TOWN OF LONGBOAT KEY
CONSOLIDATED RETIREMENT SYSTEM

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2023

CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR ENDING SEPTEMBER 30, 2025

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

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ACTUARIES AND CONSULTANTS

March 21, 2024

Board of Trustees
Town of Longboat Key
Consolidated Retirement System Board of Trustees

Re: Town of Longboat Key Consolidated Retirement System

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the Town of Longboat Key Consolidated Retirement System. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year. Use of the results for other purposes may not be applicable and may produce significantly different results.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Chapter 112, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in the valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience.

The funding percentages and unfunded accrued liability as measured based on the actuarial value of assets will differ from similar measures based on the market value of assets. These measures, as provided, are appropriate for determining the adequacy of future contributions, but may not be appropriate for the purpose of settling a portion or all of its liabilities. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the valuation, we did not perform an analysis of the potential range of such future measurements.

In conducting the valuation, we have relied on personnel, plan design, and asset information supplied by the Town of Longboat Key, financial reports prepared by the custodian bank, and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

Additionally, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models that apply the funding rules to generate the results. All internally developed models are reviewed as part of the valuation process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

In our opinion, the Minimum Required Contribution set forth in this report constitutes a reasonable actuarially determined contribution under Actuarial Standard of Practice No. 4.

The undersigned is familiar with the immediate and long-term aspects of pension valuations, and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All of the sections of this report are considered an integral part of the actuarial opinions.

To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the Town of Longboat Key, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the the Consolidated Retirement System. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact us at 239-433-5500.

Respectfully submitted,

Foster & Foster, Inc.

By: ______________________________

Douglas H. Lozen, EA, MAAA
Enrolled Actuary #23-7778

By: ______________________________

Monica Heath

DHL/lke

Enclosures

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SUMMARY OF REPORT

The regular annual actuarial valuation of the Town of Longboat Key Consolidated Retirement System, performed as of October 1, 2023, has been completed and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ending September 30, 2025.

The contribution requirements, compared with those set forth in the October 1, 2022 actuarial valuation report, are as follows:

Valuation Date	10/1/2023	10/1/2022
Applicable to Fiscal Year Ending	9/30/2025	9/30/2024
Police Officers	$558,094	$538,787
Firefighters	1,964,553	1,904,613
General Employees	413,030	420,663
Town Required Contribution	$2,935,677	$2,864,063

Change in Contribution Rate Discussion

As you can see, the annual contribution requirements have increased for the Police and Fire legacy plans (and decreased for the General plan) when compared to results set forth in the October 1, 2022 valuation report. The reasoning for the changes are as follows:

- Police – Full recogntion of the net actuarial gain established as of October 1, 2013, in addition to net unfavorable actuarial experience described in the next paragraph.
- Fire - Net unfavorable actuarial experience described in the next paragraph, partially offset by full recogntion of the net actuarial loss established as of October 1, 2013.
- General – Full recogntion of the net actuarial loss established as of October 1, 2013, partially offset by net unfavorable actuarial experience described in the next paragraph.

Plan Experience Discussion

Experience since the prior valuation was overall unfavorable on the basis of the plan's actuarial assumptions. The primary source of actuarial loss is attributable to a 6.18% investment return (net-of-fees Actuarial Asset Basis), falling short of the 6.75% assumption.

CHANGES SINCE PRIOR VALUATION

Plan Changes

There have been no changes in benefits since the prior valuation.

Actuarial Assumption/Method Changes

There have been no changes in assumptions or methods since the prior valuation.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS
POLICE OFFICERS

	10/1/2023	10/1/2022
A. Participant Data		
Actives	2	2
Service Retirees	18	18
Beneficiaries	2	2
Disability Retirees	1	2
Terminated Vested	0	0
Total	23	24
Projected Annual Payroll	N/A	N/A
Annual Rate of Payments to:		
Service Retirees	796,423	781,411
Beneficiaries	77,391	75,594
Disability Retirees	39,919	59,528
Terminated Vested	0	0
B. Assets		
Actuarial Value (AVA)	8,516,187	8,434,046
Market Value (MVA)	8,105,004	7,688,278
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	102,608	104,522
Disability Benefits	9,819	11,055
Death Benefits	331	303
Vested Benefits	0	0
Refund of Contributions	0	0
Service Retirees	10,728,245	10,723,648
Beneficiaries	537,269	552,191
Disability Retirees	546,984	683,531
Terminated Vested	0	0
Total	11,925,256	12,075,250

POLICE OFFICERS

C. Liabilities - (Continued)	10/1/2023	10/1/2022
Present Value of Future Salaries	N/A	N/A
Present Value of Future Member Contributions	N/A	N/A
Normal Cost (Retirement)	0	0
Normal Cost (Disability)	8,002	8,438
Normal Cost (Death)	64	52
Normal Cost (Vesting)	0	0
Normal Cost (Refunds)	0	0
Total Normal Cost	8,066	8,490
Present Value of Future Normal Costs	8,066	8,490
Accrued Liability (Retirement)	102,608	104,522
Accrued Liability (Disability)	1,817	2,617
Accrued Liability (Death)	267	251
Accrued Liability (Vesting)	0	0
Accrued Liability (Refunds)	0	0
Accrued Liability (Inactives)	11,812,498	11,959,370
Total Actuarial Accrued Liability (EAN AL)	11,917,190	12,066,760
Unfunded Actuarial Accrued Liability (UAAL)	3,401,003	3,632,714
Funded Ratio (AVA / EAN AL)	71.5%	69.9%

POLICE OFFICERS

D. Actuarial Present Value of Accrued Benefits	10/1/2023	10/1/2022
Vested Accrued Benefits		
Inactives	11,812,498	11,959,370
Actives	77,860	115,881
Member Contributions	34,898	34,898
Total	11,925,256	12,110,149
Non-vested Accrued Benefits	0	0
Total Present Value Accrued Benefits (PVAB)	11,925,256	12,110,149
Funded Ratio (MVA / PVAB)	68.0%	63.5%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
Plan Experience	(63,308)	
Benefits Paid	(908,363)	
Interest	786,778	
Other	0	
Total	(184,893)	

POLICE OFFICERS

Valuation Date	10/1/2023	10/1/2022
Applicable to Fiscal Year Ending	9/30/2025	9/30/2024
E. Pension Cost		
Normal Cost [1]	$8,883	$9,350
Administrative Expenses [1]	23,007	21,298
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 20 years (as of 10/1/2023) [1]	526,204	508,139
Minimum Required Contribution	558,094	538,787
Expected Member Contributions	0	0
Expected Town Contribution	558,094	538,787
F. Past Contributions		
Plan Years Ending:	9/30/2023	
Town Requirement	503,616	
Actual Contributions Made:		
Town	503,616	
G. Net Actuarial (Gain)/Loss	14,638	

[1] Contributions developed as of 10/1/2023 displayed above have been adjusted to account for a 1.5 year interest load.

POLICE OFFICERS

H. Schedule Illustrating the Amortization of the Total Unfunded Actuarial Accrued Liability as of:

Year	Projected Unfunded Actuarial Accrued Liability
2023	3,401,003
2024	3,120,493
2025	2,798,912
2030	1,129,960
2034	275,551
2040	5,266
2043	0

I. (i) 5 Year Comparison of Actual and Assumed Salary Increases

		Actual	Assumed
Year Ended	9/30/2023	N/A	N/A
Year Ended	9/30/2022	N/A	N/A
Year Ended	9/30/2021	N/A	N/A
Year Ended	9/30/2020	N/A	N/A
Year Ended	9/30/2019	N/A	N/A

(ii) 5 Year Comparison of Investment Return on Market Value and Actuarial Value

		Market Value	Actuarial Value	Assumed
Year Ended	9/30/2023	11.38%	6.18%	6.75%
Year Ended	9/30/2022	-11.66%	4.09%	7.00%
Year Ended	9/30/2021	21.45%	9.46%	7.00%
Year Ended	9/30/2020	6.36%	7.06%	7.00%
Year Ended	9/30/2019	2.86%	7.53%	7.00%

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS
FIREFIGHTERS

	10/1/2023	10/1/2022
A. Participant Data		
Actives	3	4
Service Retirees	34	32
Beneficiaries	1	1
Disability Retirees	4	4
Terminated Vested	3	4
Total	45	45
Projected Annual Payroll	N/A	N/A
Annual Rate of Payments to:		
Service Retirees	2,314,529	2,189,795
Beneficiaries	19,344	19,344
Disability Retirees	110,093	110,093
Terminated Vested	38,827	43,809
B. Assets		
Actuarial Value (AVA)	23,684,822	22,984,405
Market Value (MVA)	22,580,059	20,956,135
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	587,482	1,617,513
Disability Benefits	26,311	35,697
Death Benefits	2,022	2,688
Vested Benefits	8,866	11,328
Refund of Contributions	0	0
Service Retirees	31,577,470	30,270,668
Beneficiaries	231,600	234,592
Disability Retirees	1,030,288	1,084,771
Terminated Vested	297,436	334,060
Total	33,761,475	33,591,317

FIREFIGHTERS

C. Liabilities - (Continued)	10/1/2023	10/1/2022
Present Value of Future Salaries	N/A	N/A
Present Value of Future Member Contributions	N/A	N/A
Normal Cost (Retirement)	0	0
Normal Cost (Disability)	3,640	5,218
Normal Cost (Death)	122	121
Normal Cost (Vesting)	0	0
Normal Cost (Refunds)	0	0
Total Normal Cost	3,762	5,339
Present Value of Future Normal Costs	10,438	13,005
Accrued Liability (Retirement)	587,482	1,617,513
Accrued Liability (Disability)	16,286	23,179
Accrued Liability (Death)	1,609	2,201
Accrued Liability (Vesting)	8,866	11,328
Accrued Liability (Refunds)	0	0
Accrued Liability (Inactives)	33,136,794	31,924,091
Total Actuarial Accrued Liability (EAN AL)	33,751,037	33,578,312
Unfunded Actuarial Accrued Liability (UAAL)	10,066,215	10,593,907
Funded Ratio (AVA / EAN AL)	70.2%	68.5%

FIREFIGHTERS

D. Actuarial Present Value of Accrued Benefits	10/1/2023	10/1/2022
Vested Accrued Benefits		
Inactives	33,136,794	31,924,091
Actives	504,356	1,619,790
Member Contributions	116,650	232,189
Total	33,757,800	33,776,070
Non-vested Accrued Benefits	0	0
Total Present Value Accrued Benefits (PVAB)	33,757,800	33,776,070
Funded Ratio (MVA / PVAB)	66.9%	62.0%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
Plan Experience	130,575	
Benefits Paid	(2,349,436)	
Interest	2,200,591	
Other	0	
Total	(18,270)	

FIREFIGHTERS

Valuation Date	10/1/2023	10/1/2022
Applicable to Fiscal Year Ending	9/30/2025	9/30/2024
E. Pension Cost		
Normal Cost [1]	$4,143	$5,880
Administrative Expenses [1]	63,442	56,711
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 20 years (as of 10/1/2023) [1]	1,896,968	1,842,022
Minimum Required Contribution	1,964,553	1,904,613
Expected Member Contributions	0	0
Expected Town Contribution	1,964,553	1,904,613
F. Past Contributions		
Plan Years Ending:	9/30/2023	
Town Requirement	1,710,005	
Actual Contributions Made:		
Town	1,710,005	
G. Net Actuarial (Gain)/Loss	466,003	

[1] Contributions developed as of 10/1/2023 displayed above have been adjusted to account for a 1.5 year interest load.

FIREFIGHTERS

H. Schedule Illustrating the Amortization of the Total Unfunded Actuarial Accrued Liability as of:

Year	Projected Unfunded Actuarial Accrued Liability
2023	10,066,215
2024	8,906,852
2025	7,681,686
2026	6,390,522
2030	2,426,319
2034	47,025
2043	0

I. (i) 5 Year Comparison of Actual and Assumed Salary Increases

		Actual	Assumed
Year Ended	9/30/2023	N/A	N/A
Year Ended	9/30/2022	N/A	N/A
Year Ended	9/30/2021	N/A	N/A
Year Ended	9/30/2020	N/A	N/A
Year Ended	9/30/2019	N/A	N/A

(ii) 5 Year Comparison of Investment Return on Market Value and Actuarial Value

		Market Value	Actuarial Value	Assumed
Year Ended	9/30/2023	11.38%	6.18%	6.75%
Year Ended	9/30/2022	-11.66%	4.09%	7.00%
Year Ended	9/30/2021	21.45%	9.46%	7.00%
Year Ended	9/30/2020	6.36%	7.06%	7.00%
Year Ended	9/30/2019	2.86%	7.53%	7.00%

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS
GENERAL EMPLOYEES

	10/1/2023	10/1/2022
A. Participant Data		
Actives	13	14
Service Retirees	44	44
Beneficiaries	3	3
Disability Retirees	0	0
Terminated Vested	8	8
Total	68	69
Projected Annual Payroll	N/A	N/A
Annual Rate of Payments to:		
Service Retirees	1,007,309	993,257
Beneficiaries	29,071	29,071
Disability Retirees	0	0
Terminated Vested	98,694	98,694
B. Assets		
Actuarial Value (AVA)	11,969,793	12,023,490
Market Value (MVA)	11,426,456	10,997,004
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	2,724,621	2,935,858
Disability Benefits	0	0
Death Benefits	16,226	17,724
Vested Benefits	25,516	32,154
Refund of Contributions	0	0
Service Retirees	10,533,562	10,483,229
Beneficiaries	225,329	235,800
Disability Retirees	0	0
Terminated Vested	623,147	583,403
Total	14,148,401	14,288,168

GENERAL EMPLOYEES

C. Liabilities - (Continued)	10/1/2023	10/1/2022
Present Value of Future Salaries	N/A	N/A
Present Value of Future Member Contributions	N/A	N/A
Normal Cost (Retirement)	0	0
Normal Cost (Disability)	0	0
Normal Cost (Death)	1,136	1,286
Normal Cost (Vesting)	0	0
Normal Cost (Refunds)	0	0
Total Normal Cost	1,136	1,286
Present Value of Future Normal Costs	2,801	3,215
Accrued Liability (Retirement)	2,724,621	2,935,858
Accrued Liability (Disability)	0	0
Accrued Liability (Death)	13,425	14,509
Accrued Liability (Vesting)	25,516	32,154
Accrued Liability (Refunds)	0	0
Accrued Liability (Inactives)	11,382,038	11,302,432
Total Actuarial Accrued Liability (EAN AL)	14,145,600	14,284,953
Unfunded Actuarial Accrued Liability (UAAL)	2,175,807	2,261,463
Funded Ratio (AVA / EAN AL)	84.6%	84.2%

GENERAL EMPLOYEES

D. Actuarial Present Value of Accrued Benefits	10/1/2023	10/1/2022
Vested Accrued Benefits		
Inactives	11,382,038	11,302,432
Actives	2,331,746	2,818,057
Member Contributions	434,617	475,636
Total	14,148,401	14,596,125
Non-vested Accrued Benefits	0	0
Total Present Value Accrued Benefits (PVAB)	14,148,401	14,596,125
Funded Ratio (MVA / PVAB)	80.8%	75.3%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
Plan Experience	(352,362)	
Benefits Paid	(1,045,321)	
Interest	949,959	
Other	0	
Total	(447,724)	

GENERAL EMPLOYEES

Valuation Date Applicable to Fiscal Year Ending	10/1/2023 9/30/2025	10/1/2022 9/30/2024
E. Pension Cost		
Normal Cost [1]	$1,251	$1,416
Administrative Expenses [1]	32,729	30,866
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 20 years (as of 10/1/2023) [1]	379,050	388,381
Minimum Required Contribution	413,030	420,663
Expected Member Contributions	0	0
Expected Town Contribution	413,030	420,663
F. Past Contributions		
Plan Years Ending:	9/30/2023	
Town Requirement	302,361	
Actual Contributions Made:		
Town	302,361	
G. Net Actuarial (Gain)/Loss	43,914	

[1] Contributions developed as of 10/1/2023 displayed above have been adjusted to account for a 1.5 year interest load.

GENERAL EMPLOYEES

H. Schedule Illustrating the Amortization of the Total Unfunded Actuarial Accrued Liability as of:

Year	Projected Unfunded Actuarial Accrued Liability
2023	2,175,807
2024	1,955,241
2025	1,717,257
2030	592,267
2034	25,474
2035	1,829
2043	0

I. (i) 5 Year Comparison of Actual and Assumed Salary Increases

		Actual	Assumed
Year Ended	9/30/2023	N/A	N/A
Year Ended	9/30/2022	N/A	N/A
Year Ended	9/30/2021	N/A	N/A
Year Ended	9/30/2020	N/A	N/A
Year Ended	9/30/2019	N/A	N/A

(ii) 5 Year Comparison of Investment Return on Market Value and Actuarial Value

		Market Value	Actuarial Value	Assumed
Year Ended	9/30/2023	11.38%	6.18%	6.75%
Year Ended	9/30/2022	-11.66%	4.09%	7.00%
Year Ended	9/30/2021	21.45%	9.46%	7.00%
Year Ended	9/30/2020	6.36%	7.06%	7.00%
Year Ended	9/30/2019	2.86%	7.53%	7.00%

STATEMENT BY ENROLLED ACTUARY

This actuarial valuation was prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.

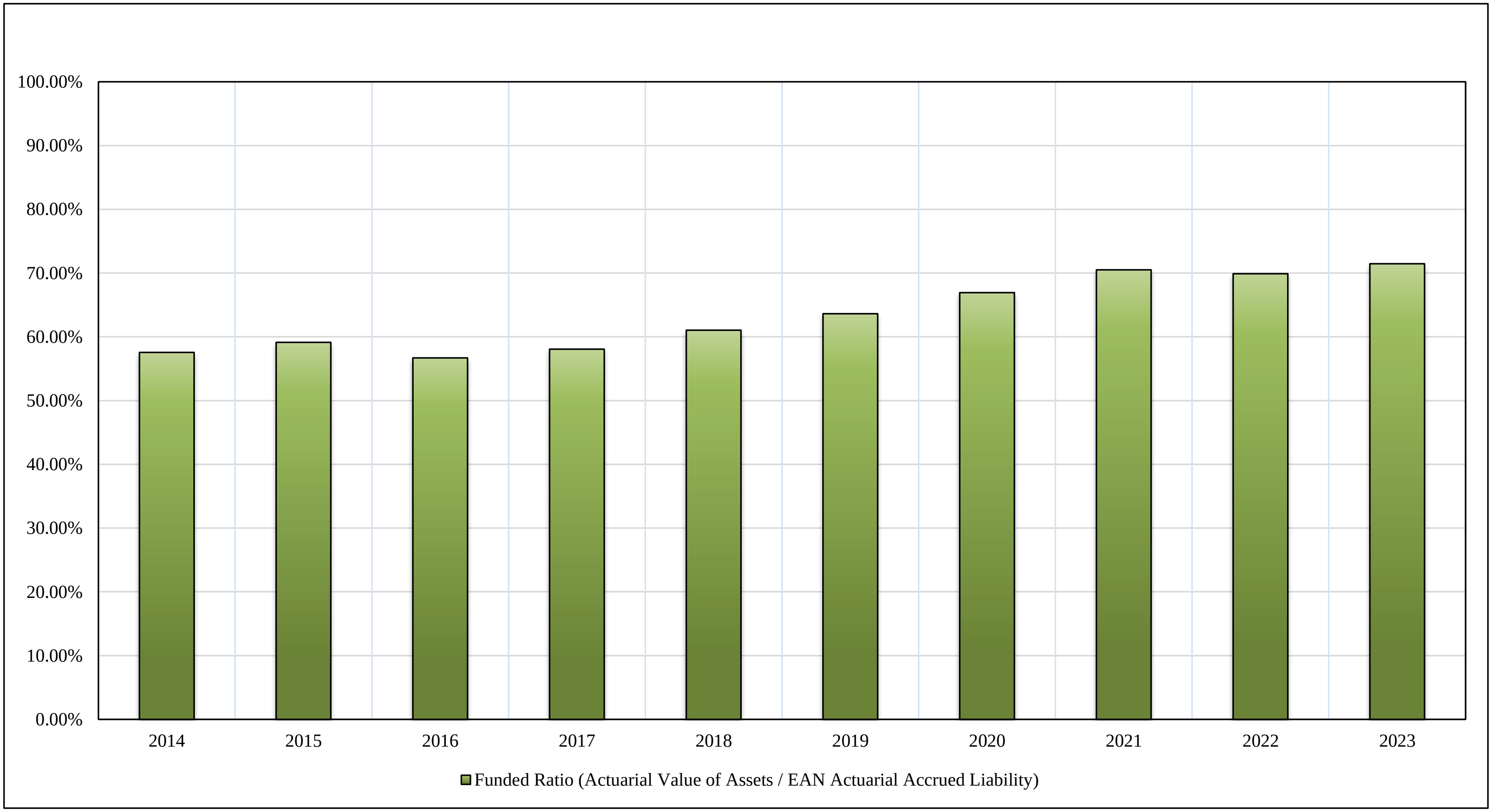
Doug Lozen

Douglas H. Lozen, EA, MAAA
Enrolled Actuary #23-7778

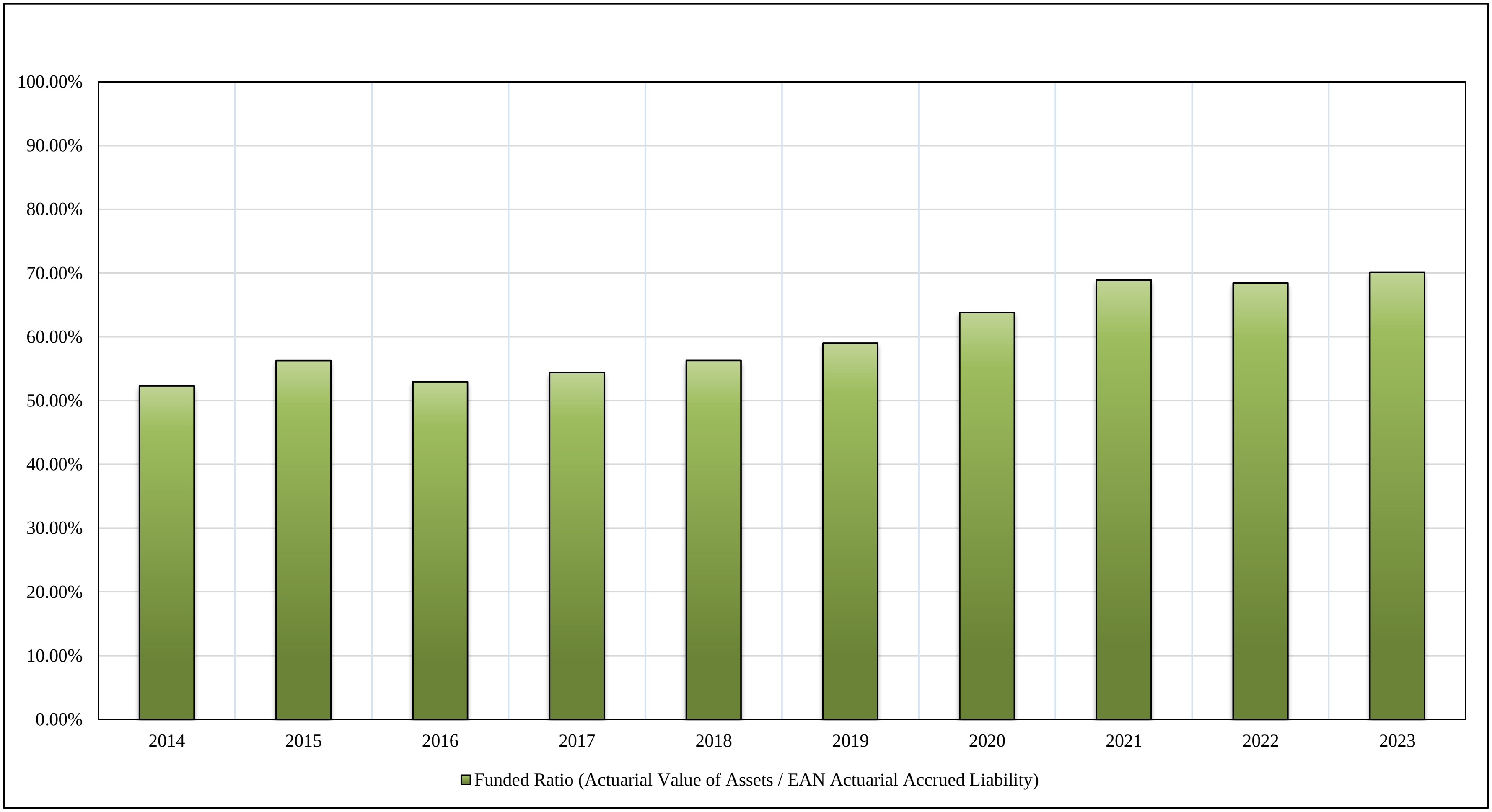
Please let us know when the report is approved by the Board and unless otherwise directed we will provide a copy of the report to the following office to comply with Chapter 112 Florida Statutes:

Mr. Keith Brinkman
Bureau of Local
Retirement Systems
Post Office Box 9000
Tallahassee, FL 32315-9000

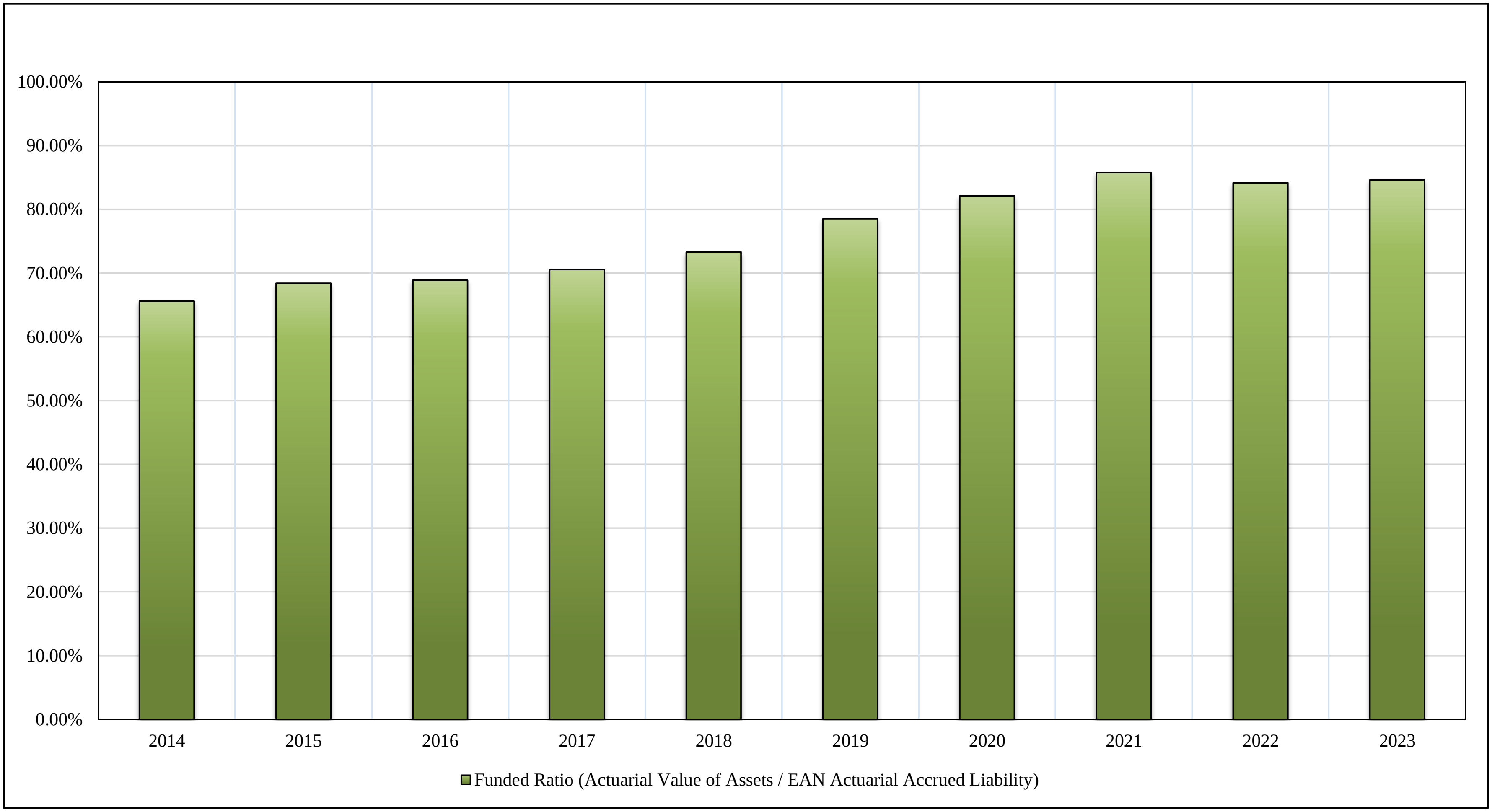
HISTORY OF FUNDING PROGRESS (POLICE OFFICERS)



HISTORY OF FUNDING PROGRESS (FIREFIGHTERS)



HISTORY OF FUNDING PROGRESS (GENERAL EMPLOYEES)



RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES
POLICE OFFICERS

(1)	Unfunded Actuarial Accrued Liability as of October 1, 2022	$3,632,714
(2)	Sponsor Normal Cost developed as of October 1, 2022	8,490
(3)	Expected administrative expenses for the year ended September 30, 2023	19,340
(4)	Expected interest on (1), (2) and (3)	246,434
(5)	Sponsor contributions to the System during the year ended September 30, 2023	503,616
(6)	Expected interest on (5)	16,997
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2023 (1)+(2)+(3)+(4)-(5)-(6)	3,386,365
(8)	Change to UAAL due to Assumption Change	0
(9)	Change to UAAL due to Actuarial (Gain)/Loss	14,638
(10)	Unfunded Actuarial Accrued Liability as of October 1, 2023	3,401,003

Type of Base	Date Established	Years Remaining	10/1/2023 Amount	Amortization Amount
	10/1/1996	3	(26,100)	(9,274)
	10/1/1999	6	(73,286)	(14,292)
Method Change	10/1/2002	9	678,531	96,525
Prior Losses	10/1/2002	5	462,391	104,936
Actuarial Gain	10/1/2003	5	(237,275)	(53,848)
Actuarial Loss	10/1/2004	5	115,435	26,197
Actuarial Loss	10/1/2005	5	145,001	32,907
Actuarial Gain	10/1/2006	5	(9,222)	(2,093)
Benefit Change	10/1/2006	13	598,015	66,082
Actuarial Loss	10/1/2007	5	273,170	61,994
Assump Change	10/1/2007	14	55,790	5,887
Benefit Change	10/1/2007	14	279,547	29,496
Method Change	10/1/2008	5	90,029	20,431
Assump Change	10/1/2012	9	278,950	39,682
Benefit Change	10/1/2012	19	(251,657)	(22,383)
Actuarial Gain	10/1/2014	1	(20,736)	(20,736)
Assump Change	10/1/2015	12	354,139	41,213
Actuarial Gain	10/1/2015	2	(79,096)	(40,839)
Benefit Change	10/1/2015	12	(8,180)	(952)
Assump Change	10/1/2016	13	475,708	52,567
Actuarial Loss	10/1/2016	3	40,339	14,334

Type of Base	Date Established	Years Remaining	10/1/2023 Amount	Amortization Amount
Actuarial Loss	10/1/2017	4	517	142
Actuarial Loss	10/1/2017	4	162,169	44,597
Actuarial Gain	10/1/2018	5	(89,363)	(20,280)
Actuarial Loss	10/1/2019	6	35,019	6,829
Actuarial Loss	10/1/2020	7	105,322	18,148
Assump Change	10/1/2020	17	(230,734)	(21,757)
Actuarial Gain	10/1/2021	8	(140,073)	(21,762)
Actuarial Loss	10/1/2022	9	119,808	17,043
Assump Change	10/1/2022	19	282,207	25,100
Actuarial Loss	10/1/2023	10	14,638	1,930
			3,401,003	477,824

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES
FIREFIGHTERS

(1)	Unfunded Actuarial Accrued Liability as of October 1, 2022	$10,593,907
(2)	Sponsor Normal Cost developed as of October 1, 2022	5,339
(3)	Expected administrative expenses for the year ended September 30, 2023	51,497
(4)	Expected interest on (1), (2) and (3)	717,187
(5)	Sponsor contributions to the System during the year ended September 30, 2023	1,710,005
(6)	Expected interest on (5)	57,713
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2023 (1)+(2)+(3)+(4)-(5)-(6)	9,600,212
(8)	Change to UAAL due to Assumption Change	0
(9)	Change to UAAL due to Actuarial (Gain)/Loss	466,003
(10)	Unfunded Actuarial Accrued Liability as of October 1, 2023	10,066,215

Type of Base	Date Established	Years Remaining	10/1/2023 Amount	Amortization Amount
	10/1/1997	4	308,361	84,800
	10/1/1998	5	(96,689)	(21,943)
	10/1/1999	6	(209,189)	(40,795)
	10/1/2001	8	789,236	122,617
Method Change	10/1/2002	9	1,317,602	187,437
Prior Losses	10/1/2002	5	895,097	203,135
Actuarial Loss	10/1/2003	5	80,104	18,179
Actuarial Loss	10/1/2004	5	581,634	131,997
Benefit Change	10/1/2005	12	983,524	114,457
Actuarial Loss	10/1/2005	5	305,487	69,328
Actuarial Loss	10/1/2006	5	(97,625)	(22,155)
Actuarial Loss	10/1/2007	5	799,869	181,524
Assump Change	10/1/2007	14	569,968	60,140
Benefit Change	10/1/2007	14	(121,497)	(12,820)
Method Change	10/1/2008	5	97,903	22,218
Benefit Change	10/1/2012	19	(1,230,585)	(109,452)
Actuarial Loss	10/1/2014	1	11,665	11,665
Assump Change	10/1/2014	11	883,406	108,989
Actuarial Loss	10/1/2015	2	30,304	15,647
Assump Change	10/1/2015	12	1,131,017	131,622
Benefit Change	10/1/2015	14	(262,431)	(27,690)

Type of Base	Date Established	Years Remaining	10/1/2023 Amount	Amortization Amount
Assump Change	10/1/2016	13	1,414,258	156,279
Actuarial Loss	10/1/2016	3	173,484	61,644
Actuarial Loss	10/1/2017	4	184,084	50,623
Actuarial Loss	10/1/2018	5	272,569	61,857
Benefits Change	10/1/2018	10	303	40
Actuarial Loss	10/1/2020	7	195,225	33,639
Assump Change	10/1/2020	17	(667,053)	(62,899)
Actuarial Gain	10/1/2021	8	(339,837)	(52,798)
Actuarial Loss	10/1/2022	9	778,910	110,805
Assump Change	10/1/2022	19	821,108	73,032
Actuarial Loss	10/1/2023	10	466,003	61,437
			10,066,215	1,722,559

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES
GENERAL EMPLOYEES

(1)	Unfunded Actuarial Accrued Liability as of October 1, 2022	$2,261,463
(2)	Sponsor Normal Cost developed as of October 1, 2022	1,286
(3)	Expected administrative expenses for the year ended September 30, 2023	28,028
(4)	Expected interest on (1), (2) and (3)	153,682
(5)	Sponsor contributions to the System during the year ended September 30, 2023	302,361
(6)	Expected interest on (5)	10,205
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2023 (1)+(2)+(3)+(4)-(5)-(6)	2,131,893
(8)	Change to UAAL due to Assumption Change	0
(9)	Change to UAAL due to Actuarial (Gain)/Loss	43,914
(10)	Unfunded Actuarial Accrued Liability as of October 1, 2023	2,175,807

Type of Base	Date Established	Years Remaining	10/1/2023 Amount	Amortization Amount
	10/1/1996	3	(40,034)	(14,225)
	10/1/1997	4	32,285	8,878
	10/1/2001	8	117,749	18,294
Method Change	10/1/2002	9	853,748	121,451
Prior Losses	10/1/2002	5	580,421	131,722
Actuarial Gain	10/1/2003	5	(176,537)	(40,064)
Actuarial Loss	10/1/2004	5	119,232	27,059
Actuarial Loss	10/1/2005	5	66,926	15,188
Actuarial Gain	10/1/2006	5	(10,838)	(2,460)
Benefit Change	10/1/2006	13	(121,661)	(13,444)
Actuarial Loss	10/1/2007	5	113,050	25,656
Assump Change	10/1/2007	14	162,529	17,149
Benefit Change	10/1/2007	14	176,605	18,634
Method Change	10/1/2008	5	46,157	10,475
Assump Change	10/1/2012	9	6,658	947
Benefit Change	10/1/2012	19	(488,743)	(43,470)
Assump Change	10/1/2013	10	564,307	74,397
Actuarial Gain	10/1/2014	1	(2,368)	(2,368)
Actuarial Gain	10/1/2015	2	(12,080)	(6,237)
Benefit Change	10/1/2015	12	(195,486)	(22,750)
Assump Change	10/1/2016	13	373,347	41,256

Type of Base	Date Established	Years Remaining	10/1/2023 Amount	Amortization Amount
Actuarial Loss	10/1/2016	3	55,211	19,618
Actuarial Loss	10/1/2017	4	27,109	7,455
Actuarial Gain	10/1/2018	5	(92,700)	(21,038)
Actuarial Gain	10/1/2019	6	(182,551)	(35,600)
Actuarial Gain	10/1/2020	7	(46,831)	(8,069)
Assump Change	10/1/2020	17	(29,655)	(2,796)
Actuarial Gain	10/1/2021	8	(254,733)	(39,576)
Actuarial Loss	10/1/2022	9	162,764	23,154
Assump Change	10/1/2022	19	328,012	29,174
Actuarial Loss	10/1/2023	10	43,914	5,790
			2,175,807	344,200

ACTUARIAL ASSUMPTIONS AND METHODS
POLICE OFFICERS

<u>Mortality Rate</u>	*Healthy Active Lives:* **Female:** PubS.H-2010 for Employees, set forward one year. **Male:** PubS.H-2010 (Below Median) for Employees, set forward one year. *Healthy Retiree Lives:* **Female:** PubS.H-2010 for Healthy Retirees, set forward one year. **Male:** PubS.H-2010 for Healthy Retirees, set forward one year. *Beneficiary Lives:* **Female:** PubG.H-2010 for Healthy Retirees. **Male:** PubG.H-2010 for Healthy Retirees, set back one year. *Disabled Lives:* 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees. All rates for healthy lives are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements. The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for non-special-risk employees, with appropriate adjustments made based on plan demographics.
<u>Interest Rate</u>	6.75% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.
<u>Salary Increases</u>	None.
<u>Payroll Growth</u>	None.

Administrative Expenses	$20,892 annually, based on the average of actual expenses incurred in the prior two fiscal years.
Amortization Method	New UAAL amortization bases are amortized over the following amortization periods: Experience: 10 Years. Assumption/Method Changes: 20 Years. Benefit Changes: 30 Years. The amortization payment is subject to a minimum based on a 30-year amortization of the UAAL, if the UAAL is positive, in order to comply with Actuarial Standard of Practice No. 4. Bases established prior to the valuation date are adjusted proportionally to match the Expected Unfunded Actuarial Accrued Liability as of the valuation date, in order to align prior year bases with the portion of the current year UAAL associated with prior year sources.
Termination Rates	Below are sample rates of termination. This assumption is consistent with historical Plan experience.

Age	Rate of Termination
20	9.2%
30	7.3%
40	3.5%
50	0.8%

Disability Rates	Below are sample rates of disability. Additionally, 75% of disability retirements are assumed to be service-related. These rates are similar to those utilized by other Florida special risk retirement programs.

Age	Rate of Disability
20	0.14%
30	0.18%
40	0.30%
50	1.00%

Early Retirement	None.
Normal Retirement	The earlier of age 60, age 55 with 10 years of credited service, or 25 years of credited service, regardless of age. Also, any Member who has reached Normal Retirement is assumed to continue employment for one additional year. This assumption is reasonable based on the plan provisions.
Cost of Living Adjustment	3.0% per year, beginning 5 years after retirement.

Funding Method	Entry Age Normal Actuarial Cost Method. An interest load equal to 1.5 years has been applied for determination of the Total Required Contribution.
Asset Valuation Method	The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). Over time, this may result in a de minimis bias that is above or below the Market Value of Assets.
Low-Default-Risk Obligation Measure	Based on the Entry Age Normal Actuarial Cost Method and an interest rate of 4.87% per year compounded annually, net of investment related expenses. This rate is consistent with the Yield to Maturity of the S&P Municipal Bond 20-Year High Grade Rate Index as of September 30, 2023. All other assumptions for the Low-Default-Risk Obligation Measure are consistent with the assumptions shown in this section unless otherwise noted.

ACTUARIAL ASSUMPTIONS AND METHODS
FIREFIGHTERS

Mortality Rate	*Healthy Active Lives:* **Female:** PubS.H-2010 for Employees, set forward one year. **Male:** PubS.H-2010 (Below Median) for Employees, set forward one year. *Healthy Retiree Lives:* **Female:** PubS.H-2010 for Healthy Retirees, set forward one year. **Male:** PubS.H-2010 for Healthy Retirees, set forward one year. *Beneficiary Lives:* **Female:** PubG.H-2010 for Healthy Retirees. **Male:** PubG.H-2010 for Healthy Retirees, set back one year. *Disabled Lives:* 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees. All rates for healthy lives are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements. The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for non-special-risk employees, with appropriate adjustments made based on plan demographics.
Interest Rate	6.75% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.
Salary Increases	None.
Payroll Growth	None.

Administrative Expenses

$57,609 annually, based on the average of actual expenses incurred in the prior two fiscal years.

Amortization Method

New UAAL amortization bases are amortized over the following amortization periods:

Experience: 10 Years.
Assumption/Method Changes: 20 Years.
Benefit Changes: 30 Years.

The amortization payment is subject to a minimum based on a 30-year amortization of the UAAL, if the UAAL is positive, in order to comply with Actuarial Standard of Practice No. 4.

Bases established prior to the valuation date are adjusted proportionally to match the Expected Unfunded Actuarial Accrued Liability as of the valuation date, in order to align prior year bases with the portion of the current year UAAL associated with prior year sources.

Termination Rates

Below are sample rates of termination. This assumption is based on the results of an experience study for the period 2002 to 2007.

Age	Rate of Termination
20	12.4%
30	10.5%
40	5.7%
50	1.5%

Disability Rates

Below are sample rates of disability. Additionally, 90% of disability retirements are assumed to be service-related. This assumption was developed from those used by other plans containing Florida municipale firefighters.

Age	Rate of Disability
20	0.14%
30	0.18%
40	0.30%
50	1.00%

Normal Retirement

The earlier of age 60, age 55 with 10 years of credited service, or 25 years of credited service, regardless of age. Also, any Member who has reached Normal Retirement is assumed to continue employment for one additional year. This assumption is reasonable based on the plan provisions.

Early Retirement

None.

Cost of Living Adjustment	3.0% per year, beginning 5 years after retirement.
Funding Method	Entry Age Normal Actuarial Cost Method. An interest load equal to 1.5 years has been applied for determination of the Total Required Contribution.
Asset Valuation Method	The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). Over time, this may result in a de minimis bias that is above or below the Market Value of Assets.
Low-Default-Risk Obligation Measure	Based on the Entry Age Normal Actuarial Cost Method and an interest rate of 4.87% per year compounded annually, net of investment related expenses. This rate is consistent with the Yield to Maturity of the S&P Municipal Bond 20-Year High Grade Rate Index as of September 30, 2023. All other assumptions for the Low-Default-Risk Obligation Measure are consistent with the assumptions shown in this section unless otherwise noted.

ACTUARIAL ASSUMPTIONS AND METHODS
GENERAL EMPLOYEES

Mortality Rate

Healthy Active Lives:

Female: PubG.H-2010 (Below Median) for Employees.
Male: PubG.H-2010 (Below Median) for Employees, set back one year.

Healthy Retiree Lives:

Female: PubG.H-2010 for Healthy Retirees.
Male: PubG.H-2010 for Healthy Retirees, set back one year.

Beneficiary Lives:

Female: PubG.H-2010 for Healthy Retirees.
Male: PubG.H-2010 for Healthy Retirees, set back one year.

Disabled Lives:

PubG.H-2010 for Disabled Retirees, set forward three years.

All rates for healthy lives are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements.

The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for non-special-risk employees, with appropriate adjustments made based on plan demographics.

Interest Rate

6.75% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.

Salary Increases

None.

Payroll Growth

None.

Administrative Expenses	$29,720 annually, based on the average of actual expenses incurred in the prior two fiscal years.
Amortization Method	New UAAL amortization bases are amortized over the following amortization periods: Experience: 10 Years. Assumption/Method Changes: 20 Years. Benefit Changes: 30 Years. The amortization payment is subject to a minimum based on a 30-year amortization of the UAAL, if the UAAL is positive, in order to comply with Actuarial Standard of Practice No. 4. Bases established prior to the valuation date are adjusted proportionally to match the Expected Unfunded Actuarial Accrued Liability as of the valuation date, in order to align prior year bases with the portion of the current year UAAL associated with prior year sources.
Termination Rates	Below are sample rates of termination. This assumption is consistent with historical Plan experience.

Age	Rate of Termination
20	17.2%
30	15.0%
40	8.2%
50	1.7%

Normal Retirement	The earlier of age 62 or age 55 and completion of 30 years of credited service. Also, any Member who has reached Normal Retirement is assumed to continue employment for one additional year. This assumption is reasonable based on the plan provisions.
Early Retirement	5.0% per year, for each year of eligibility, beginning at age 50 with 15 years of credited service. This assumption is reasonable based on the plan provisions.
Funding Method	Entry Age Normal Actuarial Cost Method. An interest load equal to 1.5 years has been applied for determination of the Total Required Contribution.
Asset Valuation Method	The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). Over time, this may result in a de minimis bias that is above or below the Market Value of Assets.

Low-Default-Risk Obligation Measure

Based on the Entry Age Normal Actuarial Cost Method and an interest rate of 4.87% per year compounded annually, net of investment related expenses. This rate is consistent with the Yield to Maturity of the S&P Municipal Bond 20-Year High Grade Rate Index as of September 30, 2023. All other assumptions for the Low-Default-Risk Obligation Measure are consistent with the assumptions shown in this section unless otherwise noted.

GLOSSARY

Actuarial Value of Assets is the asset value used in the valuation to determine contribution requirements. It represents the plan's Market Value of Assets (see below), with adjustments according to the plan's Actuarial Asset Method. These adjustments produce a "smoothed" value that is likely to be less volatile from year to year than the Market Value of Assets.

Entry Age Normal Cost Method - Under this method, the normal cost is the sum of the individual normal costs for all active participants. For an active participant, the normal cost is the participant's normal cost accrual rate, multiplied by the participant's current compensation.

(a) The normal cost accrual rate equals:

(i) the present value of future benefits for the participant, determined as of the participant's entry age, divided by

(ii) the present value of the compensation expected to be paid to the participant for each year of the participant's anticipated future service, determined as of the participant's entry age.

(b) In calculating the present value of future compensation, the salary scale is applied both retrospectively and prospectively to estimate compensation in years prior to and subsequent to the valuation year based on the compensation used for the valuation.

(c) The accrued liability is the sum of the individual accrued liabilities for all participants and beneficiaries. A participant's accrued liability equals the present value, at the participant's attained age, of future benefits less the present value at the participant's attained age of the individual normal costs payable in the future. A beneficiary's accrued liability equals the present value, at the beneficiary's attained age, of future benefits. The unfunded accrued liability equals the total accrued liability less the actuarial value of assets.

(d) Under this method, the entry age used for each active participant is the participant's age at the time he or she would have commenced participation if the plan had always been in existence under current terms, or the age as of which he or she first earns service credits for purposes of benefit accrual under the current terms of the plan.

Market Value of Assets is the fair market value of plan assets as of the valuation date. This amount may be adjusted to produce an Actuarial Value of Assets for plan funding purposes.

Normal (Current Year's) Cost is the current year's cost for benefits yet to be funded. Under the Entry Age Normal cost method, it is determined for each participant as the present value of future benefits, determined as of the Member's entry age, amortized as a level percentage of compensation over the anticipated number of years of participation, determined as of the entry age.

Present Value of Benefits is the single sum value on the valuation date of all future benefits to be paid to current plan participants.

Total Annual Payroll is the projected annual rate of pay for the fiscal year beginning on the valuation date of all covered Members.

Total Required Contribution is equal to the Normal Cost plus an amount sufficient to amortize the Unfunded Accrued Liability over no more than 30 years. The required amount is adjusted for interest according to the timing of contributions during the year.

Unfunded Actuarial Accrued Liability (UAAL) is the difference between the actuarial accrued liability (described above) and the Actuarial Value of Assets. Under the Entry Age Normal Actuarial Cost Method, an actuarial gain or loss, based on actual versus expected UAAL, is determined in conjunction with each valuation of the plan.

DISCUSSION OF RISK
(POLICE OFFICERS)

ASOP No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, states that the actuary should identify risks that, in the actuary's professional judgment, may reasonably be anticipated to significantly affect the plan's future financial condition.

Throughout this report, actuarial results are determined using various actuarial assumptions. These results are based on the premise that all future plan experience will align with the plan's actuarial assumptions; however, there is no guarantee that actual plan experience will align with the plan's assumptions. It is possible that actual plan experience will differ from anticipated experience in an unfavorable manner that will negatively impact the plan's funded position.

Below are examples of ways in which plan experience can deviate from assumptions and the potential impact of that deviation. Typically, this results in an actuarial gain or loss representing the current-year financial impact on the plan's unfunded liability of the experience differing from assumptions; this gain or loss is amortized over a period of time determined by the plan's amortization method. When assumptions are selected that adequately reflect plan experience, gains and losses typically offset one another in the long term, resulting in a relatively low impact on the plan's contribution requirements associated with plan experience. When assumptions are too optimistic, losses can accumulate over time and the plan's amortization payment could potentially grow to an unmanageable level.

- Investment Return: When the rate of return on the Actuarial Value of Assets falls short of the assumption, this produces a loss representing assumed investment earnings that were not realized. Further, it is unlikely that the plan will experience a scenario that matches the assumed return in each year as capital markets can be volatile from year to year. Therefore, contribution amounts can vary in the future.

- Demographic Assumptions: Actuarial results take into account various potential events that could happen to a plan participant, such as retirement, termination, disability, and death. Each of these potential events is assigned a liability based on the likelihood of the event and the financial consequence of the event for the plan. Accordingly, actuarial liabilities reflect a blend of financial consequences associated with various possible outcomes (such as retirement at one of various possible ages). Once the outcome is known (e.g. the participant retires) the liability is adjusted to reflect the known outcome. This adjustment produces a gain or loss depending on whether the outcome was more or less favorable than other outcomes that could have occurred.

Impact of Plan Maturity on Risk

For newer pension plans, most of the participants and associated liabilities are related to active members who have not yet reached retirement age. As pension plans continue in operation and active members reach retirement ages, liabilities begin to shift from being primarily related to active members to being shared amongst active and retired members. Plan maturity is a measure of the extent to which this shift has occurred. It is important to understand that plan maturity can have an impact on risk tolerance and the overall risk characteristics of the plan. For example, closed plans with a large amount of retired liability do not have as long of a time horizon to recover from losses (such as losses on investments due to lower than expected investment returns) as plans where the majority of the liability is attributable to active members. For this reason, less tolerance for investment risk may be warranted for highly mature closed plans with a substantial inactive liability. Similarly, mature closed plans paying substantial retirement benefits resulting in a small positive or net negative cash flow can be more sensitive to near term investment volatility, particularly if the size of the fund is shrinking, which can result in less assets being available for investment in the market.

To assist with determining the maturity of the plan, we have provided some relevant metrics in the table following titled "Plan Maturity Measures and Other Risk Metrics". Highlights of this information are discussed below:

- The Support Ratio, determined as the ratio of active to inactive members, has decreased from 72.7% on October 1, 2013 to 9.5% on October 1, 2023, indicating that the plan has been maturing during the period.

- The Accrued Liability Ratio, determined as the ratio of the Inactive Accrued Liability, which is the liability associated with members who are no longer employed but are due a benefit from the plan, to the Total Accrued Liability, is 99.1%. With a plan of this maturity, losses due to lower than expected investment returns or demographic factors may result in larger increases in contribution requirements than would be needed for a less mature plan. Please note Chapter 112, Florida Statutes, requires that the plan sponsor contributes the minimum required contribution; thus, there is minimal solvency risk to the plan.

- The Funded Ratio, determined as the ratio of the Actuarial Value of Assets to the Total Accrued Liability, has increased from 55.5% on October 1, 2013 to 71.5% on October 1, 2023.

- The Net Cash Flow Ratio, determined as the ratio of the Net Cash Flow (contributions minus benefit payments and administrative expenses) to the Market Value of Assets, decreased from 3.4% on October 1, 2013 to -5.3% on October 1, 2023. The current Net Cash Flow Ratio of -5.3% indicates that contributions are not currently covering the plan's benefit payments and administrative expenses.

Low Default-Risk Obligation Measure

ASOP No. 4, Measuring Pension Obligations and Determining Pension Plan Costs or Contributions, was revised as of December 2021 to include a "low-default-risk obligation measure" (LDROM). This liability measure is consistent with the determination of the actuarial accrued liability shown on page 10 in terms of member data, plan provisions, and assumptions/methods, under the Entry Age Normal Cost Method, except that the interest rate is tied to low-default-risk fixed income securities. The S&P Municipal Bond 20 Year High Grade Rate Index (daily rate closest to, but not later than, the measurement date) was selected to represent a current market rate of low risk but longer-term investments that could be included in a low-risk asset portfolio. The interest rate used in this valuation was 4.87%, resulting in an LDROM of $14,475,037. The LDROM should not be considered the "correct" liability measurement; it simply shows a possible outcome if the Board elected to hold a very low risk asset portfolio. The Board actually invests the pension plan's contributions in a diversified portfolio of stocks and bonds and other investments with the objective of maximizing investment returns at a reasonable level of risk. Consequently, the difference between the plan's Actuarial Accrued Liability disclosed earlier in this section and the LDROM can be thought of as representing the expected taxpayer savings from investing in the plan's diversified portfolio compared to investing only in high quality bonds.

The actuarial valuation reports the funded status and develops contributions based on the expected return of the plan's investment portfolio. If instead, the plan switched to investing exclusively in high quality bonds, the LDROM illustrates that reported funded status would be lower (which also implies that the Actuarially Determined Contributions would be higher), perhaps significantly. Unnecessarily high contribution requirements in the near term may not be affordable and could imperil plan sustainability and benefit security.

It is important to note that the actuary has identified the risks above as the most significant risks based on the characteristics of the plan and the nature of the project, however, it is not an exhaustive list of potential risks that could be considered. Additional advanced modeling, as well as the identification of additional risks, can be provided at the request of the audience addressed on page 2 of this report.

PLAN MATURITY MEASURES AND OTHER RISK METRICS
POLICE OFFICERS

	10/1/2023	10/1/2022	10/1/2018	10/1/2013
Support Ratio				
Total Actives	2	2	5	16
Total Inactives [1]	21	22	21	22
Actives / Inactives [1]	9.5%	9.1%	23.8%	72.7%
Accrued Liability (AL) Ratio				
Inactive Accrued Liability	11,812,498	11,959,370	11,235,876	9,436,857
Total Accrued Liability (EAN)	11,917,190	12,066,760	11,963,343	11,606,913
Inactive AL / Total AL	99.1%	99.1%	93.9%	81.3%
Funded Ratio				
Actuarial Value of Assets (AVA)	8,516,187	8,434,046	7,302,500	6,446,047
Total Accrued Liability (EAN)	11,917,190	12,066,760	11,963,343	11,606,913
AVA / Total Accrued Liability (EAN)	71.5%	69.9%	61.0%	55.5%
Net Cash Flow Ratio				
Net Cash Flow [2]	(425,773)	(334,124)	(178,367)	229,190
Market Value of Assets (MVA)	8,105,004	7,688,278	7,460,871	6,832,349
Ratio	-5.3%	-4.3%	-2.4%	3.4%

[1] Excludes terminated participants awaiting a refund of member contributions.

[2] Determined as total contributions minus benefit payments and administrative expenses.

DISCUSSION OF RISK
(FIREFIGHTERS)

ASOP No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, states that the actuary should identify risks that, in the actuary's professional judgment, may reasonably be anticipated to significantly affect the plan's future financial condition.

Throughout this report, actuarial results are determined using various actuarial assumptions. These results are based on the premise that all future plan experience will align with the plan's actuarial assumptions; however, there is no guarantee that actual plan experience will align with the plan's assumptions. It is possible that actual plan experience will differ from anticipated experience in an unfavorable manner that will negatively impact the plan's funded position.

Below are examples of ways in which plan experience can deviate from assumptions and the potential impact of that deviation. Typically, this results in an actuarial gain or loss representing the current-year financial impact on the plan's unfunded liability of the experience differing from assumptions; this gain or loss is amortized over a period of time determined by the plan's amortization method. When assumptions are selected that adequately reflect plan experience, gains and losses typically offset one another in the long term, resulting in a relatively low impact on the plan's contribution requirements associated with plan experience. When assumptions are too optimistic, losses can accumulate over time and the plan's amortization payment could potentially grow to an unmanageable level.

- Investment Return: When the rate of return on the Actuarial Value of Assets falls short of the assumption, this produces a loss representing assumed investment earnings that were not realized. Further, it is unlikely that the plan will experience a scenario that matches the assumed return in each year as capital markets can be volatile from year to year. Therefore, contribution amounts can vary in the future.

- Demographic Assumptions: Actuarial results take into account various potential events that could happen to a plan participant, such as retirement, termination, disability, and death. Each of these potential events is assigned a liability based on the likelihood of the event and the financial consequence of the event for the plan. Accordingly, actuarial liabilities reflect a blend of financial consequences associated with various possible outcomes (such as retirement at one of various possible ages). Once the outcome is known (e.g. the participant retires) the liability is adjusted to reflect the known outcome. This adjustment produces a gain or loss depending on whether the outcome was more or less favorable than other outcomes that could have occurred.

Impact of Plan Maturity on Risk

For newer pension plans, most of the participants and associated liabilities are related to active members who have not yet reached retirement age. As pension plans continue in operation and active members reach retirement ages, liabilities begin to shift from being primarily related to active members to being shared amongst active and retired members. Plan maturity is a measure of the extent to which this shift has occurred. It is important to understand that plan maturity can have an impact on risk tolerance and the overall risk characteristics of the plan. For example, closed plans with a large amount of retired liability do not have as long of a time horizon to recover from losses (such as losses on investments due to lower than expected investment returns) as plans where the majority of the liability is attributable to active members. For this reason, less tolerance for investment risk may be warranted for highly mature closed plans with a substantial inactive liability. Similarly, mature closed plans paying substantial retirement benefits resulting in a small positive or net negative cash flow can be more sensitive to near term investment volatility, particularly if the size of the fund is shrinking, which can result in less assets being available for investment in the market.

To assist with determining the maturity of the plan, we have provided some relevant metrics in the table following titled “Plan Maturity Measures and Other Risk Metrics”. Highlights of this information are discussed below:

- The Support Ratio, determined as the ratio of active to inactive members, has decreased from 20.0% on October 1, 2013 to 7.1% on October 1, 2023, indicating that the plan has been maturing during the period.

- The Accrued Liability Ratio, determined as the ratio of the Inactive Accrued Liability, which is the liability associated with members who are no longer employed but are due a benefit from the plan, to the Total Accrued Liability, is 98.2%. With a plan of this maturity, losses due to lower than expected investment returns or demographic factors may result in larger increases in contribution requirements than would be needed for a less mature plan. Please note Chapter 112, Florida Statutes, requires that the plan sponsor contributes the minimum required contribution; thus, there is minimal solvency risk to the plan.

- The Funded Ratio, determined as the ratio of the Actuarial Value of Assets to the Total Accrued Liability, has increased from 53.0% on October 1, 2013 to 70.2% on October 1, 2023.

- The Net Cash Flow Ratio, determined as the ratio of the Net Cash Flow (contributions minus benefit payments and administrative expenses) to the Market Value of Assets, decreased from 4.0% on October 1, 2013 to -3.1% on October 1, 2023. The current Net Cash Flow Ratio of -3.1% indicates that contributions are not currently covering the plan's benefit payments and administrative expenses.

Low Default-Risk Obligation Measure

ASOP No. 4, Measuring Pension Obligations and Determining Pension Plan Costs or Contributions, was revised as of December 2021 to include a "low-default-risk obligation measure" (LDROM). This liability measure is consistent with the determination of the actuarial accrued liability shown on page 15 in terms of member data, plan provisions, and assumptions/methods, under the Entry Age Normal Cost Method, except that the interest rate is tied to low-default-risk fixed income securities. The S&P Municipal Bond 20 Year High Grade Rate Index (daily rate closest to, but not later than, the measurement date) was selected to represent a current market rate of low risk but longer-term investments that could be included in a low-risk asset portfolio. The interest rate used in this valuation was 4.87%, resulting in an LDROM of $41,244,251. The LDROM should not be considered the "correct" liability measurement; it simply shows a possible outcome if the Board elected to hold a very low risk asset portfolio. The Board actually invests the pension plan's contributions in a diversified portfolio of stocks and bonds and other investments with the objective of maximizing investment returns at a reasonable level of risk. Consequently, the difference between the plan's Actuarial Accrued Liability disclosed earlier in this section and the LDROM can be thought of as representing the expected taxpayer savings from investing in the plan's diversified portfolio compared to investing only in high quality bonds.

The actuarial valuation reports the funded status and develops contributions based on the expected return of the plan's investment portfolio. If instead, the plan switched to investing exclusively in high quality bonds, the LDROM illustrates that reported funded status would be lower (which also implies that the Actuarially Determined Contributions would be higher), perhaps significantly. Unnecessarily high contribution requirements in the near term may not be affordable and could imperil plan sustainability and benefit security.

It is important to note that the actuary has identified the risks above as the most significant risks based on the characteristics of the plan and the nature of the project, however, it is not an exhaustive list of potential risks that could be considered. Additional advanced modeling, as well as the identification of additional risks, can be provided at the request of the audience addressed on page 2 of this report.

PLAN MATURITY MEASURES AND OTHER RISK METRICS
FIREFIGHTERS

	10/1/2023	10/1/2022	10/1/2018	10/1/2013
Support Ratio				
Total Actives	3	4	7	11
Total Inactives [1]	42	41	37	55
Actives / Inactives [1]	7.1%	9.8%	18.9%	20.0%
Accrued Liability (AL) Ratio				
Inactive Accrued Liability	33,136,794	31,924,091	28,762,371	24,427,210
Total Accrued Liability (EAN)	33,751,037	33,578,312	32,119,091	26,913,699
Inactive AL / Total AL	98.2%	95.1%	89.5%	90.8%
Funded Ratio				
Actuarial Value of Assets (AVA)	23,684,822	22,984,405	18,079,121	14,260,344
Total Accrued Liability (EAN)	33,751,037	33,578,312	32,119,091	26,913,699
AVA / Total Accrued Liability (EAN)	70.2%	68.5%	56.3%	53.0%
Net Cash Flow Ratio				
Net Cash Flow [2]	(698,029)	(372,082)	(126,978)	590,603
Market Value of Assets (MVA)	22,580,059	20,956,135	18,485,235	14,663,400
Ratio	-3.1%	-1.8%	-0.7%	4.0%

[1] Excludes terminated participants awaiting a refund of member contributions.

[2] Determined as total contributions minus benefit payments and administrative expenses.

DISCUSSION OF RISK
(GENERAL EMPLOYEES)

ASOP No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, states that the actuary should identify risks that, in the actuary's professional judgment, may reasonably be anticipated to significantly affect the plan's future financial condition.

Throughout this report, actuarial results are determined using various actuarial assumptions. These results are based on the premise that all future plan experience will align with the plan's actuarial assumptions; however, there is no guarantee that actual plan experience will align with the plan's assumptions. It is possible that actual plan experience will differ from anticipated experience in an unfavorable manner that will negatively impact the plan's funded position.

Below are examples of ways in which plan experience can deviate from assumptions and the potential impact of that deviation. Typically, this results in an actuarial gain or loss representing the current-year financial impact on the plan's unfunded liability of the experience differing from assumptions; this gain or loss is amortized over a period of time determined by the plan's amortization method. When assumptions are selected that adequately reflect plan experience, gains and losses typically offset one another in the long term, resulting in a relatively low impact on the plan's contribution requirements associated with plan experience. When assumptions are too optimistic, losses can accumulate over time and the plan's amortization payment could potentially grow to an unmanageable level.

- <u>Investment Return</u>: When the rate of return on the Actuarial Value of Assets falls short of the assumption, this produces a loss representing assumed investment earnings that were not realized. Further, it is unlikely that the plan will experience a scenario that matches the assumed return in each year as capital markets can be volatile from year to year. Therefore, contribution amounts can vary in the future.

- <u>Demographic Assumptions:</u> Actuarial results take into account various potential events that could happen to a plan participant, such as retirement, termination, disability, and death. Each of these potential events is assigned a liability based on the likelihood of the event and the financial consequence of the event for the plan. Accordingly, actuarial liabilities reflect a blend of financial consequences associated with various possible outcomes (such as retirement at one of various possible ages). Once the outcome is known (e.g. the participant retires) the liability is adjusted to reflect the known outcome. This adjustment produces a gain or loss depending on whether the outcome was more or less favorable than other outcomes that could have occurred.

Impact of Plan Maturity on Risk

For newer pension plans, most of the participants and associated liabilities are related to active members who have not yet reached retirement age. As pension plans continue in operation and active members reach retirement ages, liabilities begin to shift from being primarily related to active members to being shared amongst active and retired members. Plan maturity is a measure of the extent to which this shift has occurred. It is important to understand that plan maturity can have an impact on risk tolerance and the overall risk characteristics of the plan. For example, closed plans with a large amount of retired liability do not have as long of a time horizon to recover from losses (such as losses on investments due to lower than expected investment returns) as plans where the majority of the liability is attributable to active members. For this reason, less tolerance for investment risk may be warranted for highly mature closed plans with a substantial inactive liability. Similarly, mature closed plans paying substantial retirement benefits resulting in a small positive or net negative cash flow can be more sensitive to near term investment volatility, particularly if the size of the fund is shrinking, which can result in less assets being available for investment in the market.

To assist with determining the maturity of the plan, we have provided some relevant metrics in the table following titled “Plan Maturity Measures and Other Risk Metrics”. Highlights of this information are discussed below:

- The Support Ratio, determined as the ratio of active to inactive members, has decreased from 39.1% on October 1, 2013 to 23.6% on October 1, 2023, indicating that the plan has been maturing during the period.

- The Accrued Liability Ratio, determined as the ratio of the Inactive Accrued Liability, which is the liability associated with members who are no longer employed but are due a benefit from the plan, to the Total Accrued Liability, is 80.5%. With a plan of this maturity, losses due to lower than expected investment returns or demographic factors may result in larger increases in contribution requirements than would be needed for a less mature plan. Please note Chapter 112, Florida Statutes, requires that the plan sponsor contributes the minimum required contribution; thus, there is minimal solvency risk to the plan.

- The Funded Ratio, determined as the ratio of the Actuarial Value of Assets to the Total Accrued Liability, has increased from 63.4% on October 1, 2013 to 84.6% on October 1, 2023.

- The Net Cash Flow Ratio, determined as the ratio of the Net Cash Flow (contributions minus benefit payments and administrative expenses) to the Market Value of Assets, decreased from 6.4% on October 1, 2013 to -6.8% on October 1, 2023. The current Net Cash Flow Ratio of -6.8% indicates that contributions are not currently covering the plan's benefit payments and administrative expenses.

Low Default-Risk Obligation Measure

ASOP No. 4, Measuring Pension Obligations and Determining Pension Plan Costs or Contributions, was revised as of December 2021 to include a "low-default-risk obligation measure" (LDROM). This liability measure is consistent with the determination of the actuarial accrued liability shown on page 20 in terms of member data, plan provisions, and assumptions/methods, under the Entry Age Normal Cost Method, except that the interest rate is tied to low-default-risk fixed income securities. The S&P Municipal Bond 20 Year High Grade Rate Index (daily rate closest to, but not later than, the measurement date) was selected to represent a current market rate of low risk but longer-term investments that could be included in a low-risk asset portfolio. The interest rate used in this valuation was 4.87%, resulting in an LDROM of $16,955,128. The LDROM should not be considered the "correct" liability measurement; it simply shows a possible outcome if the Board elected to hold a very low risk asset portfolio. The Board actually invests the pension plan's contributions in a diversified portfolio of stocks and bonds and other investments with the objective of maximizing investment returns at a reasonable level of risk. Consequently, the difference between the plan's Actuarial Accrued Liability disclosed earlier in this section and the LDROM can be thought of as representing the expected taxpayer savings from investing in the plan's diversified portfolio compared to investing only in high quality bonds.

The actuarial valuation reports the funded status and develops contributions based on the expected return of the plan's investment portfolio. If instead, the plan switched to investing exclusively in high quality bonds, the LDROM illustrates that reported funded status would be lower (which also implies that the Actuarially Determined Contributions would be higher), perhaps significantly. Unnecessarily high contribution requirements in the near term may not be affordable and could imperil plan sustainability and benefit security.

It is important to note that the actuary has identified the risks above as the most significant risks based on the characteristics of the plan and the nature of the project, however, it is not an exhaustive list of potential risks that could be considered. Additional advanced modeling, as well as the identification of additional risks, can be provided at the request of the audience addressed on page 2 of this report.

PLAN MATURITY MEASURES AND OTHER RISK METRICS
GENERAL EMPLOYEES

	10/1/2023	10/1/2022	10/1/2018	10/1/2013
Support Ratio				
Total Actives	13	14	18	25
Total Inactives [1]	55	55	55	64
Actives / Inactives [1]	23.6%	25.5%	32.7%	39.1%
Accrued Liability (AL) Ratio				
Inactive Accrued Liability	11,382,038	11,302,432	11,820,440	11,783,821
Total Accrued Liability (EAN)	14,145,600	14,284,953	14,682,306	14,671,207
Inactive AL / Total AL	80.5%	79.1%	80.5%	80.3%
Funded Ratio				
Actuarial Value of Assets (AVA)	11,969,793	12,023,490	10,763,714	9,306,433
Total Accrued Liability (EAN)	14,145,600	14,284,953	14,682,306	14,671,207
AVA / Total Accrued Liability (EAN)	84.6%	84.2%	73.3%	63.4%
Net Cash Flow Ratio				
Net Cash Flow [2]	(772,657)	(655,429)	(747,843)	612,182
Market Value of Assets (MVA)	11,426,456	10,997,004	11,022,549	9,561,296
Ratio	-6.8%	-6.0%	-6.8%	6.4%

[1] Excludes terminated participants awaiting a refund of member contributions.

[2] Determined as total contributions minus benefit payments and administrative expenses.

PARTIAL HISTORY OF PREMIUM TAX REFUNDS
POLICE OFFICERS

(Historical Information Only - No State Monies Received after Fiscal 2014)

Received During Fiscal Year	Amount	Increase from Previous Year
1998	30,943.80	_____%
1999	34,500.65	11.5%
2000	35,338.03	2.4%
2001	38,821.79	9.9%
2002	47,239.79	21.7%
2003	51,163.55	8.3%
2004	55,090.41	7.7%
2005	59,461.95	7.9%
2006	62,317.27	4.8%
2007	71,050.22	14.0%
2008	-	-100.0%
2009	137,801.41	N/A
2010	70,446.46	-48.9%
2011	70,893.30	0.6%
2012	77,700.11	9.6%
2013	77,298.10	-0.5%
2014	81,017.31	4.8%

PARTIAL HISTORY OF PREMIUM TAX REFUNDS
FIREFIGHTERS

(Historical Information Only - No State Monies Received after Fiscal 2013)

Received During Fiscal Year	Amount	Increase from Previous Year
1998	84,957.68	_____%
1999	83,629.64	-1.6%
2000	109,664.52	31.1%
2001	92,878.93	-15.3%
2002	106,726.80	14.9%
2003	138,730.84	30.0%
2004	140,408.22	1.2%
2005	177,792.61	26.6%
2006	225,258.22	26.7%
2007	295,948.69	31.4%
2008	-	-100.0%
2009	513,555.97	N/A
2010	241,221.17	-53.0%
2011	239,800.33	-0.6%
2012	274,615.73	14.5%
2013	269,818.47	-1.7%

POLICE OFFICERS

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2023

ASSETS	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Prepaid Benefits	76,144.45	76,144.45
Cash	12,255.87	12,255.87
Total Cash and Equivalents	88,400.32	88,400.32
Receivables:		
From Broker for Investments Sold	14,137.99	14,137.99
Investment Income	16,258.54	16,258.54
Total Receivable	30,396.53	30,396.53
Investments:		
U. S. Bonds and Bills	1,074,555.38	1,005,401.83
Corporate Bonds	784,312.73	711,714.27
Stocks	3,037,310.51	3,474,698.00
Mutual Funds:		
Fixed Income	244,869.12	244,869.12
Equity	679,305.18	1,811,512.85
Pooled/Common/Commingled Funds:		
Equity	9,990.93	13,784.41
Real Estate	662,592.40	733,217.60
Total Investments	6,492,936.25	7,995,198.08
Total Assets	6,611,733.10	8,113,994.93
LIABILITIES		
Payables:		
To Broker for Investments Purchased	8,990.92	8,990.92
Total Liabilities	8,990.92	8,990.92
NET POSITION RESTRICTED FOR PENSIONS	6,602,742.18	8,105,004.01

POLICE OFFICERS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2023
Market Value Basis

<u>ADDITIONS</u>			
Contributions:			
Town		503,616.00	
Total Contributions			503,616.00
Investment Income:			
Net Realized Gain (Loss)	371,434.83		
Unrealized Gain (Loss)	317,495.45		
Net Increase in Fair Value of Investments		688,930.28	
Interest & Dividends		203,902.37	
Less Investment Expense[1]		(50,333.71)	
Net Investment Income			842,498.94
Total Additions			1,346,114.94
<u>DEDUCTIONS</u>			
Distributions to Members:			
Benefit Payments		908,363.22	
Lump Sum DROP Distributions		0.00	
Total Distributions			908,363.22
Administrative Expense			21,025.77
Total Deductions			929,388.99
Net Increase in Net Position			416,725.95
NET POSITION RESTRICTED FOR PENSIONS			
Beginning of the Year			7,688,278.06
End of the Year			8,105,004.01

[1]Investment related expenses include investment advisory, custodial and performance monitoring fees.

POLICE OFFICERS

ACTUARIAL ASSET VALUATION
SEPTEMBER 30, 2023

Actuarial Assets for funding purposes are developed by increasing the Actuarial Assets used in the most recent actuarial valuation of the Fund by the average annual market value rate of return (net of investment related expenses) for the past four years. Actuarial Assets shall not be less than 80% nor greater than 120% of Market Value of Assets.

Details of the derivation are set forth as follows:

Plan Year End	Rate of Return[1]
09/30/2020	6.36%
09/30/2021	21.45%
09/30/2022	-11.66%
09/30/2023	11.38%

Annualized Rate of Return for prior four (4) years: 6.18%

(A) 10/01/2022 Actuarial Assets:		$8,434,045.64
(I) Net Investment Income:		
1. Interest and Dividends	203,902.37	
2. Realized Gain (Loss)	371,434.83	
3. Unrealized Gain (Loss)	317,495.45	
4. Change in Actuarial Value	(334,584.20)	
5. Investment Related Expenses	(50,333.71)	
Total		507,914.74
(B) 10/01/2023 Actuarial Assets:		$8,516,187.39

Actuarial Asset Rate of Return = 2I/(A+B-I), based on Unlimited Actuarial Assets: 6.18%

10/01/2023 Limited Actuarial Assets	$8,516,187.39
10/01/2023 Market Value of Assets	$8,105,004.01

Actuarial Asset Rate of Return, based on Limited Actuarial Assets: 6.18%

Actuarial Gain/(Loss) due to Investment Return (Limited Actuarial Asset Basis) ($46,846.51)

[1]Market Value Basis, net of investment related expenses.

POLICE OFFICERS

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
SEPTEMBER 30, 2023
Actuarial Asset Basis

REVENUES

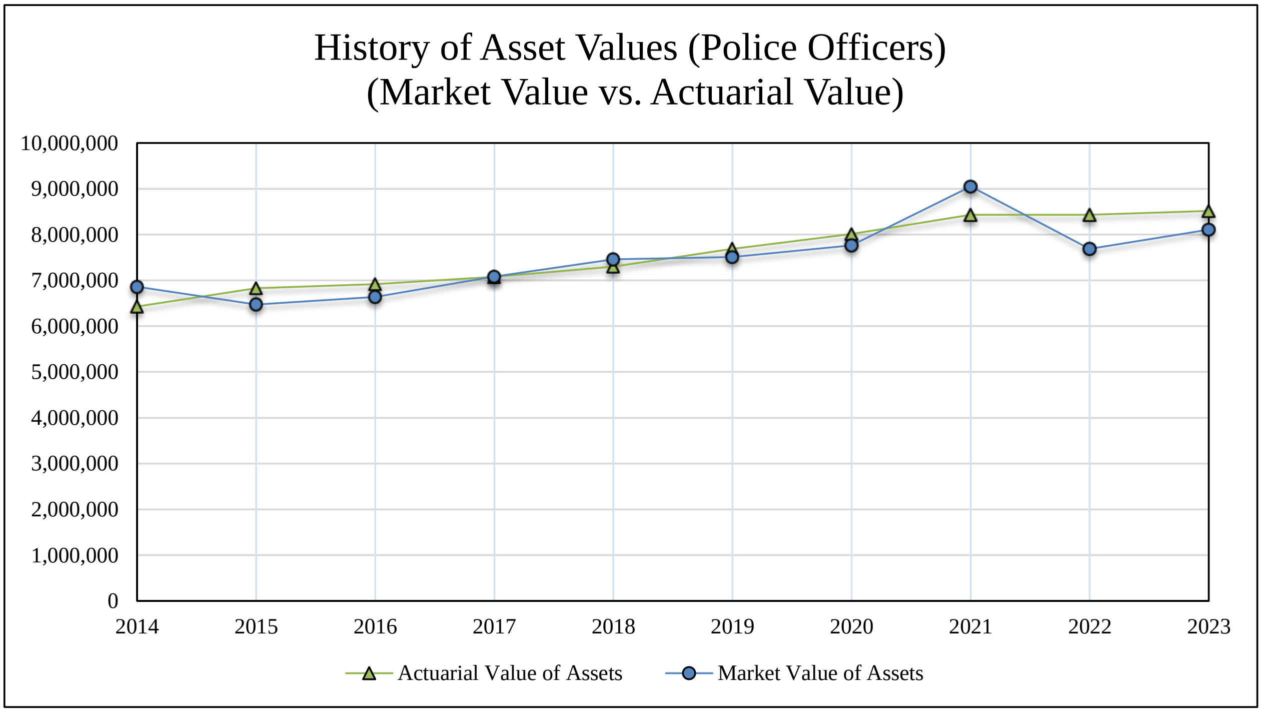
Contributions:		
Town	503,616.00	
Total Contributions		503,616.00
Earnings from Investments:		
Interest & Dividends	203,902.37	
Net Realized Gain (Loss)	371,434.83	
Unrealized Gain (Loss)	317,495.45	
Change in Actuarial Value	(334,584.20)	
Total Earnings and Investment Gains		558,248.45

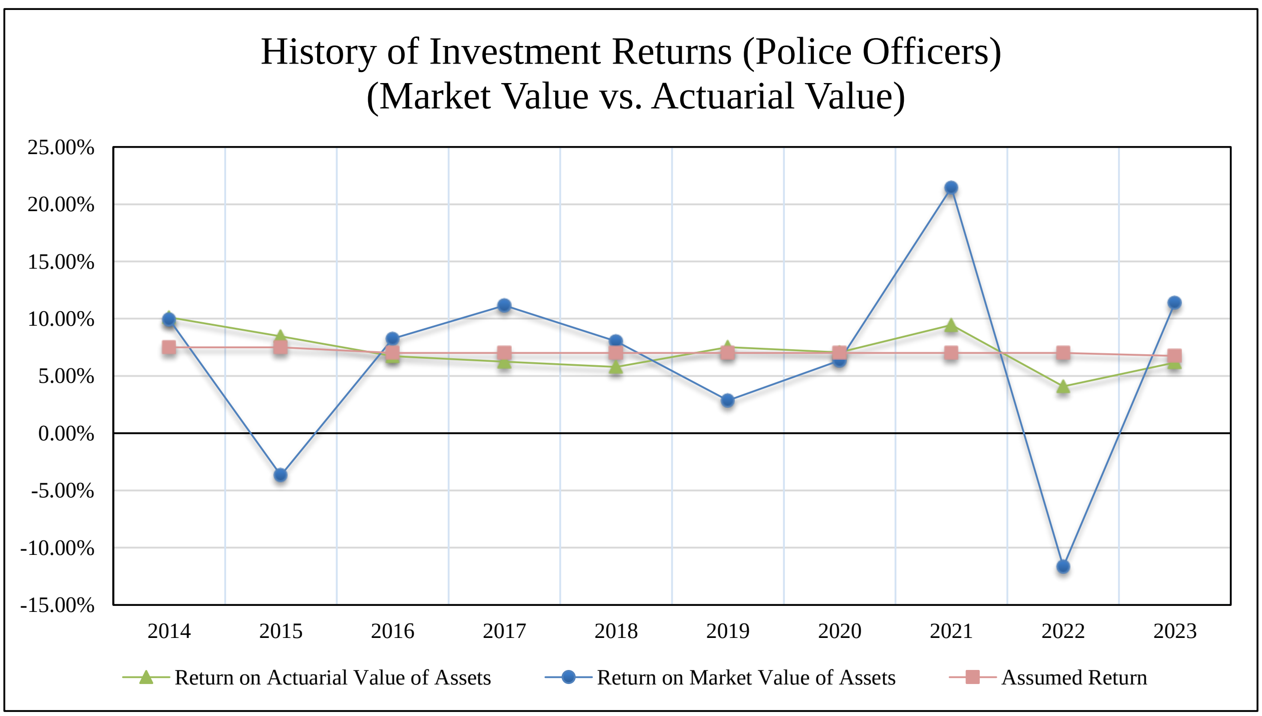
EXPENDITURES

Distributions to Members:		
Benefit Payments	908,363.22	
Lump Sum DROP Distributions	0.00	
Total Distributions		908,363.22
Expenses:		
Investment related[1]	50,333.71	
Administrative	21,025.77	
Total Expenses		71,359.48
Change in Net Assets for the Year		82,141.75
Net Assets Beginning of the Year		8,434,045.64
Net Assets End of the Year[2]		8,516,187.39

[1]Investment related expenses include investment advisory, custodial and performance monitoring fees.
[2]Net Assets may be limited for actuarial consideration.

HISTORY OF ASSET VALUES AND INVESTMENT RETURNS





RECONCILIATION OF TOWN SHORTFALL/(PREPAID) CONTRIBUTION
FOR THE FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2023

POLICE OFFICERS

(1)	Required Town Contribution for Fiscal 2023	503,616.00
(2)	Less 2022 Prepaid Contribution	0.00
(3)	Less Actual Town Contributions	(503,616.00)
(4)	Equals Town's Shortfall/(Prepaid) Contribution as of September 30, 2023	$0.00

FIREFIGHTERS

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2023

ASSETS	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Prepaid Benefits	203,782.04	203,782.04
Cash	34,156.87	34,156.87
Total Cash and Equivalents	237,938.91	237,938.91
Receivables:		
From Broker for Investments Sold	39,402.31	39,402.31
Investment Income	45,312.23	45,312.23
Total Receivable	84,714.54	84,714.54
Investments:		
U. S. Bonds and Bills	2,994,765.13	2,802,035.50
Corporate Bonds	2,185,864.44	1,983,533.94
Stocks	8,464,925.79	9,683,916.30
Mutual Funds:		
Fixed Income	682,445.52	682,445.52
Equity	1,893,210.42	5,048,651.36
Pooled/Common/Commingled Funds:		
Equity	27,844.53	38,416.88
Real Estate	1,846,632.23	2,043,463.30
Total Investments	18,095,688.06	22,282,462.80
Total Assets	18,418,341.51	22,605,116.25
LIABILITIES		
Payables:		
To Broker for Investments Purchased	25,057.51	25,057.51
Total Liabilities	25,057.51	25,057.51
NET POSITION RESTRICTED FOR PENSIONS	18,393,284.00	22,580,058.74

FIREFIGHTERS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2023
Market Value Basis

ADDITIONS			
Contributions:			
Town		1,710,005.00	
Total Contributions			1,710,005.00
Investment Income:			
Net Realized Gain (Loss)	1,035,181.70		
Unrealized Gain (Loss)	858,778.55		
Net Increase in Fair Value of Investments		1,893,960.25	
Interest & Dividends		568,271.96	
Less Investment Expense[1]		(140,279.07)	
Net Investment Income			2,321,953.14
Total Additions			4,031,958.14
DEDUCTIONS			
Distributions to Members:			
Benefit Payments		2,349,436.30	
Lump Sum DROP Distributions		0.00	
Total Distributions			2,349,436.30
Administrative Expense			58,598.40
Total Deductions			2,408,034.70
Net Increase in Net Position			1,623,923.44
NET POSITION RESTRICTED FOR PENSIONS			
Beginning of the Year			20,956,135.30
End of the Year			22,580,058.74

[1]Investment related expenses include investment advisory, custodial and performance monitoring fees.

FIREFIGHTERS

ACTUARIAL ASSET VALUATION
SEPTEMBER 30, 2023

Actuarial Assets for funding purposes are developed by increasing the Actuarial Assets used in the most recent actuarial valuation of the Fund by the average annual market value rate of return (net of investment related expenses) for the past four years. Actuarial Assets shall not be less than 80% nor greater than 120% of Market Value of Assets.

Details of the derivation are set forth as follows:

Plan Year End	Rate of Return[1]
09/30/2020	6.36%
09/30/2021	21.45%
09/30/2022	-11.66%
09/30/2023	11.38%

Annualized Rate of Return for prior four (4) years: 6.18%

(A) 10/01/2022 Actuarial Assets:		$22,984,405.43
(I) Net Investment Income:		
1. Interest and Dividends	568,271.96	
2. Realized Gain (Loss)	1,035,181.70	
3. Unrealized Gain (Loss)	858,778.55	
4. Change in Actuarial Value	(923,506.97)	
5. Investment Related Expenses	(140,279.07)	
Total		1,398,446.17
(B) 10/01/2023 Actuarial Assets:		$23,684,821.90

Actuarial Asset Rate of Return = 2I/(A+B-I), based on Unlimited Actuarial Assets: 6.18%

10/01/2023 Limited Actuarial Assets	$23,684,821.90
10/01/2023 Market Value of Assets	$22,580,058.74

Actuarial Asset Rate of Return, based on Limited Actuarial Assets: 6.18%

Actuarial Gain/(Loss) due to Investment Return (Limited Actuarial Asset Basis) ($128,982.90)

[1]Market Value Basis, net of investment related expenses.

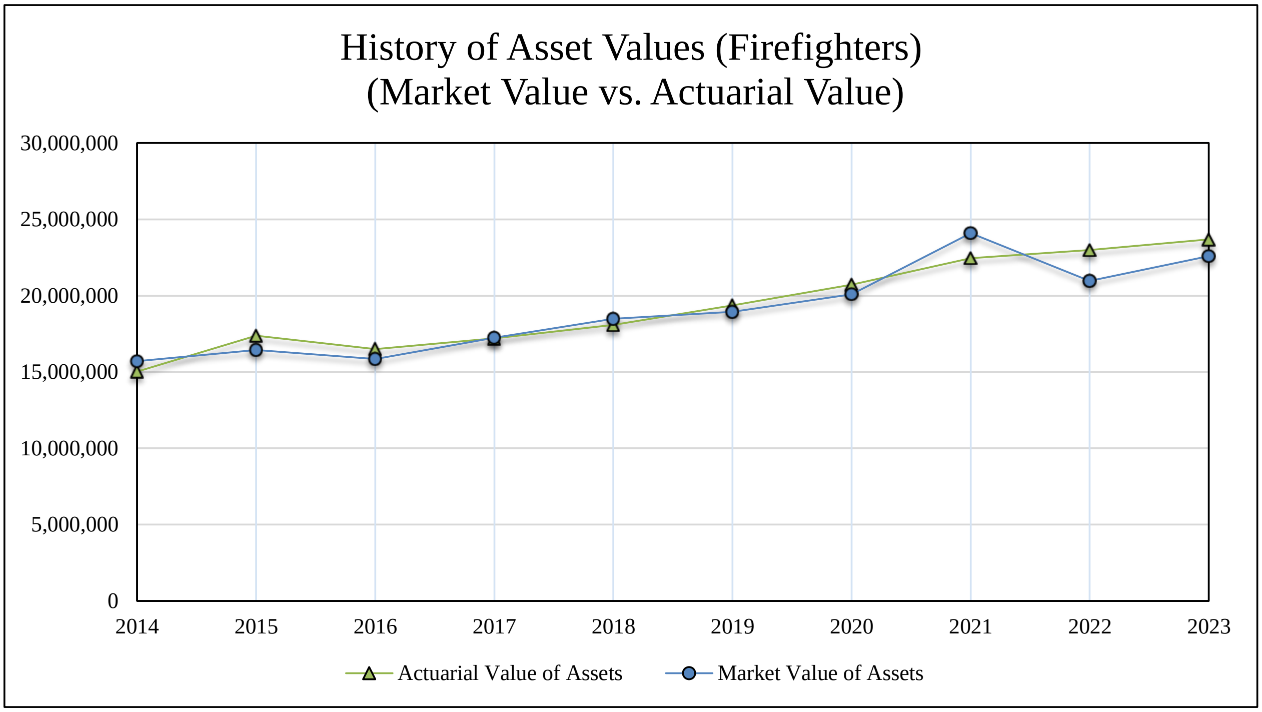
FIREFIGHTERS

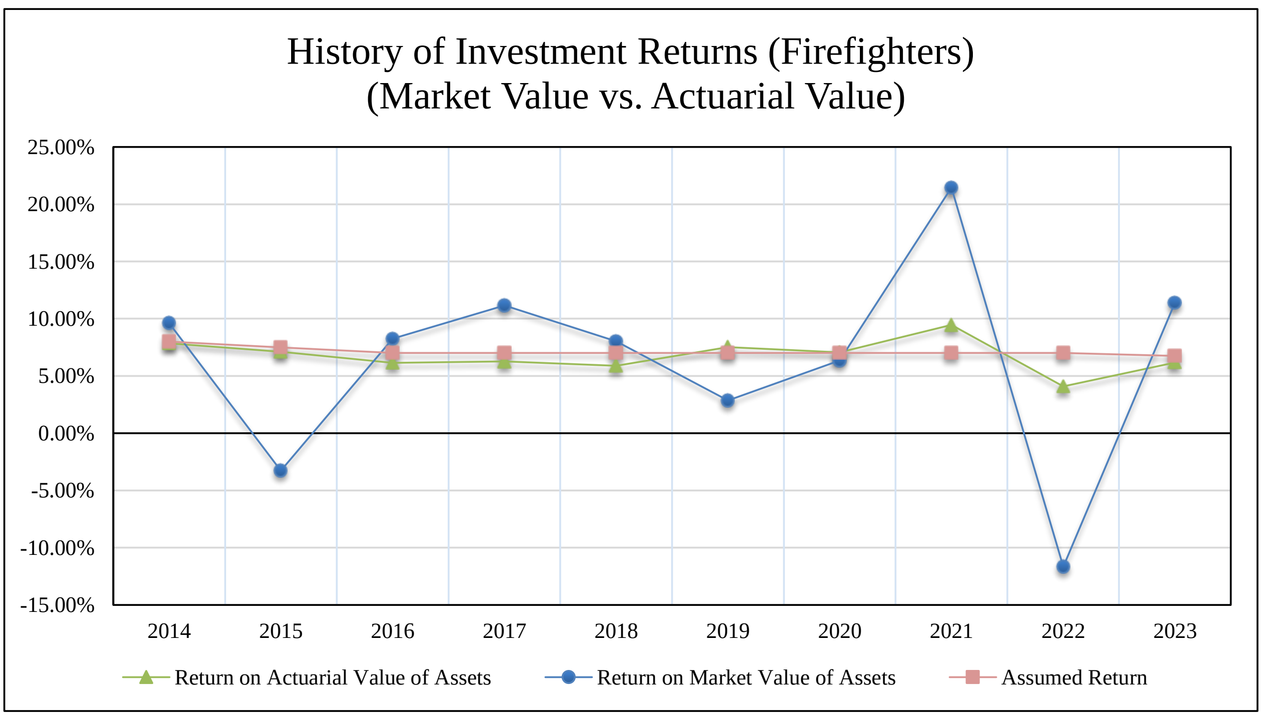
CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
SEPTEMBER 30, 2023
Actuarial Asset Basis

REVENUES		
Contributions:		
Town	1,710,005.00	
Total Contributions		1,710,005.00
Earnings from Investments:		
Interest & Dividends	568,271.96	
Net Realized Gain (Loss)	1,035,181.70	
Unrealized Gain (Loss)	858,778.55	
Change in Actuarial Value	(923,506.97)	
Total Earnings and Investment Gains		1,538,725.24
EXPENDITURES		
Distributions to Members:		
Benefit Payments	2,349,436.30	
Lump Sum DROP Distributions	0.00	
Total Distributions		2,349,436.30
Expenses:		
Investment related[1]	140,279.07	
Administrative	58,598.40	
Total Expenses		198,877.47
Change in Net Assets for the Year		700,416.47
Net Assets Beginning of the Year		22,984,405.43
Net Assets End of the Year[2]		23,684,821.90

[1]Investment related expenses include investment advisory, custodial and performance monitoring fees.
[2]Net Assets may be limited for actuarial consideration.

HISTORY OF ASSET VALUES AND INVESTMENT RETURNS





RECONCILIATION OF TOWN SHORTFALL/(PREPAID) CONTRIBUTION
FOR THE FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2023

FIREFIGHTERS

(1)	Required Town Contribution for Fiscal 2023	1,710,005.00
(2)	Less 2022 Prepaid Contribution	0.00
(3)	Less Actual Town Contributions	(1,710,005.00)
(4)	Equals Town's Shortfall/(Prepaid) Contribution as of September 30, 2023	$0.00

GENERAL EMPLOYEES

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2023

ASSETS	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Prepaid Benefits	86,365.06	86,365.06
Cash	17,310.38	17,310.38
Total Cash and Equivalents	103,675.44	103,675.44
Receivables:		
From Broker for Investments Sold	19,968.73	19,968.73
Investment Income	22,963.82	22,963.82
Total Receivable	42,932.55	42,932.55
Investments:		
U. S. Bonds and Bills	1,517,719.39	1,420,045.79
Corporate Bonds	1,107,775.97	1,005,236.74
Stocks	4,289,946.44	4,907,719.60
Mutual Funds:		
Fixed Income	345,857.11	345,857.11
Equity	959,461.61	2,558,610.02
Pooled/Common/Commingled Funds:		
Equity	14,111.35	19,469.31
Real Estate	935,856.20	1,035,608.38
Total Investments	9,170,728.07	11,292,546.95
Total Assets	9,317,336.06	11,439,154.94
LIABILITIES		
Payables:		
To Broker for Investments Purchased	12,698.92	12,698.92
Total Liabilities	12,698.92	12,698.92
NET POSITION RESTRICTED FOR PENSIONS	9,304,637.14	11,426,456.02

GENERAL EMPLOYEES

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2023
Market Value Basis

ADDITIONS			
Contributions:			
Town		302,361.00	
Total Contributions			302,361.00
Investment Income:			
Net Realized Gain (Loss)	524,620.56		
Unrealized Gain (Loss)	460,585.50		
Net Increase in Fair Value of Investments		985,206.06	
Interest & Dividends		287,994.99	
Less Investment Expense[1]		(71,092.15)	
Net Investment Income			1,202,108.90
Total Additions			1,504,469.90
DEDUCTIONS			
Distributions to Members:			
Benefit Payments		1,045,320.87	
Lump Sum DROP Distributions		0.00	
Total Distributions			1,045,320.87
Administrative Expense			29,697.12
Total Deductions			1,075,017.99
Net Increase in Net Position			429,451.91
NET POSITION RESTRICTED FOR PENSIONS			
Beginning of the Year			10,997,004.11
End of the Year			11,426,456.02

[1]Investment related expenses include investment advisory, custodial and performance monitoring fees.

GENERAL EMPLOYEES

ACTUARIAL ASSET VALUATION
SEPTEMBER 30, 2023

Actuarial Assets for funding purposes are developed by increasing the Actuarial Assets used in the most recent actuarial valuation of the Fund by the average annual market value rate of return (net of investment related expenses) for the past four years. Actuarial Assets shall not be less than 80% nor greater than 120% of Market Value of Assets.

Details of the derivation are set forth as follows:

Plan Year End	Rate of Return[1]
09/30/2020	6.36%
09/30/2021	21.45%
09/30/2022	-11.66%
09/30/2023	11.38%

Annualized Rate of Return for prior four (4) years: 6.18%

(A) 10/01/2022 Actuarial Assets:		$12,023,489.71
(I) Net Investment Income:		
1. Interest and Dividends	287,994.99	
2. Realized Gain (Loss)	524,620.56	
3. Unrealized Gain (Loss)	460,585.50	
4. Change in Actuarial Value	(483,148.76)	
5. Investment Related Expenses	(71,092.15)	
Total		718,960.14
(B) 10/01/2023 Actuarial Assets:		$11,969,792.86

Actuarial Asset Rate of Return = 2I/(A+B-I), based on Unlimited Actuarial Assets: 6.18%

10/01/2023 Limited Actuarial Assets	$11,969,792.86
10/01/2023 Market Value of Assets	$11,426,456.02

Actuarial Asset Rate of Return, based on Limited Actuarial Assets: 6.18%

Actuarial Gain/(Loss) due to Investment Return (Limited Actuarial Asset Basis) ($66,311.86)

[1]Market Value Basis, net of investment related expenses.

GENERAL EMPLOYEES

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
SEPTEMBER 30, 2023
Actuarial Asset Basis

REVENUES

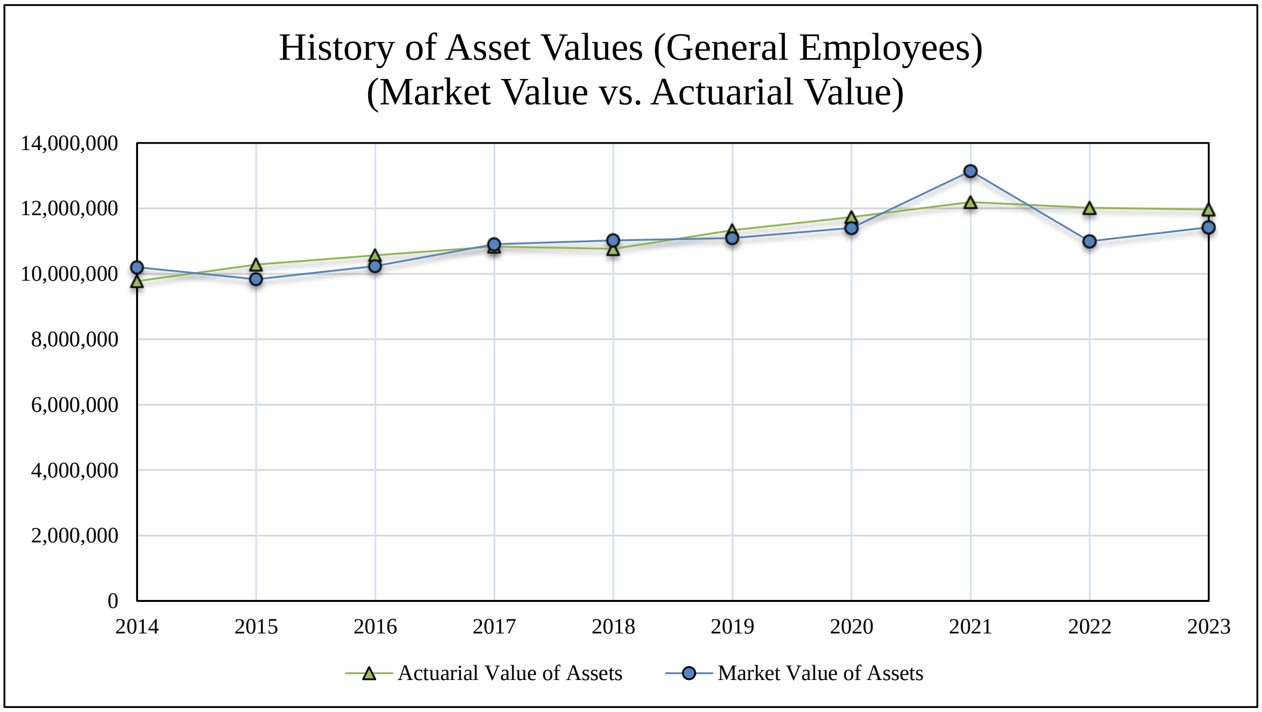
Contributions:		
Town	302,361.00	
Total Contributions		302,361.00
Earnings from Investments:		
Interest & Dividends	287,994.99	
Net Realized Gain (Loss)	524,620.56	
Unrealized Gain (Loss)	460,585.50	
Change in Actuarial Value	(483,148.76)	
Total Earnings and Investment Gains		790,052.29

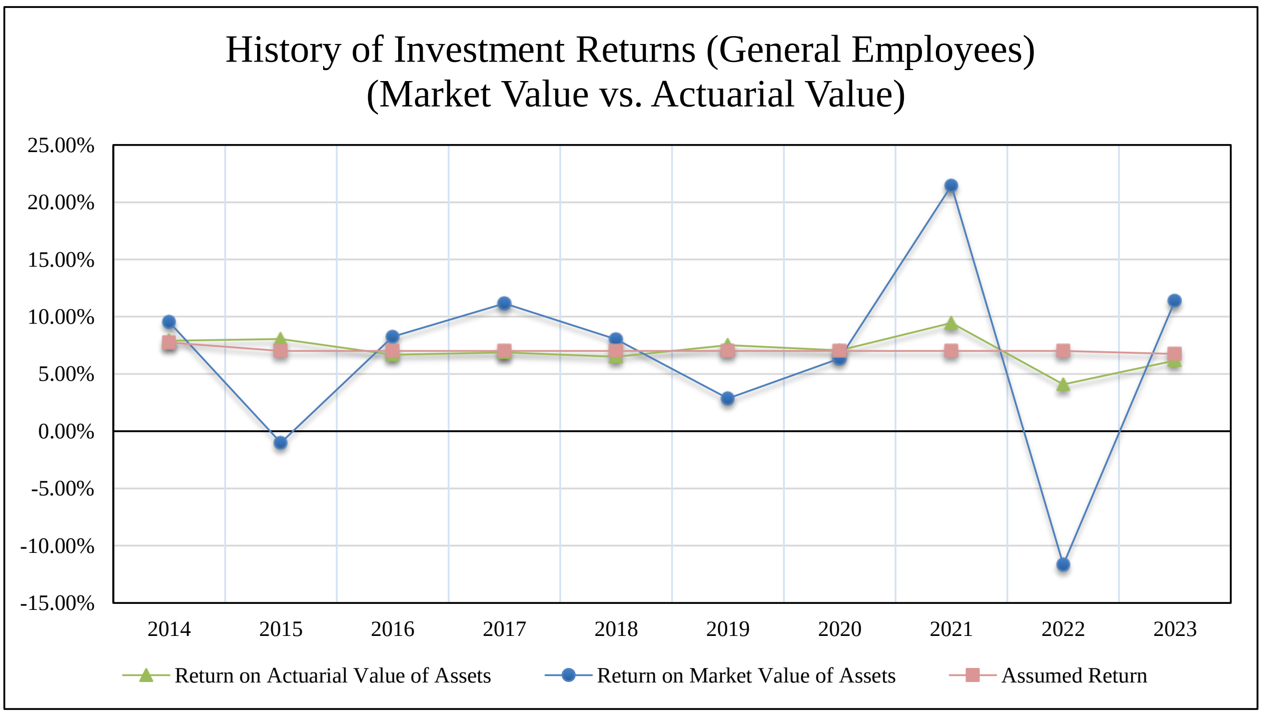
EXPENDITURES

Distributions to Members:		
Benefit Payments	1,045,320.87	
Lump Sum DROP Distributions	0.00	
Total Distributions		1,045,320.87
Expenses:		
Investment related[1]	71,092.15	
Administrative	29,697.12	
Total Expenses		100,789.27
Change in Net Assets for the Year		(53,696.85)
Net Assets Beginning of the Year		12,023,489.71
Net Assets End of the Year[2]		11,969,792.86

[1]Investment related expenses include investment advisory, custodial and performance monitoring fees.
[2]Net Assets may be limited for actuarial consideration.

HISTORY OF ASSET VALUES AND INVESTMENT RETURNS





RECONCILIATION OF TOWN SHORTFALL/(PREPAID) CONTRIBUTION
FOR THE FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2023

GENERAL EMPLOYEES

(1)	Required Town Contribution for Fiscal 2023	302,361.00
(2)	Less 2022 Prepaid Contribution	0.00
(3)	Less Actual Town Contributions	(302,361.00)
(4)	Equals Town's Shortfall/(Prepaid) Contribution as of September 30, 2023	$0.00

VALUATION PARTICIPANT RECONCILIATION
POLICE OFFICERS

1. Active lives

a. Number in prior valuation 10/1/2022	2
b. Terminations	
i. Vested (partial or full) with deferred annuity	0
ii. Vested in refund of member contributions only	0
iii. Refund of member contributions or full lump sum distribution	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	0
f. Continuing participants	2
g. New entrants / Rehires	0
h. Total active life participants in valuation	2

2. Non-Active lives (including beneficiaries receiving benefits)

	Service Retirees, Vested Receiving Benefits	Receiving Death Benefits	Receiving Disability Benefits	Vested (Deferred Annuity)	Vested (Due Refund)	Total
a. Number prior valuation	18	2	2	0	0	22
Retired						0
Vested (Deferred Annuity)						0
Vested (Due Refund)						0
Hired/Terminated in Same Year						0
Death, With Survivor						0
Death, No Survivor			(1)			(1)
Disabled						0
Refund of Contributions						0
Rehires						0
Expired Annuities						0
Data Corrections						0
b. Number current valuation	18	2	1	0	0	21

VALUATION PARTICIPANT RECONCILIATION
FIREFIGHTERS

1. Active lives

a. Number in prior valuation 10/1/2022	4
b. Terminations	
i. Vested (partial or full) with deferred annuity	0
ii. Vested in refund of member contributions only	0
iii. Refund of member contributions or full lump sum distribution	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(1)
f. Continuing participants	3
g. New entrants / Rehires	0
h. Total active life participants in valuation	3

2. Non-Active lives (including beneficiaries receiving benefits)

	Service Retirees, Vested Receiving Benefits	Receiving Death Benefits	Receiving Disability Benefits	Vested (Deferred Annuity)	Vested (Due Refund)	Total
a. Number prior valuation	32	1	4	3	1	41
Retired	2			(1)		1
Vested (Deferred Annuity)						0
Vested (Due Refund)						0
Hired/Terminated in Same Year						0
Death, With Survivor						0
Death, No Survivor						0
Disabled						0
Refund of Contributions						0
Rehires						0
Expired Annuities						0
Data Corrections						0
b. Number current valuation	34	1	4	2	1	42

VALUATION PARTICIPANT RECONCILIATION
GENERAL EMPLOYEES

1. Active lives

a. Number in prior valuation 10/1/2022	14
b. Terminations	
i. Vested (partial or full) with deferred annuity	0
ii. Vested in refund of member contributions only	0
iii. Refund of member contributions or full lump sum distribution	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(1)
f. Continuing participants	13
g. New entrants / Rehires	0
h. Total active life participants in valuation	13

2. Non-Active lives (including beneficiaries receiving benefits)

	Service Retirees, Vested Receiving Benefits	Receiving Death Benefits	Receiving Disability Benefits	Vested (Deferred Annuity)	Vested (Due Refund)	Total
a. Number prior valuation	44	3	0	8	0	55
Retired	1					1
Vested (Deferred Annuity)						0
Vested (Due Refund)						0
Hired/Terminated in Same Year						0
Death, With Survivor						0
Death, No Survivor	(1)					(1)
Disabled						0
Refund of Contributions						0
Rehires						0
Expired Annuities						0
Data Corrections						0
b. Number current valuation	44	3	0	8	0	55

SUMMARY OF PLAN PROVISION
POLICE OFFICERS
(Through Ordinance 2023-11)

The below information is for historical reference only. Benefits are frozen as of February 1, 2014

Eligibility	Full-time Police Officers participate as a condition of employment. Members hired after January 31, 2014 do not participate in this System.
Credited Service	Total years and fractional parts of years of service as a Police Officer with the Town. Credited Service is frozen as of January 31, 2014.
Salary	Total W-2 compensation, plus tax deferred, tax-sheltered, and tax-exempt income. Salary earned after January 31, 2014 is not counted for determination of the accrued benefit.
Average Final Compensation	Average Salary for the best 5 years during the 10 years immediately preceding retirement or termination. Average Final Compensation is not applicable for the determination of the accrued benefit after January 31, 2014.
Member Contributions	None (previously 10%).
Town Contributions	Amount necessary to maintain actuarial soundness and meet State requirements.
Normal Retirement	
Eligibility	Attainment of 1) age 60, 2) age 55 and the completion of 10 years of Credited Service or 3) the completion of 25 years of Credited Service, regardless of age.
Benefit	3.5% of Average Final Compensation times Years of Credited Service. The accrued benefit is frozen as of January 31, 2014.
Form of Benefit	10 Year Certain and Life Annuity (options are available).

Early Retirement (removed with Ordinance 2013-13)

Eligibility	Age 45 and the completion of 15 years of Credited Service or Age 50 and the completion of 10 years of Credited Service.
Benefit	Accrued benefit, reduced 3% per year.

Supplemental Benefit: $10.00 per month for each year of Credited Service, payable to age 65. Credited Service is frozen as of January 31, 2014 for determination of the Supplemental Benefit.

Cost of Living Adjustment: Service Retirees receive a 3% annual increase in benefits commencing on the October 1 following the receipt of 5 years of benefit payments.

Vesting (Termination): Upon an employee's termination of employment for reason other than death, disability or retirement, he shall be entitled to the payment of the Vested Percentage of his or her accrued pension at the otherwise Early (reduced) of Normal Retirement Date. The applicable Vested Percentage is determined by the following table:

Years of Service	Percentage [1]
Less than 5	0%
5	50%
6	60%
7	70%
8	80%
9	90%
10	100%

[1] Members are 100% vested in their frozen accrued benefit as of January 31, 2014.

Death Benefit

Vested or Eligible for Retirement	Monthly accrued benefit payable to designated beneficiary. The accrued benefit is frozen as of January 31, 2014.
Non-Vested	Refund of Member Contributions.

Disability

Eligibility

Service Incurred	Covered from Date of Employment.
Non-Service Incurred	10 years of Credited Service.

Benefit	3.5% of Average Final Compensation times Credited Service (but not less than 42% of Average Final Compensation for Service Incurred). Average Final Compensation and Credited Service for purposes of determining the applicable minimum Disability Benefit are frozen as of January 31, 2014.
Form of Benefit	Ten year Certain and Life Annuity (options are available).

Board of Trustees	a. Five Commission appointees, and b. Two Town Manager appointees

Deferred Retirement Option Plan (DROP)

Eligibility	Members who were within two years of Normal Retirement eligibility as of January 25, 2014 had the option of DROP participation prior to February 1, 2014.
Participation	Not to exceed 36 months.
Rate of Return	At the Member's election: a. Actual net rate of investment return credited each fiscal quarter, or b. A fixed rate money market account.
Form of Distribution	Cash lump sum (options available) at termination of employment.

SUMMARY OF PLAN PROVISION
FIREFIGHTERS
(Through Ordinance 2023-11)

The below information is for historical reference only. Benefits are frozen as of September 30, 2013.

Eligibility	Full-time certified Firefighters participate as a condition of employment. Members hired after September 30, 2013 do not participate in this System.
Credited Service	Total years and fractional parts of years of service as a Firefighter with the Town. Credited Service is frozen as of September 30, 2013.
Salary	Total W-2 compensation, plus tax deferred, tax-sheltered, and tax-exempt income. Salary earned after September 30, 2013 is not counted for determination of the accrued benefit.
Average Final Compensation	Average Salary for the best 5 years during the 10 years immediately preceding retirement or termination. Average Final Compensation is not applicable for the determination of the accrued benefit after September 30, 2013.
Member Contributions	None.
Town Contributions	Amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability over 30 years (per Chapter 112, Florida Statutes).
Normal Retirement	
Eligibility	Attainment of 1) age 60, 2) age 55 and the completion of 10 years of Credited Service or 3) the completion of 25 years of Credited Service, regardless of age.
Benefit	3.5% of Average Final Compensation times Years of Credited Service. The accrued benefit is frozen as of September 30, 2013.
Form of Benefit	10 Year Certain and Life Annuity (options are available).

Early Retirement (removed with Ordinance 2013-13)

Eligibility	Age 45 and the completion of 15 years of Credited Service or Age 50 and the completion of 10 years of Credited Service.
Benefit	Accrued benefit, reduced 3% per year.

Supplemental Benefit — $10.00 per month for each year of Credited Service, payable to age 65. Credited Service is frozen as of September 30, 2013 for determination of the Supplemental Benefit.

Vesting (Termination) — Upon an employee's termination of employment for reason other than death, disability or retirement, he shall be entitled to the payment of the Vested Percentage of his or her accrued pension at the otherwise Early (reduced) of Normal Retirement Date. The applicable Vested Percentage is determined by the following table:

Years of Service	Percentage [1]
Less than 5	0%
5	50%
6	60%
7	70%
8	80%
9	90%
10	100%

[1] Members are 100% vested in their frozen accrued benefit as of September 30, 2013.

Disability

Eligibility

Service Incurred	Covered from Date of Employment.
Non-Service Incurred	10 years of Credited Service.
Benefit	3.5% of Average Final Compensation times Credited Service (but not less than 42% of Average Final Compensation for Service Incurred). Average Final Compensation and Credited Service for purposes of determining the applicable minimum Disability Benefit are frozen as of September 30, 2013.
Form of Benefit	Ten year Certain and Life Annuity (options are available)

<u>Cost of Living Adjustment</u>	Service Retirees receive a 3% annual increase in benefits commencing on the October 1 following the receipt of 5 years of benefit payments.
<u>Death Benefit</u>	
Vested or Eligible for Retirement	Monthly accrued benefit payable to designated beneficiary. The accrued benefit is frozen as of September 30, 2013.
Non-Vested	Refund of Member Contributions.
<u>Board of Trustees</u>	a. Five Commission appointees, and b. Two Town Manager appointees
<u>Deferred Retirement Option Plan (DROP)</u>	
Eligibility	Satisfaction of Normal Retirement requirements. New DROP participants are not permitted after September 30, 2013.
Participation	Not to exceed 36 months.
Rate of Return	At the Member's election: a. Actual net rate of investment return credited each fiscal quarter, or b. A fixed rate money market account.
Form of Distribution	Cash lump sum (options available) at termination of employment.

SUMMARY OF PLAN PROVISIONS
GENERAL EMPLOYEES
(Through Ordinance No. 2023-11)

The information below is for historical reference only. Benefits are frozen as of September 30, 2013.

Effective Date	April 1, 1992
Latest Amendment	October 2, 2023
Eligibility	Full-time employees hired before September 30, 2013 become Members as a condition of employment.
Compensation	W-2 earnings, plus tax-deferred, tax-sheltered, and tax-exempt income. Salary earned after September 30, 2013 is not counted for determination of the accrued benefit.
Average Final Compensation	Average Compensation paid an employee during the best 5 years within the last 10 years preceding September 30, 2013.
Credited Service	Years and fractional parts of years of service with the Town as a General Employee through September 30, 2013.
Normal Retirement	
Eligibility	Earlier of 1) Age 62 or 2) Age 55 and the completion of 30 years of Credited Service.
Benefit	2.75% of Average Final Compensation times Years of Credited Service. The benefit is frozen as of September 30, 2013.
Form of Benefit	Life Annuity with 120 months certain (options available).
Early Retirement	
Date	Attainment of age 50 and the completion of 15 years of Credited Service.
Benefit	Accrued benefit reduced 3.0% for each year preceding the Normal Retirement Date.

Death Benefit

Not Vested	Refund of Member Contributions.
Vested	Accrued benefit paid to Beneficiary for 120 months at Member's otherwise Early (reduced) or Normal Retirement Date.
Post-Retirement	According to optional form of benefit selected.

Termination of Employment

Upon an employee's termination of employment for reason other than death, disability or retirement, he shall be entitled to the payment of the Vested Percentage of his or her accrued pension at the otherwise Early (reduced) or Normal Retirement Date. The applicable Vested Percentage is determined by the following table:

Years of Service	Percentage
Less than 5	0%
5	50%
6	60%
7	70%
8	80%
9	90%
10	100%

Members are 100% vested on September 30, 2013.

Deferred Retirement Option Plan

Eligibility	Within 12 months following satisfaction of Normal Retirement requirements (age 62 or age 55 and 30 years of Credited Service.) New DROP Participants are not allowed after September 30, 2013.
Participation	Not to exceed 60 months.
Rate of Return	At election of Member (may change once during the DROP period) either: 1) actual net rate of investment return (total return net of brokerage commissions, management fees, and transaction costs), or 2) 6.5%. Earnings are credited each fiscal quarter.
Form of Distribution	Cash lump sum (options available) at termination of employment.

Contributions

Employee	None.
Town	Amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability over 30 years (per Chapter 112, F.S.).