

	2022	2021	Increase (Decrease)	% of Change
Assets:				
Cash and cash equivalents	$ 2,632,469	$ 12,471,243	$ (9,838,774)	-78.89%
Receivables	300,091	197,384	102,707	52.03%
Prepaid expenses	895,166	13,690	881,476	6438.83%
Investments	181,093,988	210,890,659	(29,796,671)	-14.13%
Total assets	184,921,714	223,572,976	(38,651,262)	-17.29%
Liabilities	220,646	2,179,577	(1,958,931)	-89.88%
Net position restricted for pension benefits	$ 184,701,068	$ 221,393,399	$ (36,692,331)	-16.57%

Condensed Statements of Changes in Fiduciary Net Position

The tables below reflect a condensed comparative summary of the changes in fiduciary net position and reflect the activities of the Plan for the fiscal years ended September 30:

	2022	2021	Increase (Decrease)	% of Change
Additions:				
Contributions				
City	$ 6,712,187	$ 6,807,121	$ (94,934)	-1.39%
Employees	1,185,756	1,020,972	164,784	16.14%
State of Florida	934,519	895,509	39,010	4.36%
Total contributions	8,832,462	8,723,602	108,860	1.25%
Net investment income (loss)	(33,540,889)	45,508,872	(79,049,761)	-173.70%
Total additions	(24,708,427)	54,232,474	(78,940,901)	-145.56%
Deductions:				
Benefit payments	11,646,293	12,482,076	(835,783)	-6.70%
Refunds of participant contributions	70,378	41,229	29,149	70.70%
Administrative expenses	267,233	282,996	(15,763)	-5.57%
Total deductions	11,983,904	12,806,301	(822,397)	-6.42%
Net increase (decrease)	(36,692,331)	41,426,173	(78,118,504)	-188.57%
Net position restricted for pension benefits, at beginning of year	221,393,399	179,967,226	41,426,173	23.02%
Net position restricted for pension benefits, at end of year	$ 184,701,068	$ 221,393,399	$ (36,692,331)	-16.57%

The Plan's investment activity, measured as of the end of any month, quarter or year, is a function of the underlying marketplace for the period measured and the investment policy's asset allocation. The benefit payments are a function of changing payments to retirees, their beneficiaries (if the retiree is deceased) and new retirements during the period.

Asset Allocation

At September 30, 2022, the domestic equity portion comprised 46.5% ($ 85,507,007) of the total portfolio. The allocation to fixed income funds and debt securities was 17.9% ($ 32,799,355), while cash and cash equivalents comprised 1.4% ($ 2,632,469). The portion of investments allocated to international equity funds was $ 20,844,910 or 11.3% of the total portfolio. The allocation to real estate funds was $ 30,150,365 or 16.4% of the total portfolio and direct lending funds was $ 6,612,197 or 3.6% of the total portfolio. The portion of investments allocated to private equity and hedge funds, were 0.6% and 2.2% ($ 1,138,631 and $ 4,041,523), respectively.

At September 30, 2021, the domestic equity portion comprised 42.5% ($ 94,880,634) of the total portfolio. The allocation to fixed income funds and debt securities was 21% ($ 46,941,937), while cash and cash equivalents comprised 5.6% ($ 12,471,243). The portion of investments allocated to international equity funds was $ 36,962,378 or 16.5% of the total portfolio. The allocation to real estate funds and direct lending funds, non-core and alternatives, were 11.5% and 2.9% ($ 25,628,014 and $ 6,477,696), respectively.

The target asset allocation percentages and allowable ranges as of September 30 were as follows:

	2022		2021	
	Target	Allowable Range	Target	Allowable Range
Domestic equity	45%	40%-50%	45%	40%-50%
International equity	12%	7%-17%	15%	10%-20%
Broad market fixed income	12%	7%-30%	15%	10%-30%
Non-core fixed income	9%	0%-20%	10%	0%-20%
Real estate	7%	0%-15%	7%	0%-15%
Value-added real estate	3%	0%-7%	3%	0%-7%
Alternatives	7%	0%-10%	4%	0%-10%
Private Equity	3%	0%-15%	0%	0%-15%
Liquid reserves	2%	0%-10%	1%	0%-10%

Contacting the Plan's Financial Management

This financial report is designed to provide the Retirement Board, membership, taxpayers, investors, and creditors with a general overview of the Plan's finances and to demonstrate the Plan's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the City of Plantation Police Officers' Pension Plan, 451 N.W. 70th Terrace, Plantation, Florida 33317.

FINANCIAL STATEMENTS

City of Plantation Police Officers' Pension Plan
Statements of Fiduciary Net Position
September 30, 2022 and 2021

		2022		2021
Assets:				
Cash and cash equivalents	$	2,632,469	$	12,471,243
Receivables:				
Dividends and interest		300,091		197,384
Investments, at fair value:				
Equity investments, domestic		85,507,007		94,880,634
Equity investments, international		20,844,910		36,962,378
Equity investments, private		1,138,631		-
Fixed income mutual funds		4,677,001		17,943,590
Debt securities		28,122,354		28,998,347
Direct lending funds, non-core and alternatives		6,612,197		6,477,696
Hedge funds		4,041,523		-
Real estate funds		30,150,365		25,628,014
Total investments		181,093,988		210,890,659
Other assets:				
Prepaid expenses		895,166		13,690
Total assets		184,921,714		223,572,976
Liabilities:				
Accounts payable		220,646		219,911
Payable for securities purchased		-		1,959,666
Total liabilities		220,646		2,179,577
Net Position:				
Restricted for pension benefits	$	184,701,068	$	221,393,399

The accompanying notes to the financial statements are an integral part of these statements.

City of Plantation Police Officers' Pension Plan
Statements of Changes in Fiduciary Net Position
For the Years Ended September 30, 2022 and 2021

	2022	2021
Additions:		
Contributions:		
City	$ 6,712,187	$ 6,807,121
Employees	1,185,756	1,020,972
State of Florida	934,519	895,509
Total contributions	8,832,462	8,723,602
Investment income (loss):		
Net appreciation (depreciation) in fair value of investments	(36,653,156)	42,945,993
Interest and dividends	4,644,946	3,876,989
Other income	1,625	1,835
Total investment income (loss)	(32,006,585)	46,824,817
Less investment expenses	1,534,304	1,315,945
Net investment income (loss)	(33,540,889)	45,508,872
Total additions	(24,708,427)	54,232,474
Deductions:		
Benefit payments	11,646,293	12,482,076
Refunds of participant contributions	70,378	41,229
Administrative expenses	267,233	282,996
Total deductions	11,983,904	12,806,301
Change in net position	(36,692,331)	41,426,173
Net Position Restricted for Pension Benefits, Beginning of Year	221,393,399	179,967,226
Net Position Restricted for Pension Benefits, End of Year	$ 184,701,068	$ 221,393,399

The accompanying notes to the financial statements are an integral part of these statements.

Note 1 - Plan Description

Organization

The City of Plantation Police Officers' Pension Plan (the "Plan") is a single employer defined benefit plan established by the City of Plantation, Florida (the "City"). The Plan is set forth in Chapter 18 of the City's Code of Ordinances, and reflects the provisions and requirements of Ordinance No. 2580, as most recently amended. Since the Plan is sponsored by the City, the Plan is included as a pension trust fund in the City's Annual Comprehensive Financial Report as part of the City's financial reporting entity. The following description of the Plan is provided for general information purposes only. Participants should refer to the ordinances constituting the Plan and the Summary Plan Description for more complete information.

The Plan's governing board is made up of a Board of Trustees (the "Board") consisting of 5 members:

- Two (2) police officer members of the Plan who are re-elected by a majority of the police officers who are members of the Plan.
- Two (2) legal residents of the City appointed by the City Council.
- A fifth person chosen by a majority of the previous four (4) members of the Board of Trustees.

Participants

All full-time police officers of the City are eligible for membership in the system.

Tier One members are those members hired prior to January 1, 2010. Tier Two members are those members hired on or after January 1, 2010.

Membership

As of October 1, membership in the Plan consisted of:

	2021	2020
Retirees, beneficiaries and DROP participants receiving benefits	182	176
Terminated vested Plan members	1	1
Active Plan members	129	132
Total members	312	309

Note 1 - Plan Description (continued)

Pension Benefits

Average Final Compensation (the "AFC")

AFC shall be calculated as the compensation during the highest five years preceding retirement, except employees who met the normal retirement conditions on October 1, 2014 will use the highest three years of compensation. The highest three years of compensation as of October 1, 2014 will serve as a minimum for all Tier One employees.

In general, compensation paid through September 30, 2009 was base pay including the first forty-three (43) hours of overtime pay; compensation paid after September 30, 2009 was total cash remuneration including the first three-hundred (300) hours of overtime pay; with certain other compensation exclusions. For pay after September 30, 2014, compensation is base pay plus up to fifty (50) hours of overtime pay plus shift differential and assignment pay.

Benefit Service

Service calculated based on completed months is used to determine the amount of benefit payable.

Vesting Service

Service for all years for which an employee contributed to the Plan or the General Employees Plan.

Normal Retirement

Tier One with 20 or more years of service or age 55 with 10 years of service as of October 1, 2014.

Eligibility: A member may retire on the first day of the month coincident with or next following the earlier of age 55 and 10 years of Vesting Service or 20 years of Vesting Service regardless of age.

Benefit: 3.0% of AFC times Benefit Service if member has less than 20 years of Benefit Service. 3.5% of AFC times Benefit Service if member has 20 or more years of Benefit Service. Maximum benefit is 80% of AFC.

Upon reaching normal retirement, a member will also receive a supplemental annual benefit payable for the life of the retiree only, in the amount of $ 50 for each full year of service. The service used for this calculation includes years of service while participating in the DROP plan.

Additionally, a supplemental monthly benefit of $ 1,000 for a period of up to 10 years from the date of retirement.

Note 1 - Plan Description (continued)

Tier One with 17 to 19.99 years of service as of October 1, 2014.

Eligibility: For accruals based on first 20 years of service, a member may retire on the first day of the month coincident with or next following the earlier of age 55 and 10 years of Vesting Service or 20 years of Vesting Service regardless of age. For accruals based on service greater than 20 years, a member may retire on the first day of the month coincident with or next following the earlier of age 52 and 10 years of Vesting Service or 25 years of Vesting Service regardless of age.

Benefit: If member has 20 or more years of Benefit Service, the benefit is 3.5% of AFC times Benefit Service up to 20 years, plus 3.0% of AFC times Benefit Service for all service after. If member has less than 20 years of Benefit Service, the benefit is 3.0% of AFC times Benefit Service through October 1, 2014, plus 2.75% of AFC times Benefit Service for all service after. Maximum benefit is 75% of AFC.

Upon reaching normal retirement, a member will also receive a supplemental annual benefit payable for the life of the retiree only, in the amount of $ 50 for each full year of service. The service used for this calculation includes years of service while participating in the DROP plan.

Additionally, a monthly supplemental benefit for eligible members of $ 1,000 for a period of up to 10 years from the date of retirement.

Tier One with 10 to 16.99 years of service as of October 1, 2014.

Eligibility: For accruals based on service before October 1, 2014, a member may retire on the first day of the month coincident with or next following the earlier of age 55 and 10 years of Vesting Service or 20 years of Vesting Service regardless of age. For accruals based on service after October 1, 2014 a member may retire on the first day of the month coincident with or next following the earlier of age 52 and 10 years of Vesting Service or 25 years of Vesting Service regardless of age.

Benefit: If member has 20 or more years of Benefit Service, the benefit is 3.5% of AFC times Benefit Service up to 17 years, and 3.0% of AFC times Benefit Service for all service after. If member has less than 20 years of Benefit Service, the benefit is 3.0% of AFC times Benefit Service through October 1, 2014, and 2.75% of AFC times Benefit Service for all service after. Maximum benefit is 75% of AFC.

Upon reaching normal retirement, a member will also receive a supplemental annual benefit payable for the life of the retiree only, in the amount of $ 50 for each full year of service. The service used for this calculation includes years of service while participating in the DROP plan.

Additionally, a monthly supplemental benefit for eligible members of $ 1,000 for a period of up to 10 years from the date of retirement.

Note 1 - Plan Description (continued)

Tier One with less than 10 years of service as of October 1, 2014.

Eligibility: A member may retire on the first day of the month coincident with or next following the earlier of age 55 and 10 years of Vesting Service or 25 years of Vesting Service regardless of age.

Benefit: If member has 20 or more years of Vesting Service, the benefit is 3.5% of AFC times Benefit Service per year of credited service for 17 years and 3.0% of AFC times Benefit Service for all service after. If member has less than 20 years of Vesting Service, the benefit is 3.0% of AFC times Benefit Service through October 1, 2014, and 2.75% of AFC times Benefit Service for all service after. Maximum benefit is 75% of AFC.

Upon reaching normal retirement, a member will also receive a supplemental annual benefit payable for the life of the retiree only, in the amount of $ 50 for each full year of service. The service used for this calculation includes years of service while participating in the DROP plan.

Additionally, a monthly supplemental benefit for eligible members of $ 1,000 for a period of up to 10 years from the date of retirement.

Tier Two with less than 10 years of service as of October 1, 2014.

Eligibility: A member may retire on the first day of the month coincident with or next following the earlier of age 55 and 10 years of Vesting Service or 25 years of Vesting Service regardless of age.

Benefit: If a member meets normal retirement eligibility the benefit is 3.0% of AFC times Benefit Service. If member does not meet normal retirement eligibility the benefit is 3.0% of AFC times Benefit Service for all service through October 1, 2014, and 2.75% of AFC times Benefit Service for all service after. Maximum benefit is 75% of AFC.

Upon reaching normal retirement, a member will also receive a supplemental annual benefit payable for the life of the retiree only, in the amount of $ 50 for each full year of service. The service used for this calculation includes years of service while participating in the DROP plan.

Additionally, a monthly supplemental benefit for eligible members of $ 1,000 for a period of up to 10 years from the date of retirement.

Early Retirement

Early retirement age is the earlier of the date the member reaches age 45 and completes 15 years of Vesting Service, or age 50 with 10 years of Vesting Service. Early retirement benefits can be received immediately or on a deferred basis. A deferred early retirement benefit means a benefit begins on the member's otherwise normal retirement date and is paid for the rest of the member's life. The benefit is equal to the normal retirement benefit, and then reduced by 3% for each year early. An immediate early retirement benefit means a benefit begins on the early retirement date and is paid for the rest of the member's life.

Note 1 - Plan Description (continued)

Delayed Retirement

Delayed retirement age is the date the member actually stops working past the normal retirement date. Delayed retirement benefits are calculated and paid in the same way as the normal retirement benefit except that compensation earned and credited service as of the actual retirement date are used in the calculation.

Disability, death, and other benefits are also provided.

Deferred Retirement Option Plan (the "DROP")

Members who continue in employment past normal retirement date may either accrue larger pensions or freeze their accrued benefit and enter the Deferred Retirement Option Plan ("DROP"). A member is eligible to enter the DROP when the normal retirement date is reached. Tier 1 members with less than 10 years of service may enter DROP after 20 years of vesting service subject to a 3% reduction for each year that precedes the earlier of age 52 and 10 years of vesting service or 25 years of vesting service regardless of age. Participation in the DROP is voluntary. Under the provision of the DROP, an employee discontinues their participation in the Plan and an amount equal to their monthly pension payment is escrowed with the proportionate share of earnings until actual retirement, at which time the individual may elect payment in the entirety or payment options. The account is debited or credited each quarter at a rate equal to the actual net rate of investment return realized by the Plan for that quarter for the investment category chosen. Members who were employed by the City prior to October 1, 2014 may participate for a maximum of seven (7) years. Members who were employed by the City on or after October 1, 2014 may participate for a maximum of five (5) years.

A summary of the changes in the DROP balance as of September 30 is as follows:

	2022	2021
Beginning balance	$ 32,440,770	$ 28,946,286
Additions	2,571,968	2,054,714
Distributions	(3,080,368)	(4,393,519)
Investment income	(4,702,082)	5,833,289
Ending balance	$ 27,230,288	$ 32,440,770

Cost of Living Adjustment (the "COLA")

For Tier One retirees, the COLA is only applicable to benefits accrued prior to October 1, 2014 and shall equal 1.5% per year commencing seven years after retirement or DROP entry. COLA will cease after twenty annual payments. The COLA does not apply to supplemental benefits. Members entering the DROP or retiring after October 1, 2008 shall receive an annual 1.5% COLA commencing five years after retirement of DROP entry. No COLA applies to Tier Two retirees.

Terminations

Upon termination of employment with less than ten years of credited service, a participant is entitled to a refund of their accumulated contributions plus interest credited. Interest is credited to member contributions at the annual rate determined by the Board. This interest is only payable if the member terminates employment and receives a refund of contributions without any further benefits.

Note 2 - Summary of Significant Accounting Policies

Funding Requirements

All members of the Plan are required to contribute 10% of their annual compensation. Contributions cease upon retirement, death, employment termination or entry into the DROP. The City is to contribute such amounts as are necessary to maintain the actuarial soundness of the Plan and when combined with plan members' contributions and contributions from the State of Florida (the "State"), will provide the Plan with assets sufficient to meet the benefits as they become payable.

Investments

The Plan has contracts with investment managers who supervise and direct the investment of equity and fixed income securities. In addition, the Plan utilizes an investment consultant who monitors the investing activity. The investments owned are held by a custodian in the name of the Plan.

Basis of Accounting

The Plan's financial statements are prepared using the accrual basis of accounting. Employee contributions are recognized as revenues in the period in which the contributions are due. City contributions are recognized as revenues when due pursuant to actuarial valuations. State contributions are recognized as revenue in the period in which they are approved by the State. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Interest income is recorded as earned and dividend income is recorded as of the ex-dividend date.

Cash Equivalents

The Plan considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

Investments

Investments are recorded at fair value in the statements of fiduciary net position. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The diversity of the investment types in which the Plan has entered into requires a range of techniques to determine fair value. Refer to Note 4 to the financial statements for more detail regarding the methods used to measure the fair value of investments.

Unrealized gains and losses are presented as net (depreciation) appreciation in fair value of investments on the statements of changes in fiduciary net position along with gains and losses realized on sales of investments. Purchases and sales of investments are recorded on a trade-date basis.

Given the inherent nature of investments, it is reasonably possible that changes in the value of those investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of fiduciary net position.

Note 2 - Summary of Significant Accounting Policies (continued)

Use of 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.

Income Tax Status

The Plan is tax-exempt under the Internal Revenue Code and, therefore, no provision for federal income taxes has been made.

Risks and Uncertainties

Contributions to the Plan and the actuarial information included in this report is reported based on certain assumptions including interest rates, inflation rates, employee compensation and demographics. Due to the changing nature of these and other assumptions, it is at least reasonably possible that changes in these assumptions may occur in the near term and, due to the uncertainties inherent in settling assumptions, that the effect of such changes could be material to the financial statements.

Date of Management Review

Management has evaluated subsequent events through January 24, 2023, the date which the financial statements were available to be issued.

Note 3 - Contributions

Actual Contributions

The actual contributions from the City and the State of Florida for the fiscal years ended September 30, 2022 and 2021, amounted to $ 7,646,706 and $ 7,702,630, respectively, and the actual amount of covered payroll was approximately $ 11,857,560 and $ 11,747,000, respectively.

The contributions consisted of the following:

		Amount	Percent of Actual Annual Covered Payroll
At September 30, 2022:			
City	$	6,712,187	57%
State		934,519	8%
Total Contributions from City and State of Florida	$	7,646,706	64%
At September 30, 2021:			
City	$	6,807,121	58%
State		895,509	8%
Total Contributions from City and State of Florida	$	7,702,630	66%

Note 3 - Contributions (continued)

Employee contributions were $ 1,185,756 and $ 1,020,972 for the fiscal years ended September 30, 2022 and 2021, respectively.

Actuarially Determined Contributions

Effective May 30, 2012, the Division of Retirement mandated that local governments confer with the Plan's actuary to select and maintain a contribution method (percentage of payroll or fixed dollar contribution) that best fits the funding requirements of the Plan. For the years ended September 30, 2022 and 2021, the Plan selected to use the fixed dollar contribution amount.

The contributions required from the City and the State, adjusted for interest, for the years ended September 30, 2022 and 2021, were originally actuarially determined by the October 1, 2020 and 2019 valuations to be $ 7,646,706 and $ 7,702,630, respectively. The actuarially computed annual covered payroll used in the October 1, 2020 and 2019 valuations was $ 12,381,325 and $ 11,249,642, respectively.

The required City and State contributions, adjusted for interest, cover the following:

		Amount	Percent of Actuarially Computed Annual Covered Payroll
At September 30, 2022:			
Normal Cost	$	3,145,733	25%
Amortization of the unfunded liability		4,500,973	36%
Total	$	7,646,706	62%
At September 30, 2021:			
Normal Cost	$	2,856,013	25%
Amortization of the unfunded liability		4,846,347	43%
	$	7,702,360	68%

Note 4 - Deposit and Investment Risk Disclosure

Cash and Cash Equivalents

Deposits are carried at cost and are included in cash and cash equivalents in the statements of fiduciary net position. Cash and cash equivalents include money market accounts at September 30, 2022 and 2021.

Note 4 - Deposit and Investment Risk Disclosure (continued)

Investment Authorization

The Plan's investment policy is determined by the Board. The policy has been identified by the Board to provide for the accumulation and distribution of money in an actuarially sound fashion over the years of the employees' service and subsequent retirement. The Trustees are authorized to acquire and retain investment specifically including, but not by way of limitation, bonds, debentures, and other corporate obligations; stocks, preferred or common; real estate funds; and non-traditional assets, which persons of prudence, discretion and intelligence acquire or retain for their own account.

Types of Investments

Florida statutes and the Plan investment policy authorize the Trustees to invest funds in various investments.

Investments in all equity securities must be traded on a national exchange or electronic network; and not more than 5% of the Plan's assets, at the time of purchase, shall be invested in the common stock, capital stock or convertible stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of the company.

Investments in corporate common stock and convertible bonds shall not exceed seventy-five percent (75%) of the market value of Plan assets.

Foreign securities (regardless of asset class) shall not exceed twenty-five percent (25%) of the market value of Plan assets. For the purposes of the Plan's investment policy, foreign securities are defined as bonds, stocks, or other evidences of indebtedness issued or guaranteed by a company that is not organized under the laws of the United States, any state or organized territory of the United States, or the District of Columbia.

All equity and fixed income securities must be readily marketable. Commingled funds must be independently appraised at least annually. All direct investment in fixed income investments shall have a minimum rating of investment grade or higher as reported by a major credit rating service. The value of the bonds issued by any single corporation shall not exceed 3% of the total bond portfolio.

The money market fund or short term investment fund options are limited to those which are provided by the Plan's Custodian and have a minimum rating of A1/P1 or its equivalent, by a major credit rating service. Investments made by the Board may include pooled funds. For purposes of this policy, pooled funds may include, but are not limited to: mutual funds, commingled funds, exchange-traded funds, limited partnerships and private equity. Pooled funds may be governed by separate documents which may include investments not expressly permitted in the Plan's investment policy. In the event of investment by the Plan into a pooled fund, the prospectus or governing policy of that pooled fund, as updated from time to time, shall be treated as an addendum to the Plan's investment policy.

When feasible and appropriate, all securities shall be competitively bid. Except as otherwise required by law, the most economically advantageous bid shall be selected. Commissions paid for purchase of securities must meet the prevailing best-execution rates. The responsibility of monitoring best price and execution of trades placed by each investment manager on behalf of the Plan will be governed by the portfolio management agreement between the Plan and the investment managers.

Note 4 - Deposit and Investment Risk Disclosure (continued)

Targets below are based on the market value of total Plan assets. The current target asset allocation is as follows:

Authorized investments	Target % of Portfolio
Domestic equity	45%
International equity	12%
Broad market fixed income	12%
Non-core fixed income (1)	9%
Real estate	7%
Value-added real estate (1)	3%
Alternatives (2)	7%
Private Equity (2)	3%
Liquid reserves	2%

(1) Absent of a full allocation, all or a portion of the target allocation will remain in broad market fixed income with the corresponding allowable range adjustment around the revised domestic fixed income target.

(2) Absent of a full allocation, all or a portion of the target allocation will remain in domestic equity with the corresponding allowable range adjustment around the revised domestic equity target.

Rate of Return

For the years ended September 30, 2022 and 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -15.19% and 25.11% respectively. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Investments

The table below shows the Plan's investments by type as of September 30:

	2022	2021
Equity investments, domestic:		
Common stock	$ 75,114,348	$ 92,273,039
Real estate investment trust	1,735,471	1,365,599
Mutual funds	8,657,188	1,241,996
Equity investments, international	20,844,910	36,962,378
Equity investments, private	1,138,631	-
Fixed income mutual funds, non-core	4,677,001	17,943,590
Real estate funds	30,150,365	25,628,014
Direct lending funds, non-core and alternatives	6,612,197	6,477,696
Hedge Funds	4,041,523	-
Debt securities, broad market:		
U.S. treasuries	18,072,014	11,637,593
U.S. agencies	3,691,225	10,403,253
Corporate bonds	6,359,115	6,957,501
Total	$ 181,093,988	$ 210,890,659

Note 4 - Deposit and Investment Risk Disclosure (continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investments by security type and institution and limits holdings in any one type of investment with any one issuer with various durations of maturities.

Information about the sensitivity of the fair values of the Plan's investments to market interest rate fluctuations is provided by the following tables that show the distribution of the Plan's investments by maturity at September 30:

		2022 Investment Maturities (in years)			
Investment Type	2022 Fair Value	Less than 1 Year	1 to 5 Years	6 to 10 Years	More than 10 Years
Corporate bonds	$ 6,359,115	$ -	$ -	$ 6,359,115	$ -
U.S. Government and agency securities	21,763,239	-	723,283	12,201,448	8,838,508
Fixed income mutual funds, non-core	4,677,001	4,677,001	-	-	-
Total fixed income securities	$ 32,799,355	$ 4,677,001	$ 723,283	$ 18,560,563	$ 8,838,508

		2021 Investment Maturities (in years)			
Investment Type	2021 Fair Value	Less than 1 Year	1 to 5 Years	6 to 10 Years	More than 10 Years
Corporate bonds	$ 6,957,501	$ -	$ -	$ 6,957,501	$ -
U.S. Government and agency securities	22,040,846	-	4,047,723	5,669,196	12,323,927
Fixed income mutual funds, non-core	17,943,590	17,943,590	-	-	-
Total fixed income securities	$ 46,941,937	$ 17,943,590	$ 4,047,723	$ 12,626,697	$ 12,323,927

Note 4 - Deposit and Investment Risk Disclosure (continued)

Credit Risk

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy utilizes portfolio diversification in order to control this risk.

The following table discloses credit ratings by investment type, at September 30, as applicable:

	2022 Fair Value	2021 Fair Value
U.S. government guaranteed*	$ 18,072,014	$ 11,637,593
Quality rating of credit risk debt securities:		
AA+	3,691,225	-
A-	3,351,206	2,156,373
BBB+	3,007,909	4,801,128
Not Rated**	4,677,001	28,346,843
	14,727,341	35,304,344
Total fixed income securities	$ 32,799,355	$ 46,941,937

*Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk.

**Certain mutual funds and U.S. Government agency securities are not rated.

Concentration of Credit Risk

The investment policy of the Plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. In accordance with the provisions of GASB Statement No. 40, there were no individual investments in any one issuer that represent 5% or more of the total investments at September 30, 2022 and 2021.

Custodial Credit Risk

Deposits are exposed to custodial risk if they are uninsured and uncollateralized. Custodial risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are held by the counterparty. Consistent with the Plan's investment policy, the investments are generally held by the Plan's custodial bank and registered in the Plan's name.

Note 4 - Deposit and Investment Risk Disclosure (continued)

The Plan considers only demand deposits as cash. Cash balances held at financial institutions as of September 30, 2022 and 2021 was $ 8,213 and $ 5,008, respectively. The Federal Depository Insurance Corporation (FDIC) cover cash on deposit up to $ 250,000. As of September 30, 2022, and 2021, the Plan had no cash on demand balances exposed to custodial credit risk.

Fair Value Hierarchy

GASB Statement No. 72 establishes a hierarchal disclosure framework which prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the specific characteristics of the investment. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments with readily available actively quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and lesser degree of judgment used in measuring fair value. Investments measured and reported at fair value are classified and disclosed in one of the following categories:

- Level 1 - Investments reflect unadjusted quoted prices in active markets for identical assets as of the reporting date.

- Level 2 - Investments reflect prices that are based on similar observable assets, either directly or indirectly, which may include inputs in markets that are not considered to be active as of the reporting date.

- Level 3 - Investments not traded in an active market and for which no significant observable market inputs are available as of the reporting date.

The Plan has established a framework to consistently measure the fair value of the Plan's assets and liabilities in accordance with applicable accounting, legal, and regulatory guidance. In certain cases, the inputs used to measure fair value may fall into different levels within the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Plan's assessment of the significance of a particular input to the fair value measurement requires judgment and considers factors specific to the investment.

The inputs or methodology used for valuing securities are not necessarily an indication of risk associated with investing in those securities.

Note 4 - Deposit and Investment Risk Disclosure (continued)

The following tables summarize the valuation of the Plan's investments in accordance with the above mentioned fair value hierarchy levels as of September 30:

Investment Type	2022 Fair Value	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Debt securities:				
U.S. treasuries	$ 18,072,014	$ -	$ 18,072,014	$ -
U.S. agencies	3,691,225	-	3,691,225	-
Corporate bonds	6,359,115	-	6,359,115	-
Total debt securities	28,122,354	-	28,122,354	-
Equity securities:				
Domestic equities	85,507,007	85,507,007	-	-
International equities	20,844,910	20,844,910	-	-
Total equity securities	106,351,917	106,351,917	-	-
Direct lending funds, non-core and alternatives	6,612,197	-	-	6,612,197
Private Equity	1,138,631	-	-	1,138,631
Total investments measured at fair value	142,225,099	$ 106,351,917	$ 28,122,354	$ 7,750,828
Investments measured at net asset value ("NAV"):				
Real estate funds	30,150,365			
Fixed income mutual funds, non-core	4,677,001			
Hedge funds	4,041,523			
Total investments measured at NAV	38,868,889			
Total investments	$ 181,093,988			

Note 4 - Deposit and Investment Risk Disclosure (continued)

		Fair Value Measurements Using:		
Investment Type	2021 Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Debt securities:				
U.S. treasuries	$ 11,637,593	$ 11,637,593	$ -	$ -
U.S. agencies	10,403,253	-	10,403,253	-
Corporate bonds	6,957,501	-	6,957,501	-
Total debt securities	28,998,347	11,637,593	17,360,754	-
Equity securities:				
Domestic equities	94,880,634	94,880,634	-	-
International equities	36,962,378	36,962,378	-	-
Total equity securities	131,843,012	131,843,012	-	-
Direct lending funds, non-core and alternatives	6,477,696	-	-	6,477,696
Total investments measured at fair value	167,319,055	$ 143,480,605	$ 17,360,754	$ 6,477,696
Investments measured at net asset value ("NAV"):				
Fixed income mutual funds, non-core	17,943,590			
Real estate funds	25,628,014			
Total investments measured at NAV	43,571,604			
Total investments	$ 210,890,659			

The overall valuation processes and information sources by major investment classification are as follows:

- Equity securities: These include common stock, real estate investment trusts (REITS), exchange traded funds (ETF's), and domestic and international equity funds. Domestic securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the fiscal year. Securities traded in the over-the counter market and listed securities for which no sale was reported on that date are valued at the last reported bid price. International equities may be valued based upon quoted foreign market prices and translated into U.S. dollars at the exchange rate in effect at September 30, 2022 and 2021. REITS are securities that sell like a stock on the major exchanges and invest in real estate directly. Securities which are not traded on a national security exchange are valued by the respective fund manager or other third parties based on yields currently available on comparable securities of issuers with similar credit ratings.

Note 4 - Deposit and Investment Risk Disclosure (continued)

- Debt securities: Debt securities consist primarily of negotiable obligations of the U.S. government and U.S. government-sponsored agencies, preferred securities, and bond funds. These securities can typically be valued using the close or last traded price on a specific date (quoted prices in active markets). When quoted prices are not available, fair value is determined based on valuation models that use inputs that include market observable inputs. These inputs included recent trades, yields, price quotes, cash flows, maturity, credit ratings, and other assumptions based upon the specifics of the investment's type.

- Direct lending funds, non-core and alternatives: These funds are generally measured based on specific pricing models, internal assumptions and the weighting of the best available pricing inputs. Individual investment holdings may, in turn, include investments in both non-marketable and market-traded securities. Values may be based on historical costs, appraisals, or other estimates that require varying degrees of judgment. While these financial institutions may contain varying degrees of risk, the Plan's risk with respect to such transactions is believed to be limited to its capital balance, and any remaining commitments, in each investment.

- Private equity: Investments are stated at fair value, as determined in good faith by the General Partner, after consideration of pertinent information including available market prices, types of securities, marketability, restrictions on disposition, recent and subsequent purchases of the same or similar securities by other investors, pending mergers or acquisitions, current financial position, operating results and other appropriate information. The fair values assigned to the securities held are based upon available information and do not necessarily represent amounts which might ultimately be realized, since such amounts depend on future circumstances and may not be reasonably determined until the individual positions are liquidated.

The following summarizes the investments by major class where NAV or its equivalent, and those classified as Level 3, is used to measure fair value as of September 30:

	2022	2021	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Fixed income mutual funds, non-core (1)	$ 4,677,001	$ 17,943,590	$ -	Daily	Same Day
Real estate funds (2)	30,150,365	25,628,014	1,697,492	Daily and Quarterly	1-45 Days
Hedge funds (2)	4,041,523	-	-	Quarterly	1-90 Days
Direct lending funds, non-core and alternatives (2)	6,612,197	6,477,696	182,930	Quarterly	1-90 days
Private Equity (2)	1,138,631	-	5,967	N/A	N/A
Total investments measured at the NAV and those classified as Level 3	$ 46,619,717	$ 50,049,300	$ 1,886,389		

Note 4 - Deposit and Investment Risk Disclosure (continued)

(1) Fixed income mutual funds, non-core: These are valued using their respective NAV as of September 30, 2022 and 2021. The most significant input into the NAV of such funds is the fair value of the underlying investment holdings.

(2) Real estate, hedge funds, private equity, direct lending funds, non-core and alternatives: These portfolios hold investments in commingled funds. Limited partner interests in commingled funds are valued using NAV or its equivalent of the partnership provided by the general partner. The most significant input into the fair value of such entities is the fair value of its investment holdings. These holdings are valued by the general partners on a continuous basis, may be subject to annual audits and be periodically appraised by an independent third party as directed by the governing document for each fund investment. The valuation assumptions use both market and property specific input.

Note 5 - Net Pension Liability of the City

	2022	2021
Total pension liability	$ 243,636,359	$ 227,541,511
Plan fiduciary net position	(184,701,068)	(221,393,399)
City net pension liability	$ 58,935,291	$ 6,148,112
Plan fiduciary net position as a percentage of total pension liability	75.81%	97.30%

Actuarial Assumptions

The total pension liability at September 30, 2022 was determined using an actuarial valuation as of October 1, 2021 with update procedures used to roll forward the total pension liability to September 30, 2022. These actuarial valuations used the following actuarial assumptions:

Inflation	2.5%
Projected salary increases	4.4% - 24.0%, including inflation, based on service
Investment rate of return	6.75%

Mortality rates calculated with the PUB-2010 Headcount Weighted Mortality Tables. These tables use mortality improvements projected to all future years after 2010 using scale MP-2018.

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations.* ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension investment expense and inflation at 2.5%) for each major asset class as well as historical investment data and performance.

Note 5 - Net Pension Liability of the City (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of the valuation dates of October 1, 2021 and October 1, 2020 are summarized in the following table:

Long-Term Expected Real Rate of Return		
Asset Class	2022	2021
Domestic equities	7.5%	7.5%
International equities	8.5%	8.5%
Real estate	4.5%	4.5%
Domestic bonds	2.5%	2.5%
International bonds	3.5%	3.5%
Alternative assets	6.0%	6.3%

Discount Rate

The discount rate used to measure the total pension liability was 6.75% for 2022 and for 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from the City will be made at statutorily required rates, actuarially determined. 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City calculated using the applicable discount rate, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Employer Net Pension Liability		
	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
At September 30, 2022:	$ 83,015,458	$ 58,935,291	$ 38,894,189

	Employer Net Pension Liability		
	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
At September 30, 2021:	$ 29,623,028	$ 6,148,112	$ (13,226,237)

REQUIRED SUPPLEMENTARY INFORMATION

Keefe McCullough
CPA's + Trusted Advisors

City of Plantation Police Officers' Pension Plan
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
(Unaudited)

Fiscal year ending September 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability:									
Service cost	$ 3,864,933	$ 3,923,904	$ 3,568,663	$ 3,074,273	$ 2,973,682	$ 2,953,358	$ 3,084,847	$ 2,981,771	$ 3,450,673
Interest	15,224,497	14,780,574	14,625,698	13,486,029	12,864,078	12,556,108	11,952,044	11,963,143	11,440,209
Benefit changes	5,391,716	-	-	10,238,899	-	-	-	(6,934,786)	-
Differences between actual and expected experience	3,330,373	603,418	1,280,381	1,294,308	2,235,073	(267,929)	1,587,630	(935,569)	62,656
Assumption changes	-	1,057,785	(3,102,099)	967,074	935,084	(1,978,523)	-	864,537	-
Benefit payments, including refunds of member contributions	(11,716,671)	(12,523,305)	(13,237,355)	(9,744,310)	(7,762,610)	(7,360,707)	(8,004,585)	(6,128,139)	(8,212,520)
Other (increase in State reserve)	-	-	-	-	-	-	(180,907)	77,708	66,707
Net change in total pension liability	16,094,848	7,842,376	3,135,288	19,316,273	11,245,307	5,902,307	8,439,029	1,888,665	6,807,725
Total pension liability - beginning	227,541,511	219,699,135	216,563,847	197,247,574	186,002,267	180,099,960	171,660,931	169,772,266	162,964,541
Total pension liability - ending (a)	$ 243,636,359	$ 227,541,511	$ 219,699,135	$ 216,563,847	$ 197,247,574	$ 186,002,267	$ 180,099,960	$ 171,660,931	$ 169,772,266
Plan fiduciary net position:									
Contributions - city and state	$ 7,646,706	$ 7,702,630	$ 7,657,777	$ 6,560,016	$ 6,449,495	$ 6,902,218	$ 6,758,841	$ 6,988,152	$ 7,694,273
Contributions - member, including buybacks	1,185,756	1,020,972	1,009,742	934,674	871,611	861,371	875,249	833,532	874,712
Net investment income (loss)	(33,540,889)	45,508,872	13,526,326	7,408,413	15,296,284	18,088,960	14,081,428	(2,413,158)	9,306,160
Benefit payments, including refunds of member contributions	(11,716,671)	(12,523,305)	(13,237,355)	(9,744,310)	(7,762,610)	(7,360,707)	(8,004,585)	(6,128,139)	(8,212,520)
Administrative expense	(267,233)	(282,996)	(213,197)	(226,616)	(207,062)	(180,750)	(227,065)	(224,150)	(207,024)
Net change in plan fiduciary net position	(36,692,331)	41,426,173	8,743,293	4,932,177	14,647,718	18,311,092	13,483,868	(943,763)	9,455,601
Plan fiduciary net position - beginning	221,393,399	179,967,226	171,223,933	166,291,756	151,644,038	133,332,946	119,849,078	120,792,841	111,337,240
Plan fiduciary net position - ending (b)	$ 184,701,068	$ 221,393,399	$ 179,967,226	$ 171,223,933	$ 166,291,756	$ 151,644,038	$ 133,332,946	$ 119,849,078	$ 120,792,841
City's net pension liability - ending (a) - (b)	$ 58,935,291	$ 6,148,112	$ 39,731,909	$ 45,339,914	$ 30,955,818	$ 34,358,229	$ 46,767,014	$ 51,811,853	$ 48,979,425
Plan fiduciary net position as a **percentage of the total pension liability**	75.81%	97.30%	81.92%	79.06%	84.31%	81.53%	74.03%	69.82%	71.15%
Covered payroll*	$ 11,851,930	$ 11,905,120	$ 10,816,963	$ 10,139,420	$ 9,770,304	$ 9,355,012	$ 9,656,131	$ 8,949,617	$ 9,339,051
Net pension liability as a percentage of covered payroll	497.26%	51.64%	367.31%	447.16%	316.84%	367.27%	484.32%	578.93%	524.46%

* Estimated Payroll

NOTE: This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the Plan will present information for those years for which the information is available.

NOTE: Fiscal year ending September 30, 2022 is based on October 1, 2021 actuarial valuation.

City of Planation Police Officers' Pension Plan
Required Supplementary Information
Schedule of Contributions by Employer
(Unaudited)

Fiscal Year Ending September 30,	Actuarially Determined Contribution	Actual* Contribution	Contribution Deficiency (Excess)	Estimated Covered Payroll	Actual Contribution as a Percentage of Estimated Covered Payroll
2013	$ 6,692,379	$ 6,692,379	$ -	$ 9,907,061	67.55%
2014	7,627,566	7,627,566	-	9,339,051	81.67%
2015	6,910,444	6,910,444	-	8,949,617	77.21%
2016	6,939,748	6,939,748	-	9,656,131	71.87%
2017	6,894,091	6,902,218	(8,127)	9,355,012	73.78%
2018	6,449,495	6,449,495	-	9,770,304	66.01%
2019	6,560,016	6,560,016	-	10,139,420	64.70%
2020	7,657,777	7,657,777	-	10,816,963	70.79%
2021	7,702,630	7,702,630	-	11,905,120	64.70%
2022	7,646,706	7,646,706	-	11,851,930	64.52%

*Reflects City and State contributions including Florida Statutes, Chapter 185 funds, at allowable amounts.

Valuation date October 1, 2020

Note: Actuarially determined contribution rates are calculated as of October 1, which is two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age normal
Amortization Method	Level percentage of payroll, closed.
Remaining Amortization Period	30 years
Asset Valuation Method	5 - year smoothed market
Inflation	2.5%
Salary Increases	4.4% - 24.0%, including inflation, based on service
Investment Rate of Return	6.75%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement Systems (FRS) in their July 1, 2020 actuarial valuation (with mortality improvements projected to all future years after 2010 using Scale MP-2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

City of Plantation Police Officers' Pension Plan
Required Supplementary Information
Schedule of Investment Returns
(Unaudited)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	(15.19%)	25.11%	7.78%	4.32%	9.87%	13.17%	11.69%	(2.20%)	7.69%

NOTE: This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the Plan will present information for those years for which the information is available.

OTHER SUPPLEMENTARY INFORMATION

City of Plantation Police Officers' Pension Plan
Schedules of Investment and Administrative Expenses
For the Years Ended September 30, 2022 and 2021

Schedule of Investment Expenses

	2022	2021
Financial management expenses:*		
DePrince, Race and Zollo, Inc.	$ 273,087	$ 315,174
Garcia Hamilton	75,953	81,489
Polen Capital Management	246,131	273,880
JP Morgan	107,394	108,355
Principal Financial Group	140,319	112,884
Cresent Direct Lending	109,322	40,426
IFM Investor Partner BE	102,994	160,832
Affiliated Housing Impact	111,063	-
Serentas SS&C	27,518	-
Ironside Co	105,586	-
TerraCap Investment	124,766	117,952
Total financial management expenses	1,424,133	1,210,992
Investment consulting fees:		
AndCo Consulting	86,500	76,500
Investment custodial fees:		
FTI Bank	23,671	28,453
Total investment expenses	$ 1,534,304	$ 1,315,945

*Does not include mutual funds.

Schedule of Administrative Expenses

	2022	2021
Professional services:		
Actuarial	$ 73,001	$ 107,847
Administrator	14,400	14,400
Other	14,000	13,500
Legal	48,847	54,541
Total professional services	150,248	190,288
Other:		
Insurance	13,861	10,765
Office expenses, dues and seminars, bonus, payroll expenses	103,124	81,943
Total other	116,985	92,708
Total administrative expenses	$ 267,233	$ 282,996