

TOWN OF LONGBOAT KEY
CONSOLIDATED RETIREMENT SYSTEM

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2022

CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR ENDING SEPTEMBER 30, 2024

GASB 67/68 DISCLOSURE INFORMATION
AS OF SEPTEMBER 30, 2022



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

April 12, 2023

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. Included are the related results for GASB Statements No. 67 and No. 68. The funding 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. The calculation of the liability for GASB results was performed for the purpose of satisfying the requirements of GASB Statements No. 67 and No. 68. Use of the results for other purposes may not be applicable and may produce significantly different results.

The valuations have 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 reflect 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 valuations, 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 valuations, we did not perform an analysis of the potential range of such future measurements.

In conducting the valuations, 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 and accounting 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.

The total pension liability, net pension liability, and certain sensitivity information shown in this report are based on an actuarial valuation performed as of October 1, 2021. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ending September 30, 2022 using generally accepted actuarial principles. It is our opinion that the assumptions used for this purpose are internally consistent, reasonable, and comply with the requirements under GASB No. 67 and No. 68.


The undersigned are 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 Consolidated Retirement System. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

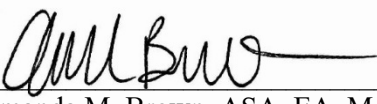
If there are any questions, concerns, or comments about any of the items contained in this report, please contact us at 239-433-5500.

Respectfully submitted,

Foster & Foster, Inc.

By: 

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

By: 

Amanda M. Brown, ASA, EA, MAAA
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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, 2022, 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, 2024.

The contribution requirements, compared with those set forth in the October 1, 2021 actuarial valuation report, are as follows:

Valuation Date	10/1/2022	10/1/2021
Applicable to Fiscal Year Ending	<u>9/30/2024</u>	<u>9/30/2023</u>
Police Officers	\$538,787	\$503,616
Firefighters	1,904,613	1,710,005
General Employees	<u>420,663</u>	<u>302,361</u>
Town Required Contribution	\$2,864,063	\$2,515,982

As you can see, the annual contribution requirements have increased for each of the Town’s legacy pension plans in comparison to results set forth in the October 1, 2021 valuation report. The increases are the result of the expiration of the amortization payment for actuarial gains established with the October 1, 2012 valuation, a reduction in the investment return assumption from 7.00% to 6.75%, and net unfavorable actuarial experience described in the next paragraph.

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 4.09% investment return (net-of-fees, Actuarial Asset Basis), falling short of the 7.00% assumption. This loss was partially offset by gains associated with inactive mortality experience for the General and Police plans.

CHANGES SINCE PRIOR VALUATION

Plan Changes

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

Actuarial Assumption/Method Changes

In conjunction with this valuation of the plan, the investment return assumption has been reduced from 7.00% to 6.75%.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS
POLICE OFFICERS

	New Assump <u>10/1/2022</u>	Old Assump <u>10/1/2022</u>	<u>10/1/2021</u>
A. Participant Data			
Actives	2	2	3
Service Retirees	18	18	16
Beneficiaries	2	2	3
Disability Retirees	2	2	2
Terminated Vested	<u>0</u>	<u>0</u>	<u>1</u>
Total	24	24	25
Payroll Under Assumed Ret. Age	N/A	N/A	N/A
Annual Rate of Payments to:			
Service Retirees	781,411	781,411	732,209
Beneficiaries	75,594	75,594	97,839
Disability Retirees	59,528	59,528	59,528
Terminated Vested	0	0	7,739
B. Assets			
Actuarial Value (AVA)	8,434,046	8,434,046	8,430,475
Market Value (MVA)	7,688,278	7,688,278	9,049,790
C. Liabilities			
Present Value of Benefits			
Actives			
Retirement Benefits	104,522	102,157	366,529
Disability Benefits	11,055	10,849	14,771
Death Benefits	303	300	659
Vested Benefits	0	0	1,392
Refund of Contributions	0	0	0
Service Retirees	10,723,648	10,460,297	10,066,009
Beneficiaries	552,191	545,132	761,604
Disability Retirees	683,531	666,956	674,082
Terminated Vested	<u>0</u>	<u>0</u>	<u>81,445</u>
Total	12,075,250	11,785,691	11,966,491

POLICE OFFICERS

C. Liabilities - (Continued)	New Assump <u>10/1/2022</u>	Old Assump <u>10/1/2022</u>	<u>10/1/2021</u>
Present Value of Future Salaries	N/A	N/A	N/A
Present Value of Future Member Contributions	N/A	N/A	N/A
Normal Cost (Retirement)	0	0	0
Normal Cost (Disability)	8,438	8,257	9,779
Normal Cost (Death)	52	51	180
Normal Cost (Vesting)	0	0	0
Normal Cost (Refunds)	<u>0</u>	<u>0</u>	<u>0</u>
Total Normal Cost	8,490	8,308	9,959
Present Value of Future Normal Costs	8,490	8,308	9,959
Accrued Liability (Retirement)	104,522	102,157	366,529
Accrued Liability (Disability)	2,617	2,592	4,993
Accrued Liability (Death)	251	249	478
Accrued Liability (Vesting)	0	0	1,392
Accrued Liability (Refunds)	0	0	0
Accrued Liability (Inactives)	<u>11,959,370</u>	<u>11,672,385</u>	<u>11,583,140</u>
Total Actuarial Accrued Liability (EAN AL)	12,066,760	11,777,383	11,956,532
Unfunded Actuarial Accrued Liability (UAAL)	3,632,714	3,343,337	3,526,057
Funded Ratio (AVA / EAN AL)	69.9%	71.6%	70.5%

POLICE OFFICERS

D. Actuarial Present Value of Accrued Benefits	New Assump <u>10/1/2022</u>	Old Assump <u>10/1/2022</u>	<u>10/1/2021</u>
Vested Accrued Benefits			
Inactives	11,959,370	11,672,385	11,583,140
Actives	115,881	113,306	226,232
Member Contributions	<u>34,898</u>	<u>34,898</u>	<u>157,119</u>
Total	12,110,149	11,820,589	11,966,491
Non-vested Accrued Benefits	<u>0</u>	<u>0</u>	<u>0</u>
Total Present Value Accrued Benefits (PVAB)	12,110,149	11,820,589	11,966,491
Funded Ratio (MVA / PVAB)	63.5%	65.0%	75.6%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	0	0	
Assumption Changes	289,560	0	
Plan Experience	0	(70,497)	
Benefits Paid	0	(882,183)	
Interest	0	806,778	
Other	<u>0</u>	<u>0</u>	
Total	289,560	(145,902)	

POLICE OFFICERS

	New Assump	Old Assump	
Valuation Date	10/1/2022	10/1/2022	10/1/2021
Applicable to Fiscal Year Ending	<u>9/30/2024</u>	<u>9/30/2024</u>	<u>9/30/2023</u>
 E. Pension Cost			
Normal Cost ¹	\$9,350	\$9,180	\$11,005
Administrative Expenses ¹	21,298	21,371	20,593
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 20 years (as of 10/1/2022) ¹	508,139	486,666	472,018
Minimum Required Contribution	538,787	517,217	503,616
Expected Member Contributions ¹	0	0	0
Expected Town Contribution	538,787	517,217	503,616
 F. Past Contributions			
Plan Years Ending:	<u>9/30/2022</u>		
Town Requirement	568,816		
Actual Contributions Made:			
Town	<u>568,816</u>		
Total	568,816		
 G. Net Actuarial (Gain)/Loss	 129,237		

¹ Contributions developed as of 10/1/2022 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:

<u>Year</u>	<u>Projected Unfunded Actuarial Accrued Liability</u>
2022	3,632,714
2023	3,385,356
2024	3,106,003
2025	2,785,671
2026	2,400,130
2032	581,072
2042	0

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

		<u>Actual</u>	<u>Assumed</u>
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
Year Ended	9/30/2018	N/A	N/A

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

		<u>Market Value</u>	<u>Actuarial Value</u>	<u>Assumed</u>
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%
Year Ended	9/30/2018	8.04%	5.78%	7.00%

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS
FIREFIGHTERS

	New Assump <u>10/1/2022</u>	Old Assump <u>10/1/2022</u>	<u>10/1/2021</u>
A. Participant Data			
Actives	4	4	5
Service Retirees	32	32	31
Beneficiaries	1	1	1
Disability Retirees	4	4	4
Terminated Vested	<u>4</u>	<u>4</u>	<u>4</u>
 Total	 45	 45	 45
 Payroll Under Assumed Ret. Age	 N/A	 N/A	 N/A
Annual Rate of Payments to:			
Service Retirees	2,189,795	2,189,795	2,083,899
Beneficiaries	19,344	19,344	19,344
Disability Retirees	110,093	110,093	110,093
Terminated Vested	43,809	43,809	43,809
B. Assets			
Actuarial Value (AVA)	22,984,405	22,984,405	22,446,774
Market Value (MVA)	20,956,135	20,956,135	24,093,028
C. Liabilities			
Present Value of Benefits			
Actives			
Retirement Benefits	1,617,513	1,561,582	2,298,559
Disability Benefits	35,697	34,696	41,039
Death Benefits	2,688	2,644	3,175
Vested Benefits	11,328	10,951	19,496
Refund of Contributions	0	0	0
Service Retirees	30,270,668	29,531,396	28,620,082
Beneficiaries	234,592	229,253	231,931
Disability Retirees	1,084,771	1,063,148	1,080,006
Terminated Vested	<u>334,060</u>	<u>321,665</u>	<u>300,684</u>
 Total	 33,591,317	 32,755,335	 32,594,972

FIREFIGHTERS

C. Liabilities - (Continued)	New Assump <u>10/1/2022</u>	Old Assump <u>10/1/2022</u>	<u>10/1/2021</u>
Present Value of Future Salaries	N/A	N/A	N/A
Present Value of Future Member Contributions	N/A	N/A	N/A
Normal Cost (Retirement)	0	0	0
Normal Cost (Disability)	5,218	5,051	6,397
Normal Cost (Death)	121	116	166
Normal Cost (Vesting)	0	0	0
Normal Cost (Refunds)	<u>0</u>	<u>0</u>	<u>0</u>
Total Normal Cost	5,339	5,167	6,563
Present Value of Future Normal Costs	13,005	12,507	14,641
Accrued Liability (Retirement)	1,617,513	1,561,582	2,298,559
Accrued Liability (Disability)	23,179	22,654	26,978
Accrued Liability (Death)	2,201	2,179	2,595
Accrued Liability (Vesting)	11,328	10,951	19,496
Accrued Liability (Refunds)	0	0	0
Accrued Liability (Inactives)	<u>31,924,091</u>	<u>31,145,462</u>	<u>30,232,703</u>
Total Actuarial Accrued Liability (EAN AL)	33,578,312	32,742,828	32,580,331
Unfunded Actuarial Accrued Liability (UAAL)	10,593,907	9,758,423	10,133,557
Funded Ratio (AVA / EAN AL)	68.5%	70.2%	68.9%

FIREFIGHTERS

D. Actuarial Present Value of Accrued Benefits	New Assump <u>10/1/2022</u>	Old Assump <u>10/1/2022</u>	<u>10/1/2021</u>
Vested Accrued Benefits			
Inactives	31,924,091	31,145,462	30,232,703
Actives	1,619,790	1,565,219	1,997,662
Member Contributions	<u>232,189</u>	<u>232,189</u>	<u>359,931</u>
Total	33,776,070	32,942,870	32,590,296
Non-vested Accrued Benefits	<u>0</u>	<u>0</u>	<u>0</u>
Total Present Value Accrued Benefits (PVAB)	33,776,070	32,942,870	32,590,296
Funded Ratio (MVA / PVAB)	62.0%	63.6%	73.9%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	0	0	
Assumption Changes	833,200	0	
Plan Experience	0	372,285	
Benefits Paid	0	(2,223,219)	
Interest	0	2,203,508	
Other	<u>0</u>	<u>0</u>	
Total	833,200	352,574	

FIREFIGHTERS

	New Assump	Old Assump	
Valuation Date	10/1/2022	10/1/2022	10/1/2021
Applicable to Fiscal Year Ending	<u>9/30/2024</u>	<u>9/30/2024</u>	<u>9/30/2023</u>
 E. Pension Cost			
Normal Cost ¹	\$5,880	\$5,710	\$7,252
Administrative Expenses ¹	56,711	56,904	52,616
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 20 years (as of 10/1/2022) ¹	1,842,022	1,780,507	1,650,137
Minimum Required Contribution	1,904,613	1,843,121	1,710,005
Expected Member Contributions ¹	0	0	0
Expected Town Contribution	1,904,613	1,843,121	1,710,005
 F. Past Contributions			
Plan Years Ending:	<u>9/30/2022</u>		
Town Requirement	1,907,757		
Actual Contributions Made:			
Town	<u>1,907,757</u>		
Total	1,907,757		
 G. Net Actuarial (Gain)/Loss	 833,740		

¹ Contributions developed as of 10/1/2022 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:

<u>Year</u>	<u>Projected Unfunded Actuarial Accrued Liability</u>
2022	10,593,907
2023	9,523,427
2024	8,407,197
2025	7,227,973
2026	5,985,722
2032	870,270
2042	0

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

		<u>Actual</u>	<u>Assumed</u>
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
Year Ended	9/30/2018	N/A	N/A

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

		<u>Market Value</u>	<u>Actuarial Value</u>	<u>Assumed</u>
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%
Year Ended	9/30/2018	8.04%	5.89%	7.00%

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS
GENERAL EMPLOYEES

	New Assump <u>10/1/2022</u>	Old Assump <u>10/1/2022</u>	<u>10/1/2021</u>
A. Participant Data			
Actives	14	14	15
Service Retirees	44	44	44
Beneficiaries	3	3	3
Disability Retirees	0	0	0
Terminated Vested	<u>8</u>	<u>8</u>	<u>8</u>
Total	69	69	70
Payroll Under Assumed Ret. Age	N/A	N/A	N/A
Annual Rate of Payments to:			
Service Retirees	993,257	993,257	1,003,840
Beneficiaries	29,071	29,071	29,071
Disability Retirees	0	0	0
Terminated Vested	98,694	98,694	98,694
B. Assets			
Actuarial Value (AVA)	12,023,490	12,023,490	12,193,989
Market Value (MVA)	10,997,004	10,997,004	13,140,864
C. Liabilities			
Present Value of Benefits			
Actives			
Retirement Benefits	2,935,858	2,849,997	2,881,643
Disability Benefits	0	0	0
Death Benefits	17,724	17,431	19,578
Vested Benefits	32,154	30,183	36,139
Refund of Contributions	0	0	0
Service Retirees	10,483,229	10,278,563	10,522,086
Beneficiaries	235,800	232,511	240,961
Disability Retirees	0	0	0
Terminated Vested	<u>583,403</u>	<u>557,779</u>	<u>521,466</u>
Total	14,288,168	13,966,464	14,221,873

GENERAL EMPLOYEES

C. Liabilities - (Continued)	New Assump <u>10/1/2022</u>	Old Assump <u>10/1/2022</u>	<u>10/1/2021</u>
Present Value of Future Salaries	N/A	N/A	N/A
Present Value of Future Member Contributions	N/A	N/A	N/A
Normal Cost (Retirement)	0	0	0
Normal Cost (Disability)	0	0	0
Normal Cost (Death)	1,286	1,244	1,456
Normal Cost (Vesting)	0	0	0
Normal Cost (Refunds)	<u>0</u>	<u>0</u>	<u>0</u>
Total Normal Cost	1,286	1,244	1,456
Present Value of Future Normal Costs	3,215	3,080	3,685
Accrued Liability (Retirement)	2,935,858	2,849,997	2,881,643
Accrued Liability (Disability)	0	0	0
Accrued Liability (Death)	14,509	14,351	15,893
Accrued Liability (Vesting)	32,154	30,183	36,139
Accrued Liability (Refunds)	0	0	0
Accrued Liability (Inactives)	<u>11,302,432</u>	<u>11,068,853</u>	<u>11,284,513</u>
Total Actuarial Accrued Liability (EAN AL)	14,284,953	13,963,384	14,218,188
Unfunded Actuarial Accrued Liability (UAAL)	2,261,463	1,939,894	2,024,199
Funded Ratio (AVA / EAN AL)	84.2%	86.1%	85.8%

GENERAL EMPLOYEES

D. Actuarial Present Value of Accrued Benefits	New Assump <u>10/1/2022</u>	Old Assump <u>10/1/2022</u>	<u>10/1/2021</u>
Vested Accrued Benefits			
Inactives	11,302,432	11,068,853	11,284,513
Actives	2,818,057	2,734,274	2,438,476
Member Contributions	<u>475,636</u>	<u>475,636</u>	<u>498,883</u>
Total	14,596,125	14,278,763	14,221,872
Non-vested Accrued Benefits	<u>0</u>	<u>0</u>	<u>0</u>
Total Present Value Accrued Benefits (PVAB)	14,596,125	14,278,763	14,221,872
Funded Ratio (MVA / PVAB)	75.3%	77.0%	92.4%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	0	0	
Assumption Changes	317,362	0	
Plan Experience	0	132,776	
Benefits Paid	0	(1,035,185)	
Interest	0	959,300	
Other	<u>0</u>	<u>0</u>	
Total	317,362	56,891	

GENERAL EMPLOYEES

	New Assump	Old Assump	
Valuation Date	10/1/2022	10/1/2022	10/1/2021
Applicable to Fiscal Year Ending	<u>9/30/2024</u>	<u>9/30/2024</u>	<u>9/30/2023</u>
 E. Pension Cost			
Normal Cost ¹	\$1,416	\$1,375	\$1,609
Administrative Expenses ¹	30,866	30,971	30,334
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 20 years (as of 10/1/2022) ¹	388,381	361,303	270,418
Minimum Required Contribution	420,663	393,649	302,361
Expected Member Contributions ¹	0	0	0
Expected Town Contribution	420,663	393,649	302,361
 F. Past Contributions			
Plan Years Ending:	<u>9/30/2022</u>		
Town Requirement	409,499		
Actual Contributions Made:			
Town	<u>409,499</u>		
Total	409,499		
 G. Net Actuarial (Gain)/Loss	 167,861		

¹ Contributions developed as of 10/1/2022 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:

<u>Year</u>	<u>Projected Unfunded Actuarial Accrued Liability</u>
2022	2,261,463
2023	2,037,634
2024	1,829,892
2025	1,605,712
2026	1,360,041
2032	136,445
2042	0

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

	<u>Actual</u>	<u>Assumed</u>
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
Year Ended 9/30/2018	N/A	N/A

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

	<u>Market Value</u>	<u>Actuarial Value</u>	<u>Assumed</u>
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%
Year Ended 9/30/2018	8.04%	6.51%	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.

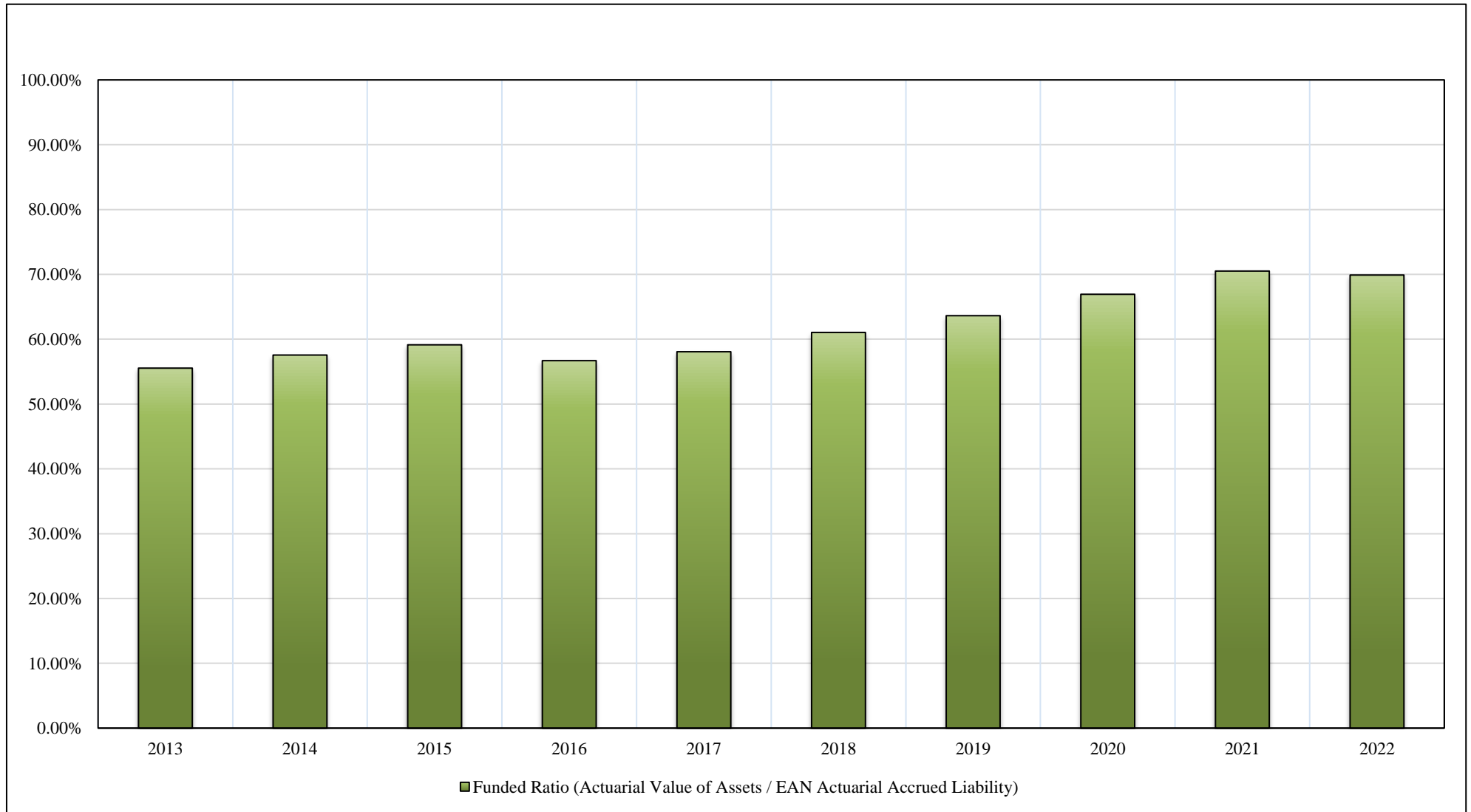


Douglas H. Lozen, EA, MAAA
Enrolled Actuary #23-7778

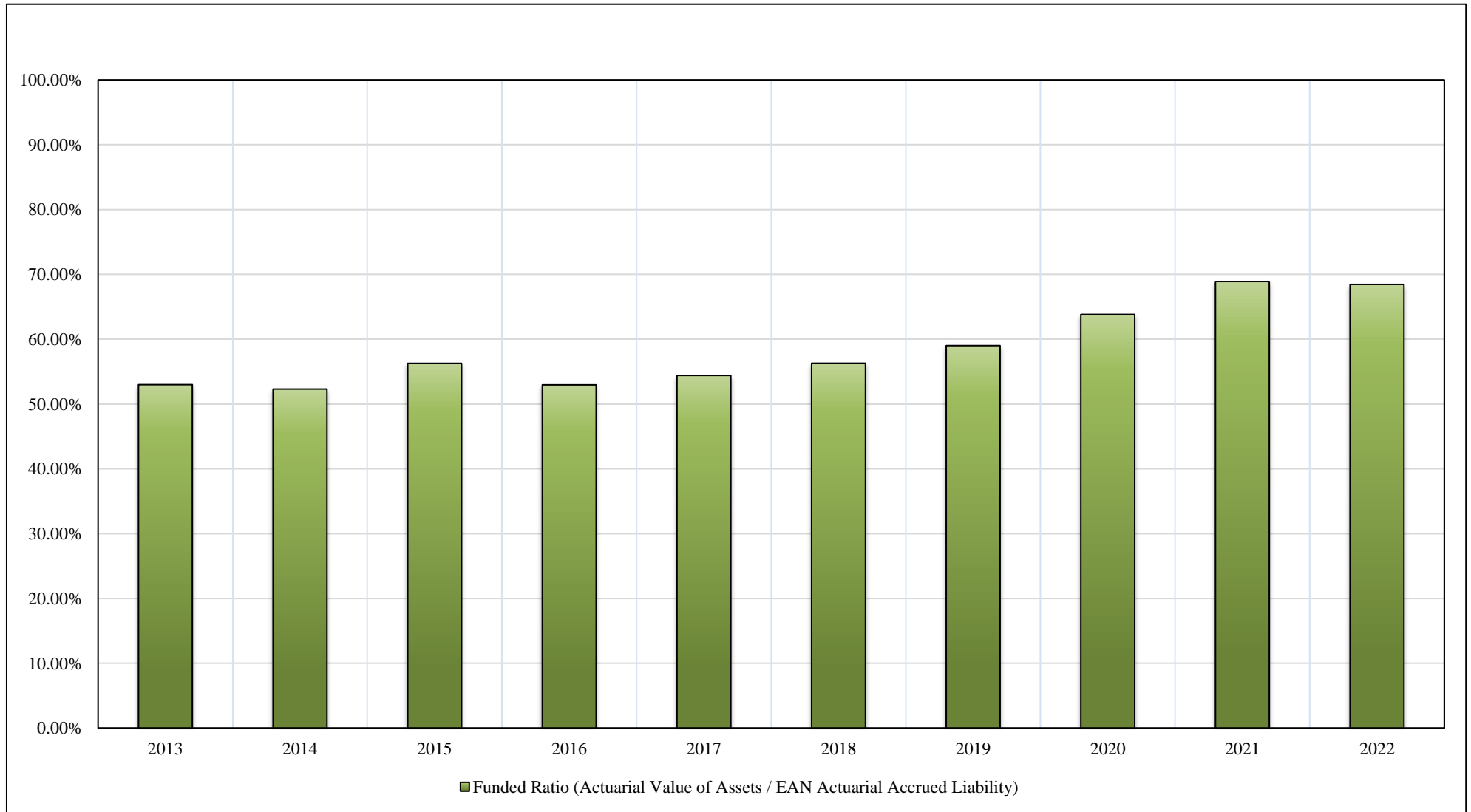
Please let us know when the report is approved by the Board and unless otherwise directed we will provide a copy of the report to the following office to comply with Chapter 112 Florida Statutes:

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

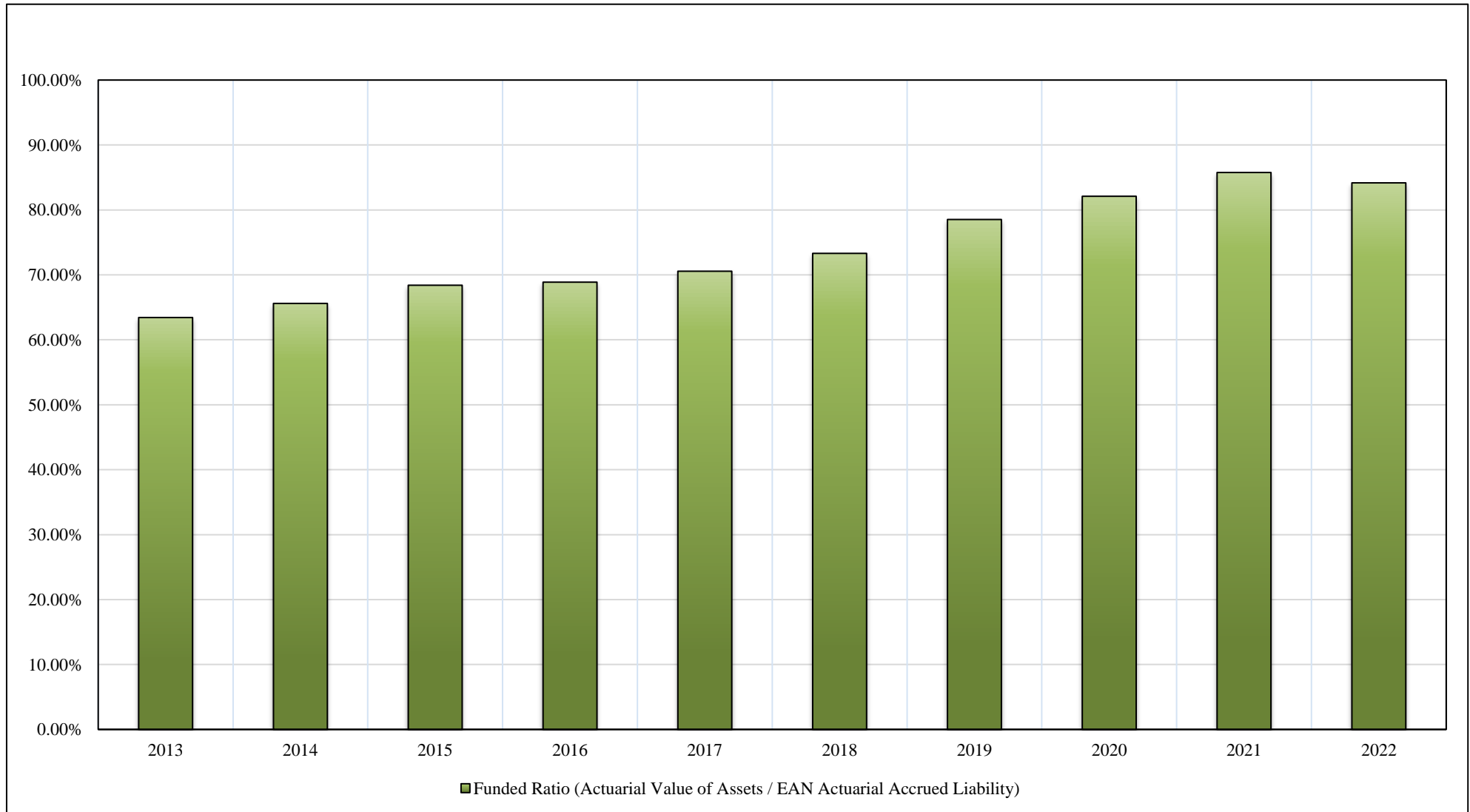
HISTORY OF FUNDING PROGRESS (POLICE OFFICERS)



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, 2021	\$3,526,057
(2)	Sponsor Normal Cost developed as of October 1, 2021	9,959
(3)	Expected administrative expenses for the year ended September 30, 2022	18,636
(4)	Expected interest on (1), (2) and (3)	248,173
(5)	Sponsor contributions to the System during the year ended September 30, 2022	568,816
(6)	Expected interest on (5)	19,909
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2022 (1)+(2)+(3)+(4)-(5)-(6)	3,214,100
(8)	Change to UAAL due to Assumption Change	289,377
(9)	Change to UAAL due to Actuarial (Gain)/Loss	129,237
(10)	Unfunded Actuarial Accrued Liability as of October 1, 2022	3,632,714

<u>Type of Base</u>	<u>Date Established</u>	<u>Years Remaining</u>	<u>10/1/2022 Amount</u>	<u>Amortization Amount</u>
	10/1/1996	4	(33,717)	(9,272)
	10/1/1999	7	(82,919)	(14,288)
Method Change	10/1/2002	10	731,933	96,496
Prior Losses	10/1/2002	6	537,928	104,904
Actuarial Gain	10/1/2003	6	(276,036)	(53,831)
Actuarial Loss	10/1/2004	6	134,293	26,189
Actuarial Loss	10/1/2005	6	168,689	32,897
Actuarial Gain	10/1/2006	6	(10,728)	(2,092)
Benefit Change	10/1/2006	14	626,097	66,062
Actuarial Loss	10/1/2007	6	317,796	61,975
Assump Change	10/1/2007	15	58,131	5,885
Benefit Change	10/1/2007	15	291,281	29,488
Method Change	10/1/2008	6	104,736	20,425
Assump Change	10/1/2012	10	300,904	39,670
Benefit Change	10/1/2012	20	(258,051)	(22,377)
Actuarial Gain	10/1/2013	1	(14,330)	(14,330)
Actuarial Gain	10/1/2014	2	(40,148)	(20,729)
Assump Change	10/1/2015	13	372,847	41,200
Actuarial Gain	10/1/2015	3	(114,898)	(40,826)

Type of <u>Base</u>	Date <u>Established</u>	Years <u>Remaining</u>	10/1/2022 <u>Amount</u>	Amortization <u>Amount</u>
Benefit Change	10/1/2015	13	(8,613)	(952)
Assump Change	10/1/2016	14	498,046	52,551
Actuarial Loss	10/1/2016	4	52,106	14,329
Actuarial Loss	10/1/2017	5	626	142
Actuarial Loss	10/1/2017	5	196,453	44,583
Actuarial Gain	10/1/2018	6	(103,961)	(20,274)
Actuarial Loss	10/1/2019	7	39,622	6,827
Actuarial Loss	10/1/2020	8	116,776	18,143
Assump Change	10/1/2020	18	(237,830)	(21,750)
Actuarial Gain	10/1/2021	9	(152,933)	(21,756)
Actuarial Loss	10/1/2022	10	129,237	17,038
Assump Change	10/1/2022	20	<u>289,377</u>	<u>25,093</u>
			3,632,714	461,420

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES
FIREFIGHTERS

(1)	Unfunded Actuarial Accrued Liability as of October 1, 2021	\$10,133,557
(2)	Sponsor Normal Cost developed as of October 1, 2021	6,563
(3)	Expected administrative expenses for the year ended September 30, 2022	47,616
(4)	Expected interest on (1), (2) and (3)	711,475
(5)	Sponsor contributions to the System during the year ended September 30, 2022	1,907,757
(6)	Expected interest on (5)	66,771
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2022 (1)+(2)+(3)+(4)-(5)-(6)	8,924,683
(8)	Change to UAAL due to Assumption Change	835,484
(9)	Change to UAAL due to Actuarial (Gain)/Loss	833,740
(10)	Unfunded Actuarial Accrued Liability as of October 1, 2022	10,593,907

<u>Type of Base</u>	<u>Date Established</u>	<u>Years Remaining</u>	<u>10/1/2022 Amount</u>	<u>Amortization Amount</u>
	10/1/1997	5	370,673	84,121
	10/1/1998	6	(111,618)	(21,767)
	10/1/1999	7	(234,863)	(40,469)
	10/1/2001	9	855,053	121,636
Method Change	10/1/2002	10	1,410,352	185,937
Prior Losses	10/1/2002	6	1,033,302	201,510
Actuarial Loss	10/1/2003	6	92,471	18,033
Actuarial Loss	10/1/2004	6	671,439	130,941
Benefit Change	10/1/2005	13	1,027,507	113,542
Actuarial Loss	10/1/2005	6	352,655	68,773
Actuarial Loss	10/1/2006	6	(112,698)	(21,978)
Actuarial Loss	10/1/2007	6	923,370	180,072
Assump Change	10/1/2007	15	589,316	59,659
Benefit Change	10/1/2007	15	(125,621)	(12,717)
Method Change	10/1/2008	6	113,019	22,040
Benefit Change	10/1/2012	20	(1,252,128)	(108,576)
Actuarial Loss	10/1/2013	1	24,831	24,831
Actuarial Loss	10/1/2014	2	22,412	11,572
Assump Change	10/1/2014	12	929,044	108,117

Type of <u>Base</u>	Date <u>Established</u>	Years <u>Remaining</u>	10/1/2022 <u>Amount</u>	Amortization <u>Amount</u>
Actuarial Loss	10/1/2015	3	43,683	15,522
Assump Change	10/1/2015	13	1,181,596	130,569
Benefit Change	10/1/2015	15	(271,340)	(27,469)
Assump Change	10/1/2016	14	1,469,264	155,029
Actuarial Loss	10/1/2016	4	222,365	61,151
Actuarial Loss	10/1/2017	5	221,284	50,219
Actuarial Loss	10/1/2018	6	314,655	61,363
Benefits Change	10/1/2018	11	322	40
Actuarial Loss	10/1/2020	8	214,788	33,370
Assump Change	10/1/2020	18	(682,272)	(62,396)
Actuarial Gain	10/1/2021	9	(368,178)	(52,376)
Actuarial Loss	10/1/2022	10	833,740	109,918
Assump Change	10/1/2022	20	835,484	72,448
			<u>10,593,907</u>	<u>1,672,665</u>

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES
GENERAL EMPLOYEES

(1)	Unfunded Actuarial Accrued Liability as of October 1, 2021	\$2,024,199
(2)	Sponsor Normal Cost developed as of October 1, 2021	1,456
(3)	Expected administrative expenses for the year ended September 30, 2022	27,452
(4)	Expected interest on (1), (2) and (3)	142,757
(5)	Sponsor contributions to the System during the year ended September 30, 2022	409,499
(6)	Expected interest on (5)	14,332
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2022 (1)+(2)+(3)+(4)-(5)-(6)	1,772,033
(8)	Change to UAAL due to Assumption Change	321,569
(9)	Change to UAAL due to Actuarial (Gain)/Loss	167,861
(10)	Unfunded Actuarial Accrued Liability as of October 1, 2022	2,261,463

<u>Type of Base</u>	<u>Date Established</u>	<u>Years Remaining</u>	<u>10/1/2022 Amount</u>	<u>Amortization Amount</u>
	10/1/1996	4	(49,441)	(13,596)
	10/1/1997	5	37,393	8,486
	10/1/2001	9	122,912	17,485
Method Change	10/1/2002	10	880,485	116,081
Prior Losses	10/1/2002	6	645,578	125,898
Actuarial Gain	10/1/2003	6	(196,356)	(38,293)
Actuarial Loss	10/1/2004	6	132,616	25,862
Actuarial Loss	10/1/2005	6	74,439	14,517
Actuarial Gain	10/1/2006	6	(12,055)	(2,351)
Benefit Change	10/1/2006	14	(121,778)	(12,849)
Actuarial Loss	10/1/2007	6	125,741	24,521
Assump Change	10/1/2007	15	161,911	16,391
Benefit Change	10/1/2007	15	175,935	17,811
Method Change	10/1/2008	6	51,338	10,012
Assump Change	10/1/2012	10	6,867	905
Benefit Change	10/1/2012	20	(479,144)	(41,548)
Actuarial Loss	10/1/2013	1	29,226	29,226
Assump Change	10/1/2013	11	576,359	71,107
Actuarial Gain	10/1/2014	2	(4,384)	(2,264)

Type of <u>Base</u>	Date <u>Established</u>	Years <u>Remaining</u>	10/1/2022 <u>Amount</u>	Amortization <u>Amount</u>
Actuarial Gain	10/1/2015	3	(16,778)	(5,962)
Benefit Change	10/1/2015	13	(196,773)	(21,744)
Assump Change	10/1/2016	14	373,707	39,431
Actuarial Loss	10/1/2016	4	68,184	18,751
Actuarial Loss	10/1/2017	5	31,398	7,126
Actuarial Gain	10/1/2018	6	(103,106)	(20,107)
Actuarial Gain	10/1/2019	7	(197,473)	(34,026)
Actuarial Gain	10/1/2020	8	(49,642)	(7,712)
Assump Change	10/1/2020	18	(29,225)	(2,673)
Actuarial Gain	10/1/2021	9	(265,901)	(37,826)
Actuarial Loss	10/1/2022	10	167,861	22,130
Assump Change	10/1/2022	20	<u>321,569</u>	<u>27,884</u>
			2,261,463	352,673

ACTUARIAL ASSUMPTIONS AND METHODS
POLICE OFFICERS

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 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 special risk employees, with appropriate adjustments made based on plan demographics.

Interest Rate

6.75% (prior year 7.00%) 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

\$19,340 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.

Termination Rates

Below are sample rates of termination. This assumption is consistent with historical Plan experience.

<u>Age</u>	<u>Rate of Termination</u>
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.

<u>Age</u>	<u>Rate of Disability</u>
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.

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 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 special risk employees, with appropriate adjustments made based on plan demographics.

Interest Rate

6.75% (prior year 7.00%) 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

\$51,497 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.

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.

<u>Age</u>	<u>Rate of Termination</u>
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.

<u>Age</u>	<u>Rate of Disability</u>
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.

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 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 special risk employees, with appropriate adjustments made based on plan demographics.

Interest Rate

6.75% (prior year 7.00%) 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

\$28,028 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.

Termination Rates

Below are sample rates of termination. This assumption is consistent with historical Plan experience.

<u>Age</u>	<u>Rate of Termination</u>
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.

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

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 like the Town of Longboat Key Consolidated Retirement System, 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 for Police Officers, Firefighters, and General Employees during the period October 1, 2012 to October 1, 2022. We expect this ratio will continue to decrease as more active members terminate and retire.
- 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 approximately 99%, 95%, and 79% as of October 1, 2022 for the Police Officers’, Firefighters’, and General Employees’ Plans, respectively. 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 for all three legacy plans during the period October 1, 2012 to October 1, 2022.
- 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, is currently negative for the three legacy plans, indicating that contributions are not currently covering the benefit payments and administrative expenses.

It is important to note that the actuary has identified the risks in this section 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

	<u>10/1/2022</u>	<u>10/1/2021</u>	<u>10/1/2017</u>	<u>10/1/2012</u>
<u>Support Ratio</u>				
Total Actives	2	3	6	16
Total Inactives ¹	22	22	21	20
Actives / Inactives ¹	9.1%	13.6%	28.6%	80.0%
 <u>Accrued Liability (AL) Ratio</u>				
Inactive Accrued Liability	11,959,370	11,583,140	11,329,915	9,125,889
Total Accrued Liability (EAN)	12,066,760	11,956,532	12,187,546	11,440,941
Inactive AL / Total AL	99.1%	96.9%	93.0%	79.8%
 <u>Funded Ratio</u>				
Actuarial Value of Assets (AVA)	8,434,046	8,430,475	7,076,693	5,677,007
Total Accrued Liability (EAN)	12,066,760	11,956,532	12,187,546	11,440,941
AVA / Total Accrued Liability (EAN)	69.9%	70.5%	58.1%	49.6%
 <u>Net Cash Flow Ratio</u>				
Net Cash Flow ²	(334,124)	(325,074)	(267,047)	321,808
Market Value of Assets (MVA)	7,688,278	9,049,790	7,084,977	5,817,427
Ratio	-4.3%	-3.6%	-3.8%	5.5%

¹ Excludes terminated participants awaiting a refund of member contributions.

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

PLAN MATURITY MEASURES AND OTHER RISK METRICS
FIREFIGHTERS

	<u>10/1/2022</u>	<u>10/1/2021</u>	<u>10/1/2017</u>	<u>10/1/2012</u>
<u>Support Ratio</u>				
Total Actives	4	5	7	31
Total Inactives ¹	41	39	39	32
Actives / Inactives ¹	9.8%	12.8%	17.9%	96.9%
 <u>Accrued Liability (AL) Ratio</u>				
Inactive Accrued Liability	31,924,091	30,232,703	28,507,144	17,278,324
Total Accrued Liability (EAN)	33,578,312	32,580,331	31,605,533	25,927,953
Inactive AL / Total AL	95.1%	92.8%	90.2%	66.6%
 <u>Funded Ratio</u>				
Actuarial Value of Assets (AVA)	22,984,405	22,446,774	17,196,756	12,743,682
Total Accrued Liability (EAN)	33,578,312	32,580,331	31,605,533	25,927,953
AVA / Total Accrued Liability (EAN)	68.5%	68.9%	54.4%	49.2%
 <u>Net Cash Flow Ratio</u>				
Net Cash Flow ²	(372,082)	(211,415)	(321,192)	232,947
Market Value of Assets (MVA)	20,956,135	24,093,028	17,251,626	12,670,985
Ratio	-1.8%	-0.9%	-1.9%	1.8%

¹ Excludes terminated participants awaiting a refund of member contributions.

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

PLAN MATURITY MEASURES AND OTHER RISK METRICS
GENERAL EMPLOYEES

	<u>10/1/2022</u>	<u>10/1/2021</u>	<u>10/1/2017</u>	<u>10/1/2012</u>
<u>Support Ratio</u>				
Total Actives	14	15	19	44
Total Inactives ¹	55	55	57	40
Actives / Inactives ¹	25.5%	27.3%	33.3%	110.0%
 <u>Accrued Liability (AL) Ratio</u>				
Inactive Accrued Liability	11,302,432	11,284,513	12,183,683	6,245,744
Total Accrued Liability (EAN)	14,284,953	14,218,188	15,349,766	12,787,290
Inactive AL / Total AL	79.1%	79.4%	79.4%	48.8%
 <u>Funded Ratio</u>				
Actuarial Value of Assets (AVA)	12,023,490	12,193,989	10,831,104	8,133,440
Total Accrued Liability (EAN)	14,284,953	14,218,188	15,349,766	12,787,290
AVA / Total Accrued Liability (EAN)	84.2%	85.8%	70.6%	63.6%
 <u>Net Cash Flow Ratio</u>				
Net Cash Flow ²	(655,429)	(622,077)	(446,688)	500,962
Market Value of Assets (MVA)	10,997,004	13,140,864	10,909,386	8,083,359
Ratio	-6.0%	-4.7%	-4.1%	6.2%

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)

<u>Received During Fiscal Year</u>	<u>Amount</u>	<u>Increase from Previous Year</u>
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)

<u>Received During Fiscal Year</u>	<u>Amount</u>	<u>Increase from Previous Year</u>
1997	70,510.54	_____%
1998	84,957.68	20.5%
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, 2022

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Prepaid Benefits	76,377.81	76,377.81
Money Market	269,742.06	269,742.06
Total Cash and Equivalents	346,119.87	346,119.87
Receivables:		
From Broker for Investments Sold	3,748.57	3,748.57
Investment Income	12,086.10	12,086.10
Total Receivable	15,834.67	15,834.67
Investments:		
U. S. Bonds and Bills	900,953.65	835,009.36
Federal Agency Guaranteed Securities	19,278.66	19,000.06
Corporate Bonds	693,381.70	615,604.22
Stocks	2,877,557.13	2,992,527.30
Mutual Funds:		
Equity	923,510.27	1,918,353.67
Pooled/Common/Commingled Funds:		
Equity	12,157.07	11,270.00
Real Estate	716,949.00	945,984.49
Total Investments	6,143,787.48	7,337,749.10
Total Assets	6,505,742.02	7,699,703.64
<u>LIABILITIES</u>		
Payables:		
Administrative Expenses	117.34	117.34
To Broker for Investments Purchased	11,308.24	11,308.24
Total Liabilities	11,425.58	11,425.58
NET POSITION RESTRICTED FOR PENSIONS	6,494,316.44	7,688,278.06

POLICE OFFICERS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022
Market Value Basis

ADDITIONS

Contributions:

Town 568,816.00

Total Contributions 568,816.00

Investment Income:

Net Realized Gain (Loss) 96,438.52

Unrealized Gain (Loss) (1,254,166.66)

Net Increase in Fair Value of Investments (1,157,728.14)

Interest & Dividends 179,140.97

Less Investment Expense¹ (48,800.93)

Net Investment Income (1,027,388.10)

Total Additions (458,572.10)

DEDUCTIONS

Distributions to Members:

Benefit Payments 882,183.42

Lump Sum DROP Distributions 0.00

Total Distributions 882,183.42

Administrative Expense 20,756.56

Total Deductions 902,939.98

Net Increase in Net Position (1,361,512.08)

NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year 9,049,790.14

End of the Year 7,688,278.06

POLICE OFFICERS

ACTUARIAL ASSET VALUATION
SEPTEMBER 30, 2022

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	
09/30/2019	2.86%	
09/30/2020	6.36%	
09/30/2021	21.45%	
09/30/2022	-11.66%	
Annualized Rate of Return for prior four (4) years:		4.09%
(A) 10/01/2021 Actuarial Assets:		\$8,430,474.66
(I) Net Investment Income:		
1. Interest and Dividends		179,140.97
2. Realized Gain (Loss)		96,438.52
3. Unrealized Gain (Loss)		(1,254,166.66)
4. Change in Actuarial Value		1,365,083.06
5. Investment Related Expenses		(48,800.93)
	Total	337,694.96
(B) 10/01/2022 Actuarial Assets:		\$8,434,045.64
Actuarial Asset Rate of Return = 2I/(A+B-I):		4.09%
10/01/2022 Limited Actuarial Assets		\$8,434,045.64
10/01/2022 Market Value of Assets		\$7,688,278.06
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)		(\$240,267.07)

¹Market Value Basis, net of investment related expenses.

POLICE OFFICERS

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
SEPTEMBER 30, 2022
Actuarial Asset Basis

REVENUES

Contributions:		
Town	568,816.00	
Total Contributions		568,816.00
Earnings from Investments:		
Interest & Dividends	179,140.97	
Net Realized Gain (Loss)	96,438.52	
Unrealized Gain (Loss)	(1,254,166.66)	
Change in Actuarial Value	1,365,083.06	
Total Earnings and Investment Gains		386,495.89

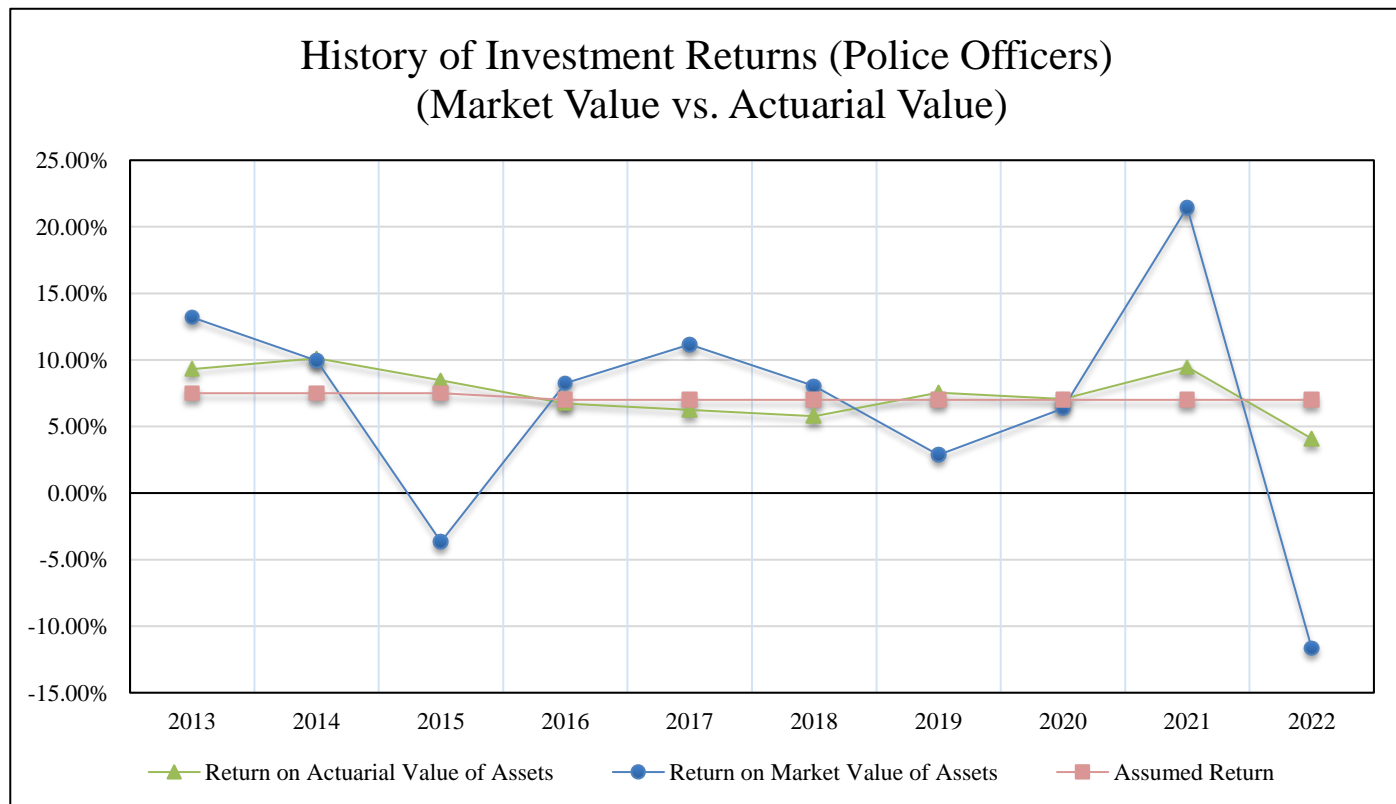
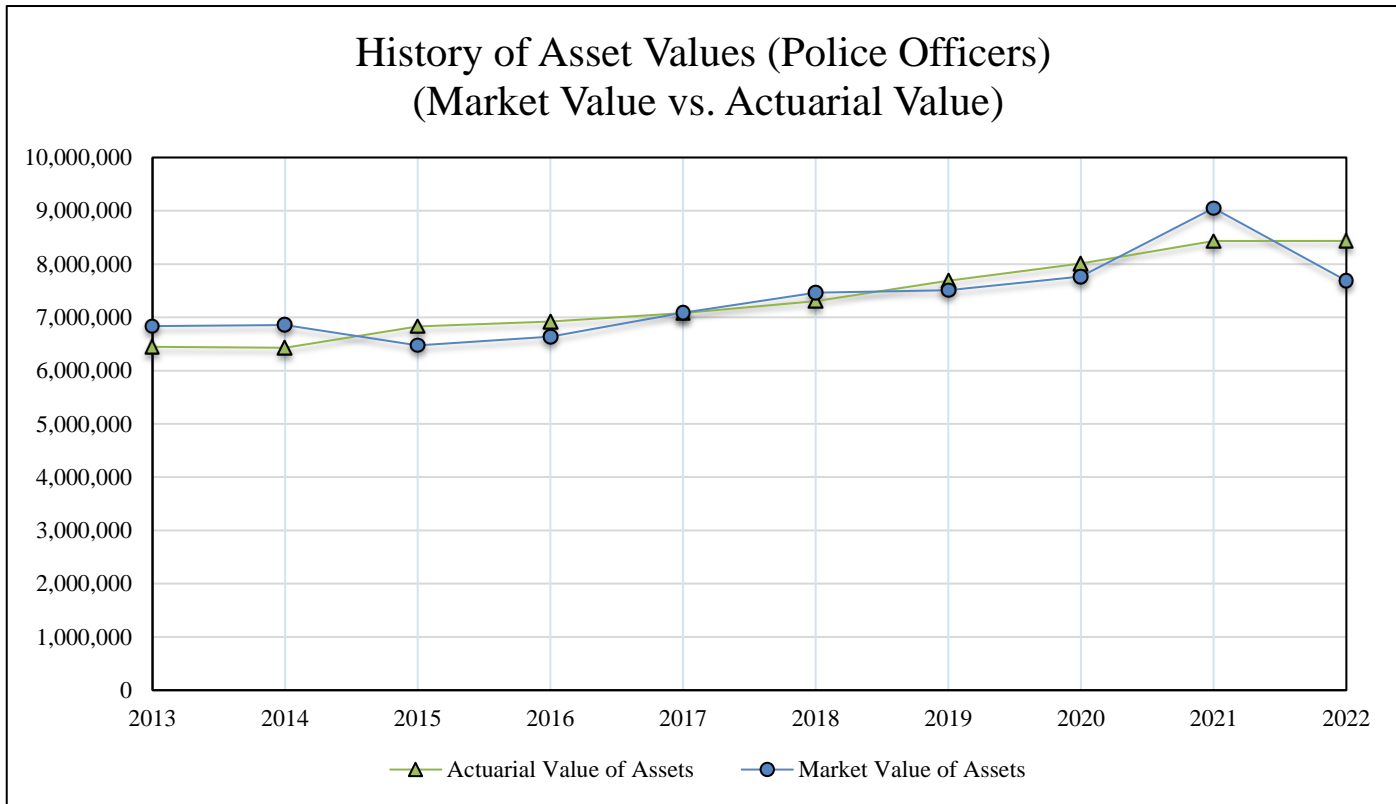
EXPENDITURES

Distributions to Members:		
Benefit Payments	882,183.42	
Lump Sum DROP Distributions	0.00	
Total Distributions		882,183.42
Expenses:		
Investment related ¹	48,800.93	
Administrative	20,756.56	
Total Expenses		69,557.49
Change in Net Assets for the Year		3,570.98
Net Assets Beginning of the Year		8,430,474.66
Net Assets End of the Year ²		8,434,045.64

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

²Net 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, 2022

POLICE OFFICERS

(1) Required Town Contribution for Fiscal 2022	\$568,816.00
(2) Less 2021 Prepaid Contribution	0.00
(3) Less Actual Town Contributions	<u>(568,816.00)</u>
(4) Equals Town's Shortfall/(Prepaid) Contribution as of September 30, 2022	\$0.00

FIREFIGHTERS

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Prepaid Benefits	192,425.46	192,425.46
Money Market	735,801.28	735,801.28
 Total Cash and Equivalents	 928,226.74	 928,226.74
Receivables:		
From Broker for Investments Sold	10,225.33	10,225.33
Investment Income	32,968.42	32,968.42
 Total Receivable	 43,193.75	 43,193.75
Investments:		
U. S. Bonds and Bills	2,457,617.62	2,277,735.05
Federal Agency Guaranteed Securities	52,588.25	51,828.28
Corporate Bonds	1,891,403.73	1,679,242.64
Stocks	7,849,388.36	8,163,003.53
Mutual Funds:		
Equity	2,519,147.47	5,232,877.15
Pooled/Common/Commingled Funds:		
Equity	33,162.00	30,742.25
Real Estate	1,955,690.50	2,580,452.57
 Total Investments	 16,758,997.93	 20,015,881.47
 Total Assets	 17,730,418.42	 20,987,301.96
 <u>LIABILITIES</u>		
Payables:		
Administrative Expenses	320.08	320.08
To Broker for Investments Purchased	30,846.58	30,846.58
 Total Liabilities	 31,166.66	 31,166.66
 NET POSITION RESTRICTED FOR PENSIONS	 17,699,251.76	 20,956,135.30

FIREFIGHTERS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022
Market Value Basis

ADDITIONS

Contributions:

Town	1,907,757.00	
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Total Contributions		1,907,757.00
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Investment Income:

Net Realized Gain (Loss)	263,064.60	
Unrealized Gain (Loss)	(3,383,416.89)	
Net Increase in Fair Value of Investments	(3,120,352.29)	
Interest & Dividends	488,660.01	
Less Investment Expense ¹	(133,118.95)	

Net Investment Income		(2,764,811.23)
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Total Additions		(857,054.23)
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DEDUCTIONS

Distributions to Members:

Benefit Payments	2,223,218.99	
Lump Sum DROP Distributions	0.00	

Total Distributions		2,223,218.99
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Administrative Expense		56,619.68
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Total Deductions		2,279,838.67
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Net Increase in Net Position		(3,136,892.90)
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NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year		24,093,028.20
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End of the Year		20,956,135.30
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FIREFIGHTERS

ACTUARIAL ASSET VALUATION SEPTEMBER 30, 2022

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	
09/30/2019	2.86%	
09/30/2020	6.36%	
09/30/2021	21.45%	
09/30/2022	-11.66%	
Annualized Rate of Return for prior four (4) years:		4.09%
(A) 10/01/2021 Actuarial Assets:		\$22,446,773.69
(I) Net Investment Income:		
1. Interest and Dividends	488,660.01	
2. Realized Gain (Loss)	263,064.60	
3. Unrealized Gain (Loss)	(3,383,416.89)	
4. Change in Actuarial Value	3,674,524.64	
5. Investment Related Expenses	(133,118.95)	
Total		909,713.41
(B) 10/01/2022 Actuarial Assets:		\$22,984,405.43
Actuarial Asset Rate of Return = 2I/(A+B-I):		4.09%
10/01/2022 Limited Actuarial Assets		\$22,984,405.43
10/01/2022 Market Value of Assets		\$20,956,135.30
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)		(\$647,253.31)

¹Market Value Basis, net of investment related expenses.

FIREFIGHTERS

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS SEPTEMBER 30, 2022 Actuarial Asset Basis

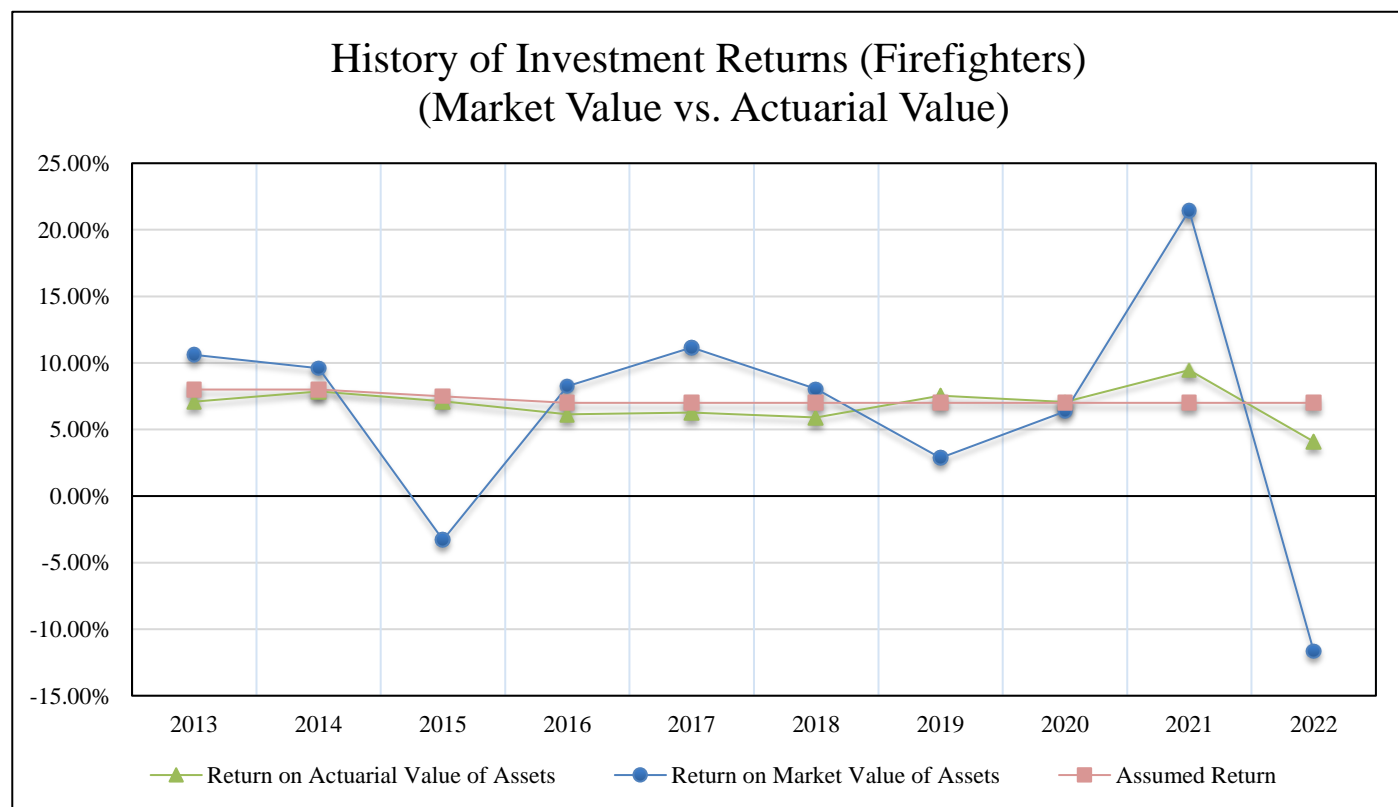
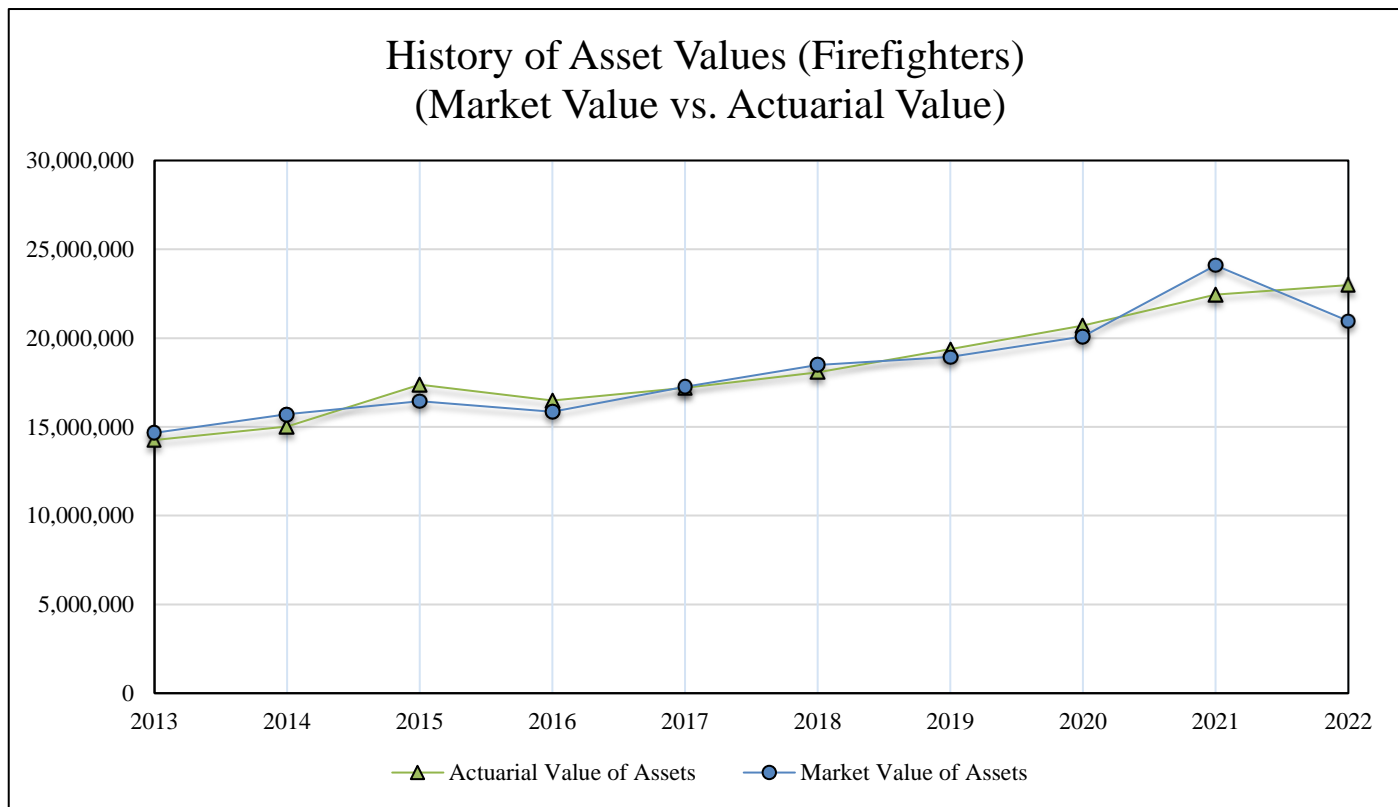
REVENUES

Contributions:		
Town	1,907,757.00	
Total Contributions		1,907,757.00
Earnings from Investments:		
Interest & Dividends	488,660.01	
Net Realized Gain (Loss)	263,064.60	
Unrealized Gain (Loss)	(3,383,416.89)	
Change in Actuarial Value	3,674,524.64	
Total Earnings and Investment Gains		1,042,832.36
	EXPENDITURES	
Distributions to Members:		
Benefit Payments	2,223,218.99	
Lump Sum DROP Distributions	0.00	
Total Distributions		2,223,218.99
Expenses:		
Investment related ¹	133,118.95	
Administrative	56,619.68	
Total Expenses		189,738.63
Change in Net Assets for the Year		537,631.74
Net Assets Beginning of the Year		22,446,773.69
Net Assets End of the Year²		22,984,405.43

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

²Net 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, 2022

FIREFIGHTERS

(1) Required Town Contribution for Fiscal 2022	\$1,907,757.00
(2) Less 2021 Prepaid Contribution	0.00
(3) Less Actual Town Contributions	<u>(1,907,757.00)</u>
(4) Equals Town's Shortfall/(Prepaid) Contribution as of September 30, 2022	\$0.00

GENERAL EMPLOYEES

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Prepaid Benefits	85,194.03	85,194.03
Money Market	386,530.06	386,530.06
Cash	4,248.12	4,248.12
Total Cash and Equivalents	475,972.21	475,972.21
Receivables:		
From Broker for Investments Sold	5,371.55	5,371.55
Investment Income	17,318.92	17,318.92
Total Receivable	22,690.47	22,690.47
Investments:		
U. S. Bonds and Bills	1,291,032.12	1,196,536.48
Federal Agency Guaranteed Securities	27,625.59	27,226.35
Corporate Bonds	993,589.47	882,137.32
Stocks	4,123,429.32	4,288,177.19
Mutual Funds:		
Equity	1,323,354.89	2,748,927.44
Pooled/Common/Commingled Funds:		
Equity	17,420.61	16,149.47
Real Estate	1,027,360.50	1,355,559.61
Total Investments	8,803,812.50	10,514,713.86
Total Assets	9,302,475.18	11,013,376.54
<u>LIABILITIES</u>		
Payables:		
Administrative Expenses	168.15	168.15
To Broker for Investments Purchased	16,204.28	16,204.28
Total Liabilities	16,372.43	16,372.43
NET POSITION RESTRICTED FOR PENSIONS	9,286,102.75	10,997,004.11

GENERAL EMPLOYEES

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022
Market Value Basis

ADDITIONS

Contributions:

Town 409,499.00

Total Contributions

409,499.00

Investment Income:

Net Realized Gain (Loss) 138,192.71

Unrealized Gain (Loss) (1,813,395.15)

Net Increase in Fair Value of Investments (1,675,202.44)

Interest & Dividends 256,702.16

Less Investment Expense¹ (69,929.86)

Net Investment Income

(1,488,430.14)

Total Additions

(1,078,931.14)

DEDUCTIONS

Distributions to Members:

Benefit Payments 1,035,185.04

Lump Sum DROP Distributions 0.00

Total Distributions

1,035,185.04

Administrative Expense

29,743.39

Total Deductions

1,064,928.43

Net Increase in Net Position

(2,143,859.57)

NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year

13,140,863.68

End of the Year

10,997,004.11

GENERAL EMPLOYEES

ACTUARIAL ASSET VALUATION
SEPTEMBER 30, 2022

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	
09/30/2019	2.86%	
09/30/2020	6.36%	
09/30/2021	21.45%	
09/30/2022	-11.66%	
Annualized Rate of Return for prior four (4) years:		4.09%
(A) 10/01/2021 Actuarial Assets:		\$12,193,988.63
(I) Net Investment Income:		
1. Interest and Dividends		256,702.16
2. Realized Gain (Loss)		138,192.71
3. Unrealized Gain (Loss)		(1,813,395.15)
4. Change in Actuarial Value		1,973,360.65
5. Investment Related Expenses		(69,929.86)
	Total	484,930.51
(B) 10/01/2022 Actuarial Assets:		\$12,023,489.71
Actuarial Asset Rate of Return = 2I/(A+B-I):		4.09%
10/01/2022 Limited Actuarial Assets		\$12,023,489.71
10/01/2022 Market Value of Assets		\$10,997,004.11
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)		(\$345,023.91)

¹Market Value Basis, net of investment related expenses.

GENERAL EMPLOYEES

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
 SEPTEMBER 30, 2022
 Actuarial Asset Basis

REVENUES

Contributions:		
Town	409,499.00	
Total Contributions		409,499.00
Earnings from Investments:		
Interest & Dividends	256,702.16	
Net Realized Gain (Loss)	138,192.71	
Unrealized Gain (Loss)	(1,813,395.15)	
Change in Actuarial Value	1,973,360.65	
Total Earnings and Investment Gains		554,860.37

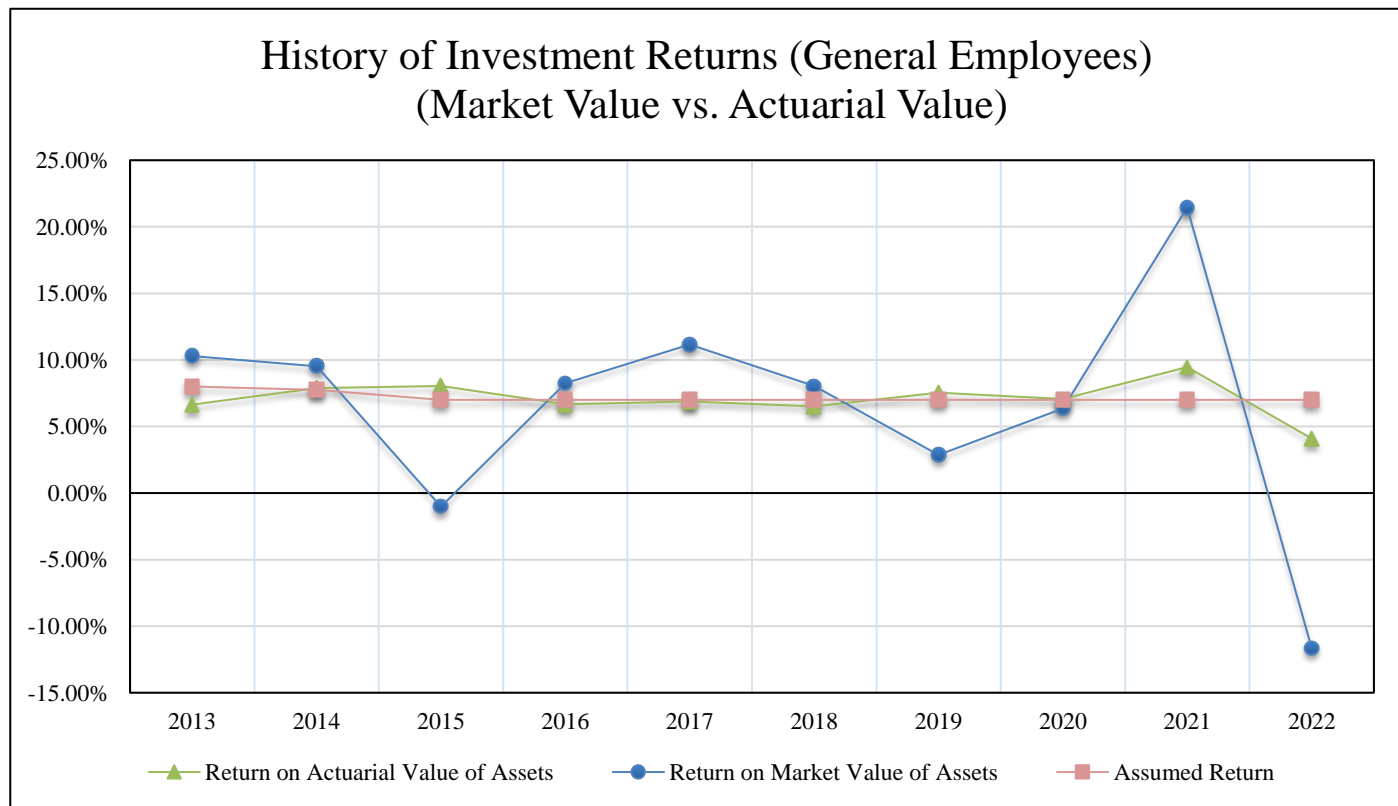
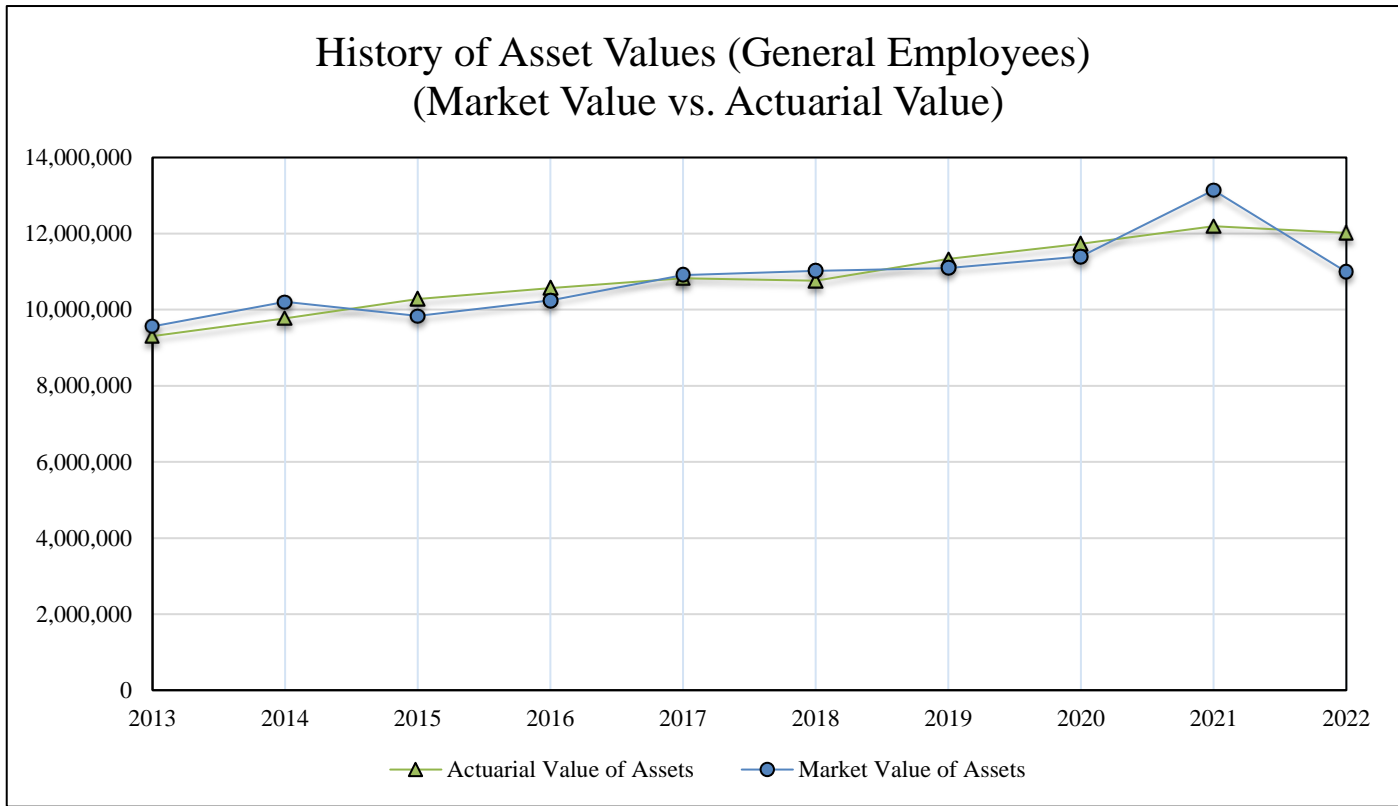
EXPENDITURES

Distributions to Members:		
Benefit Payments	1,035,185.04	
Lump Sum DROP Distributions	0.00	
Total Distributions		1,035,185.04
Expenses:		
Investment related ¹	69,929.86	
Administrative	29,743.39	
Total Expenses		99,673.25
Change in Net Assets for the Year		(170,498.92)
Net Assets Beginning of the Year		12,193,988.63
Net Assets End of the Year ²		12,023,489.71

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

²Net 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, 2022

GENERAL EMPLOYEES

(1) Required Town Contributions	\$409,499.00
(2) Less 2021 Prepaid Contribution	0.00
(3) Less Actual Town Contributions	<u>(409,499.00)</u>
(4) Equals Town's Shortfall/(Prepaid) Contribution as of September 30, 2022	\$0.00

VALUATION PARTICIPANT RECONCILIATION
POLICE OFFICERS

1. Active lives

a. Number in prior valuation 10/1/2021	3
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 received	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(1)
f. Continuing participants	2
g. New entrants / Rehires	<u>0</u>
h. Total active life participants in valuation	<u>2</u>

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

	Service Retirees, Vested Receiving	Receiving Death Benefits	Receiving Disability Benefits	Vested (Deferred Annuity)	Vested (Due Refund)	<u>Total</u>
a. Number prior valuation	16	3	2	1	0	22
Retired	2	0	0	(1)	0	1
Vested (Deferred Annuity)	0	0	0	0	0	0
Vested (Due Refund)	0	0	0	0	0	0
Hired/Terminated in Same Year	0	0	0	0	0	0
Death, With Survivor	0	0	0	0	0	0
Death, No Survivor	0	(1)	0	0	0	(1)
Disabled	0	0	0	0	0	0
Refund of Contributions	0	0	0	0	0	0
Rehires	0	0	0	0	0	0
Expired Annuities	0	0	0	0	0	0
Data Corrections	0	0	0	0	0	0
b. Number current valuation	18	2	2	0	0	22

VALUATION PARTICIPANT RECONCILIATION
FIREFIGHTERS

1. Active lives

a. Number in prior valuation 10/1/2021	5
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 received	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(1)
f. Continuing participants	4
g. New entrants / Rehires	0
h. Total active life participants in valuation	4

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

	Service Retirees, Vested Receiving	Receiving Death Benefits	Receiving Disability Benefits	Vested (Deferred Annuity)	Vested (Due Refund)	<u>Total</u>
a. Number prior valuation	31	1	4	3	1	40
Retired	1	0	0	0	0	1
Vested (Deferred Annuity)	0	0	0	0	0	0
Vested (Due Refund)	0	0	0	0	0	0
Hired/Terminated in Same Year	0	0	0	0	0	0
Death, With Survivor	0	0	0	0	0	0
Death, No Survivor	0	0	0	0	0	0
Disabled	0	0	0	0	0	0
Refund of Contributions	0	0	0	0	0	0
Rehires	0	0	0	0	0	0
Expired Annuities	0	0	0	0	0	0
Data Corrections	0	0	0	0	0	0
b. Number current valuation	32	1	4	3	1	41

VALUATION PARTICIPANT RECONCILIATION
GENERAL EMPLOYEES

1. Active lives

a. Number in prior valuation 10/1/2021	15
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 received	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(1)
f. Continuing participants	14
g. New entrants / Rehires	0
h. Total active life participants in valuation	14

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

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

SUMMARY OF PLAN PROVISIONS
POLICE OFFICERS
(Through Ordinance 2016-22)

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

<u>Eligibility</u>	Full-time Police Officers participate as a condition of employment. Members hired after January 31, 2014 do not participate in this System.
<u>Credited Service</u>	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.
<u>Salary</u>	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.
<u>Average Final Compensation</u>	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.
<u>Member Contributions</u>	None (previously 10%).
<u>Town Contributions</u>	Amount necessary to maintain actuarial soundness and meet State requirements.
<u>Normal Retirement</u>	
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:

<u>Years of Service</u>	<u>Percentage</u> 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 PROVISIONS
FIREFIGHTERS
(Through Ordinance 2016-22)

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

<u>Eligibility</u>	Full-time certified Firefighters participate as a condition of employment. Members hired after September 30, 2013 do not participate in this System.
<u>Credited Service</u>	Total years and fractional parts of years of service as a Firefighter with the Town. Credited Service is frozen as of September 30, 2013.
<u>Salary</u>	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.
<u>Average Final Compensation</u>	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.
<u>Member Contributions</u>	None.
<u>Town Contributions</u>	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).
<u>Normal Retirement</u>	
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:

<u>Years of Service</u>	<u>Percentage</u> 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)

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.

Death Benefit

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.

Board of Trustees

- a. Five Commission appointees, and
- b. Two Town Manager appointees

Deferred Retirement Option Plan (DROP)

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. 2016-22)

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

<u>Effective Date</u>	April 1, 1992
<u>Latest Amendment</u>	August 14, 2013
<u>Eligibility</u>	Full-time employees hired before September 30, 2013 become Members as a condition of employment.
<u>Compensation</u>	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.
<u>Average Final Compensation</u>	Average Compensation paid an employee during the best 5 years within the last 10 years preceding September 30, 2013.
<u>Credited Service</u>	Years and fractional parts of years of service with the Town as a General Employee through September 30, 2013.
<u>Normal Retirement</u>	
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).
<u>Early Retirement</u>	
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:

<u>Years of Service</u>	<u>Percentage</u>
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.).

STATEMENT OF
FIDUCIARY NET POSITION
SEPTEMBER 30, 2022

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Prepaid Benefits	76,378
Money Market	269,742
Total Cash and Equivalents	346,120
Receivables:	
From Broker for Investments Sold	3,749
Investment Income	12,086
Total Receivable	15,835
Investments:	
U. S. Bonds and Bills	835,009
Federal Agency Guaranteed Securities	19,000
Corporate Bonds	615,604
Stocks	2,992,527
Equity	1,918,354
Pooled/Common/Commingled Funds:	
Equity	11,270
Real Estate	945,984
Total Investments	7,337,748
Total Assets	7,699,703
<u>LIABILITIES</u>	
Payables:	
Administrative Expenses	117
To Broker for Investments Purchased	11,308
Total Liabilities	11,425
NET POSITION RESTRICTED FOR PENSIONS	7,688,278

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022
Market Value Basis

ADDITIONS

Contributions:

Town	568,816	
------	---------	--

Total Contributions		568,816
---------------------	--	---------

Investment Income:

Net Increase in Fair Value of Investments	(1,157,728)	
---	-------------	--

Interest & Dividends	179,141	
----------------------	---------	--

Less Investment Expense ¹	(48,801)	
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Net Investment Income		(1,027,388)
-----------------------	--	-------------

Total Additions		(458,572)
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DEDUCTIONS

Distributions to Members:

Benefit Payments	882,183	
------------------	---------	--

Lump Sum DROP Distributions	0	
-----------------------------	---	--

Total Distributions		882,183
---------------------	--	---------

Administrative Expense		20,757
------------------------	--	--------

Total Deductions		902,940
------------------	--	---------

Net Increase in Net Position		(1,361,512)
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NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year		9,049,790
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End of the Year		7,688,278
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¹Investment related expenses include investment advisory, custodial and performance monitoring fees.

NOTES TO THE FINANCIAL STATEMENTS

(For the Year Ended September 30, 2022)

Plan Administration

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of:

- a. Five Commission appointees, and
- b. Two Town Manager appointees.

Full-time Police Officers participate as a condition of employment. Members hired after January 31, 2014 do not participate in this System.

Plan Membership as of October 1, 2021:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	21
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	1
Active Plan Members	3
	25
	25

Benefits Provided

The Plan provides retirement, termination, disability and death benefits. Benefits are frozen as of February 1, 2014. A summary of the benefit provisions can be found in the October 1, 2021 Actuarial Valuation Report for the Town of Longboat Key Consolidated Retirement System prepared by Foster & Foster Actuaries and Consultants.

Contributions

Member Contributions: None.

Town Contributions: Amount necessary to maintain actuarial soundness and meet State requirements.

Investment Policy:

The following was the Board's adopted asset allocation policy as of September 30, 2022:

Asset Class	Target Allocation
Domestic Equity	45.00%
International Equity	15.00%
Fixed Income	25.00%
Private Real Estate	10.00%
MLP/Energy Infrastructure	3.50%
Cash	1.50%
Total	100.00%

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's Fiduciary Net Position.

Rate of Return:

For the year ended September 30, 2022, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was -11.66 percent.

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program

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.

At Member's election:

- a. Actual net rate of investment return credited each fiscal quarter, or
- b. A fixed rate money market account.

The DROP balance as September 30, 2022 is \$0.

NET PENSION LIABILITY OF THE SPONSOR

The components of the Net Pension Liability of the Sponsor on September 30, 2022 were as follows:

Total Pension Liability	\$ 12,183,634
Plan Fiduciary Net Position	<u>\$ (7,688,278)</u>
Sponsor's Net Pension Liability	<u>\$ 4,495,356</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	63.10%

Actuarial Assumptions:

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2021 updated to September 30, 2022 using the following actuarial assumptions:

Inflation	2.30%
Salary Increases	None
Discount Rate	6.75%
Investment Rate of Return	6.75%

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.

Mortality Rate Retiree Lives:

Female: PubS.H-2010 for Healthy Retirees, set forward one year.
 Male: PubS.H-2010 for Healthy Retirees, set forward one year.

Mortality Rate Beneficiary Lives:

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

Mortality Rate Disabled Lives:

80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

All rates 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 special risk employees, with appropriate adjustments made based on plan demographics.

The most recent actuarial experience study used to review the other significant assumptions was dated February 25, 2008.

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class.

For 2022 the inflation rate assumption of the investment advisor was 2.26%.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2022 are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return ¹
Domestic Equity	5.96%
International Equity	4.64%
Fixed Income	1.29%
Private Real Estate	4.19%
MLP/Energy Infrastructure	4.96%
Cash	0.74%

¹ Source: Morgan Stanley. Based on secular annualized return and volatility estimates are based on a 20-year-plus time horizon.

Please note that long term expected return of the total portfolio is greater than simply multiplying each of the above “Long Term Expected Real Rate of Returns” by their target allocation % and adding them together. Not only is the time horizon longer for an actuarial valuation relative to the time horizon over which the above projected returns were generated, but also there is an additional correlation resulting from a diversified portfolio that will provide additional returns.

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 6.75 percent.

The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Sponsor's Net Pension Liability	\$ 5,790,435	\$ 4,495,356	\$ 3,404,822

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 2 Fiscal Years

	09/30/2022	09/30/2021
Total Pension Liability		
Service Cost	10,590	13,174
Interest	805,117	799,407
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	25,391	143,217
Changes of assumptions	288,948	-
Benefit Payments, including Refunds of Employee Contributions	(882,183)	(861,120)
Net Change in Total Pension Liability	247,863	94,678
Total Pension Liability - Beginning	11,935,771	11,841,093
Total Pension Liability - Ending (a)	<u>\$ 12,183,634</u>	<u>\$ 11,935,771</u>
Plan Fiduciary Net Position		
Contributions - Employer	568,816	553,969
Net Investment Income	(1,027,388)	1,610,874
Benefit Payments, including Refunds of Employee Contributions	(882,183)	(861,120)
Administrative Expense	(20,757)	(17,923)
Net Change in Plan Fiduciary Net Position	(1,361,512)	1,285,800
Plan Fiduciary Net Position - Beginning	9,049,790	7,763,990
Plan Fiduciary Net Position - Ending (b)	<u>\$ 7,688,278</u>	<u>\$ 9,049,790</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 4,495,356</u>	<u>\$ 2,885,981</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	63.10%	75.82%
Covered Payroll	N/A	N/A
Net Pension Liability as a percentage of Covered Payroll	N/A	N/A

Notes to Schedule:*Changes of assumptions:*

For measurement date 09/30/2022, amounts reported as changes of assumptions resulted from lowering the investment return assumption from 7.00% to 6.75%, net of investment-related expenses.

SCHEDULE OF CONTRIBUTIONS

Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
09/30/2022	\$ 568,816	\$ 568,816	\$ -	N/A	N/A
09/30/2021	\$ 553,969	\$ 553,969	\$ -	N/A	N/A

Notes to Schedule

Valuation Date: 10/01/2020

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

Methods and assumptions used to determine contribution rates can be found in the October 1, 2020 Actuarial Valuation for the City of Longboat Key Consolidated Retirement System prepared by Foster & Foster Actuaries and Consultants.

SCHEDULE OF INVESTMENT RETURNS

Last 2 Fiscal Years

Fiscal Year Ended	Annual Money-Weighted Rate of Return Net of Investment Expense
09/30/2022	-11.66%
09/30/2021	21.45%

NOTES TO THE FINANCIAL STATEMENTS

(For the Year Ended September 30, 2023)

Plan Description

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of:

- a. Five Commission appointees, and
- b. Two Town Manager appointees.

Full-time Police Officers participate as a condition of employment. Members hired after January 31, 2014 do not participate in this System.

Plan Membership as of October 1, 2021:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	21
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	1
Active Plan Members	3
	25
	25

Benefits Provided

The Plan provides retirement, termination, disability and death benefits. Benefits are frozen as of February 1, 2014.

A summary of the benefit provisions can be found in the October 1, 2021 Actuarial Valuation Report for the Town of Longboat Key Consolidated Retirement System prepared by Foster & Foster Actuaries and Consultants.

Contributions

Member Contributions: None.

Town Contributions: Amount necessary to maintain actuarial soundness and meet State requirements.

Net Pension Liability

The measurement date is September 30, 2022.

The measurement period for the pension expense was October 1, 2021 to September 30, 2022.

The reporting period is October 1, 2022 through September 30, 2023.

The Sponsor's Net Pension Liability was measured as of September 30, 2022.

The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

Actuarial Assumptions:

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2021 updated to September 30, 2022 using the following actuarial assumptions:

Inflation	2.30%
Salary Increases	None
Discount Rate	6.75%
Investment Rate of Return	6.75%

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.

Mortality Rate Retiree Lives:

Female: PubS.H-2010 for Healthy Retirees, set forward one year.
 Male: PubS.H-2010 for Healthy Retirees, set forward one year.

Mortality Rate Beneficiary Lives:

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

Mortality Rate Disabled Lives:

80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

All rates 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 special risk employees, with appropriate adjustments made based on plan demographics.

The most recent actuarial experience study used to review the other significant assumptions was dated February 25, 2008.

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, Net of Pension Plan investment expenses and inflation) are developed for each major asset class.

For 2022 the inflation rate assumption of the investment advisor was 2.26%.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return ¹
Domestic Equity	45.00%	5.96%
International Equity	15.00%	4.64%
Fixed Income	25.00%	1.29%
Private Real Estate	10.00%	4.19%
MLP/Energy Infrastructure	3.50%	4.96%
Cash	1.50%	0.74%
Total	100.00%	

¹ Source: Morgan Stanley. Based on secular annualized return and volatility estimates are based on a 20-year-plus time horizon.

Please note that long term expected return of the total portfolio is greater than simply multiplying each of the above “Long Term Expected Real Rate of Returns” by their target allocation % and adding them together. Not only is the time horizon longer for an actuarial valuation relative to the time horizon over which the above projected returns were generated, but also there is an additional correlation resulting from a diversified portfolio that will provide additional returns.

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 6.75 percent.

The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Reporting Period Ending September 30, 2022	\$ 11,935,771	\$ 9,049,790	\$ 2,885,981
Changes for a Year:			
Service Cost	10,590	-	10,590
Interest	805,117	-	805,117
Differences between Expected and Actual Experience	25,391	-	25,391
Changes of assumptions	288,948	-	288,948
Changes of benefit terms	-	-	-
Contributions - Employer	-	568,816	(568,816)
Net Investment Income	-	(1,027,388)	1,027,388
Benefit Payments, including Refunds of Employee Contributions	(882,183)	(882,183)	-
Administrative Expense	-	(20,757)	20,757
Net Changes	247,863	(1,361,512)	1,609,375
Reporting Period Ending September 30, 2023	\$ 12,183,634	\$ 7,688,278	\$ 4,495,356

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

	1% Decrease	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%
	Sponsor's Net Pension Liability	\$ 5,790,435	\$ 4,495,356

Pension Plan Fiduciary Net Position.

Detailed information about the pension Plan's Fiduciary Net Position is available in a separately issued Plan financial report.

FINAL PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED
INFLOWS OF RESOURCES RELATED TO PENSIONS
FISCAL YEAR SEPTEMBER 30, 2022

For the year ended September 30, 2022, the Sponsor has recognized a Pension Expense of \$233,685.

On September 30, 2022, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	-	-
Changes of assumptions	-	-
Net difference between Projected and Actual Earnings on Pension Plan investments	-	719,741
Employer contributions subsequent to the measurement date	568,816	-
Total	\$ 568,816	\$ 719,741

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date has been recognized as a reduction of the Net Pension Liability in the year ended September 30, 2022.

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30:				
2023		\$		(155,914)
2024		\$		(143,119)
2025		\$		(204,954)
2026		\$		(215,754)
2027		\$		-
Thereafter		\$		-

PRELIMINARY PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS
FISCAL YEAR SEPTEMBER 30, 2023

For the year ended September 30, 2023, the Sponsor will recognize a Pension Expense of \$702,933.

On September 30, 2023, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	-	-
Changes of assumptions	-	-
Net difference between Projected and Actual Earnings on Pension Plan investments	755,517	-
Employer contributions subsequent to the measurement date	TBD	-
Total	<u>TBD</u>	<u>\$ -</u>

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended September 30, 2023.

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30:	
2024	\$ 186,717
2025	\$ 124,882
2026	\$ 114,082
2027	\$ 329,836
2028	\$ -
Thereafter	\$ -

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 2 Fiscal Years

Reporting Period Ending	09/30/2023	09/30/2022
Measurement Date	<u>09/30/2022</u>	<u>09/30/2021</u>
Total Pension Liability		
Service Cost	10,590	13,174
Interest	805,117	799,407
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	25,391	143,217
Changes of assumptions	288,948	-
Benefit Payments, including Refunds of Employee Contributions	<u>(882,183)</u>	<u>(861,120)</u>
Net Change in Total Pension Liability	247,863	94,678
Total Pension Liability - Beginning	11,935,771	11,841,093
Total Pension Liability - Ending (a)	<u><u>\$ 12,183,634</u></u>	<u><u>\$ 11,935,771</u></u>
Plan Fiduciary Net Position		
Contributions - Employer	568,816	553,969
Net Investment Income	(1,027,388)	1,610,874
Benefit Payments, including Refunds of Employee Contributions	(882,183)	(861,120)
Administrative Expense	<u>(20,757)</u>	<u>(17,923)</u>
Net Change in Plan Fiduciary Net Position	(1,361,512)	1,285,800
Plan Fiduciary Net Position - Beginning	9,049,790	7,763,990
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 7,688,278</u></u>	<u><u>\$ 9,049,790</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 4,495,356</u></u>	<u><u>\$ 2,885,981</u></u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	63.10%	75.82%
Covered Payroll	N/A	N/A
Net Pension Liability as a percentage of Covered Payroll	N/A	N/A

Notes to Schedule:*Changes of assumptions:*

For measurement date 09/30/2022, amounts reported as changes of assumptions resulted from lowering the investment return assumption from 7.00% to 6.75%, net of investment-related expenses.

SCHEDULE OF CONTRIBUTIONS

Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
09/30/2022	\$ 568,816	\$ 568,816	\$ -	N/A	N/A
09/30/2021	\$ 553,969	\$ 553,969	\$ -	N/A	N/A

Notes to Schedule

Valuation Date: 10/01/2020

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

Methods and assumptions used to determine contribution rates can be found in the October 1, 2020 Actuarial Valuation for the City of Longboat Key Consolidated Retirement System prepared by Foster & Foster Actuaries and Consultants.

EXPENSE DEVELOPMENT AND AMORTIZATION SCHEDULES

The following information is not required to be disclosed but is provided for informational purposes.

FINAL COMPONENTS OF PENSION EXPENSE

FISCAL YEAR SEPTEMBER 30, 2022

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 4,077,103	\$ 77,608	\$ 782,674	\$ -
Employer Contributions made after 09/30/2021	-	-	568,816	-
Total Pension Liability Factors:				
Service Cost	13,174	-	-	13,174
Interest	799,407	-	-	799,407
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	143,217	-	143,217	-
Current year amortization of experience difference	-	-	(143,217)	143,217
Change in assumptions about future economic or demographic factors or other inputs	-	-	-	-
Current year amortization of change in assumptions	-	-	-	-
Benefit Payments, including Refunds of Employee Contributions	(861,120)	-	-	-
Net change	<u>94,678</u>	<u>-</u>	<u>568,816</u>	<u>955,798</u>
Plan Fiduciary Net Position:				
Contributions - Employer	553,969	-	(553,969)	-
Projected Net Investment Income	532,102	-	-	(532,102)
Difference between projected and actual earnings on Pension Plan investments	1,078,772	1,078,772	-	-
Current year amortization	-	(280,569)	(72,635)	(207,934)
Benefit Payments, including Refunds of Employee Contributions	(861,120)	-	-	-
Administrative Expenses	(17,923)	-	-	17,923
Net change	<u>1,285,800</u>	<u>798,203</u>	<u>(626,604)</u>	<u>(722,113)</u>
Ending Balance	<u>\$ 2,885,981</u>	<u>\$ 875,811</u>	<u>\$ 724,886</u>	<u>\$ 233,685</u>

PRELIMINARY COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2023

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 2,885,981	\$ 875,811	\$ 724,886	\$ -
Employer Contributions made after 09/30/2022	-	-	TBD*	-
Total Pension Liability Factors:				
Service Cost	10,590	-	-	10,590
Interest	805,117	-	-	805,117
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	25,391	-	25,391	-
Current year amortization of experience difference	-	-	(25,391)	25,391
Change in assumptions about future economic or demographic factors or other inputs	288,948	-	288,948	-
Current year amortization of change in assumptions	-	-	(288,948)	288,948
Benefit Payments, including Refunds of Employee Contributions	(882,183)	-	-	-
Net change	<u>247,863</u>	<u>-</u>	<u>-</u>	<u>1,130,046</u>
Plan Fiduciary Net Position:				
Contributions - Employer	568,816	-	(568,816)	-
Projected Net Investment Income	621,791	-	-	(621,791)
Difference between projected and actual earnings on Pension Plan investments	(1,649,179)	-	1,649,179	-
Current year amortization	-	(228,549)	(402,470)	173,921
Benefit Payments, including Refunds of Employee Contributions	(882,183)	-	-	-
Administrative Expenses	(20,757)	-	-	20,757
Net change	<u>(1,361,512)</u>	<u>(228,549)</u>	<u>677,893</u>	<u>(427,113)</u>
Ending Balance	<u>\$ 4,495,356</u>	<u>\$ 647,262</u>	<u>TBD</u>	<u>\$ 702,933</u>

* Employer Contributions subsequent to the measurement date made after September 30, 2022 but made on or before September 30, 2023 need to be added.

Town of Longboat Key Police Officers' Retirement System

AMORTIZATION SCHEDULE - INVESTMENTS

Increase (Decrease) in Pension Expense Arising from the Recognition of the of Differences Between Projected and Actual Earnings on Pension Plan Investments

Plan Year Ending	Differences Between Projected and Actual Earnings	Recognition Period (Years)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2022	\$ 1,649,179	5	\$ -	\$ 329,835	\$ 329,836	\$ 329,836	\$ 329,836	\$ 329,836	\$ -	\$ -	\$ -	\$ -
2021	\$ (1,078,772)	5	\$ (215,756)	\$ (215,754)	\$ (215,754)	\$ (215,754)	\$ (215,754)	\$ -	\$ -	\$ -	\$ -	\$ -
2020	\$ 53,998	5	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	\$ 309,175	5	\$ 61,835	\$ 61,835	\$ 61,835	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	\$ (63,977)	5	\$ (12,795)	\$ (12,795)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ (260,090)	5	\$ (52,018)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ (207,934)	\$ 173,921	\$ 186,717	\$ 124,882	\$ 114,082	\$ 329,836	\$ -	\$ -	\$ -	\$ -

Town of Longboat Key Police Officers' Retirement System
 AMORTIZATION SCHEDULE - CHANGES OF ASSUMPTIONS

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Changes of Assumptions

Plan Year Ending	Differences Between Expected and Actual Experience	Recognition Period (Years)	Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Changes of Assumptions											
			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031		
2022	\$ 288,948	1	\$ -	\$ 288,948	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ -	\$ 288,948	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Town of Longboat Key Police Officers' Retirement System

AMORTIZATION SCHEDULE - EXPERIENCE

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience

Plan Year Ending	Differences Between Expected and Actual Experience	Recognition Period (Years)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2022	\$ 25,391	1	\$ -	\$ 25,391	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	\$ 143,217	1	\$ 143,217	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 143,217	\$ 25,391	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Prepaid Benefits	192,426
Money Market	735,801
Total Cash and Equivalents	928,227
Receivables:	
From Broker for Investments Sold	10,225
Investment Income	32,968
Total Receivable	43,193
Investments:	
U. S. Bonds and Bills	2,277,735
Federal Agency Guaranteed Securities	51,828
Corporate Bonds	1,679,243
Stocks	8,163,004
Mutual Funds:	
Equity	5,232,877
Pooled/Common/Commingled Funds:	
Equity	30,742
Real Estate	2,580,453
Total Investments	20,015,882
Total Assets	20,987,302
<u>LIABILITIES</u>	
Payables:	
Administrative Expenses	320
To Broker for Investments Purchased	30,847
Total Liabilities	31,167
NET POSITION RESTRICTED FOR PENSIONS	20,956,135

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022
Market Value Basis

ADDITIONS

Contributions:

Town	1,907,757	
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Total Contributions		1,907,757
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Investment Income:

Net Increase in Fair Value of Investments	(3,120,352)	
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Interest & Dividends	488,660	
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Less Investment Expense ¹	(133,119)	
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Net Investment Income		(2,764,811)
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Total Additions		(857,054)
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DEDUCTIONS

Distributions to Members:

Benefit Payments	2,223,219	
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Lump Sum DROP Distributions	0	
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Total Distributions		2,223,219
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Administrative Expense		56,620
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Total Deductions		2,279,839
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Net Increase in Net Position		(3,136,893)
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NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year		24,093,028
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End of the Year		20,956,135
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¹Investment related expenses include investment advisory, custodial and performance monitoring fees.

NOTES TO THE FINANCIAL STATEMENTS

(For the Year Ended September 30, 2022)

Plan Administration

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of:

- a. Five Commission appointees, and
- b. Two Town Manager appointees.

Full-time certified Firefighters participate as a condition of employment. Members hired after September 30, 2013 do not participate in this System

Plan Membership as of October 1, 2021:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	36
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	4
Active Plan Members	5
	45
	45

Benefits Provided

The Plan provides retirement, termination, disability and death benefits. Benefits are frozen as of September 30, 2013. A summary of the benefit provisions can be found in the October 1, 2021 Actuarial Valuation Report for the Town of Longboat Key Consolidated Retirement System prepared by Foster & Foster Actuaries and Consultants.

Contributions

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).

Investment Policy:

The following was the Board's adopted asset allocation policy as of September 30, 2022:

Asset Class	Target Allocation
Domestic Equity	45.00%
International Equity	15.00%
Fixed Income	25.00%
Private Real Estate	10.00%
MLP/Energy Infrastructure	3.50%
Cash	1.50%
Total	100.00%

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's Fiduciary Net Position.

Rate of Return:

For the year ended September 30, 2022, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was -11.66 percent.

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program

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.

The DROP balance as September 30, 2022 is \$0.

NET PENSION LIABILITY OF THE SPONSOR

The components of the Net Pension Liability of the Sponsor on September 30, 2022 were as follows:

Total Pension Liability	\$ 33,393,995
Plan Fiduciary Net Position	<u>\$ (20,956,135)</u>
Sponsor's Net Pension Liability	<u>\$ 12,437,860</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	62.75%

Actuarial Assumptions:

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2021 updated to September 30, 2022 using the following actuarial assumptions:

Inflation	2.30%
Salary Increases	None.
Discount Rate	6.75%
Investment Rate of Return	6.75%

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.

Mortality Rate 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.

Mortality Rate Beneficiary Lives:

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

Mortality Rate Disabled Lives:

80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

All rates 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 special risk employees, with appropriate adjustments made based on plan demographics.

The most recent actuarial experience study used to review the other significant assumptions was dated March 10, 2008.

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class.

For 2022 the inflation rate assumption of the investment advisor was 2.26%.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2022 are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return ¹
Domestic Equity	5.96%
International Equity	4.64%
Fixed Income	1.29%
Private Real Estate	4.19%
MLP/Energy Infrastructure	4.96%
Cash	0.74%

¹ Source: Morgan Stanley. Based on secular annualized return and volatility estimates are based on a 20-year-plus time horizon.

Please note that long term expected return of the total portfolio is greater than simply multiplying each of the above “Long Term Expected Real Rate of Returns” by their target allocation % and adding them together. Not only is the time horizon longer for an actuarial valuation relative to the time horizon over which the above projected returns were generated, but also there is an additional correlation resulting from a diversified portfolio that will provide additional returns.

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 6.75 percent.

The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

	1% Decrease	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%
Sponsor's Net Pension Liability	\$ 16,154,202	\$ 12,437,860	\$ 9,322,868

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 2 Fiscal Years

	09/30/2022	09/30/2021
Total Pension Liability		
Service Cost	6,695	6,608
Interest	2,196,512	2,179,058
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	103,301	260,793
Changes of assumptions	827,051	-
Benefit Payments, including Refunds of Employee Contributions	(2,223,219)	(2,171,192)
Net Change in Total Pension Liability	910,340	275,267
Total Pension Liability - Beginning	32,483,655	32,208,388
Total Pension Liability - Ending (a)	<u>\$ 33,393,995</u>	<u>\$ 32,483,655</u>
Plan Fiduciary Net Position		
Contributions - Employer	1,907,757	2,006,151
Net Investment Income	(2,764,811)	4,216,016
Benefit Payments, including Refunds of Employee Contributions	(2,223,219)	(2,171,192)
Administrative Expense	(56,620)	(46,374)
Net Change in Plan Fiduciary Net Position	(3,136,893)	4,004,601
Plan Fiduciary Net Position - Beginning	24,093,028	20,088,427
Plan Fiduciary Net Position - Ending (b)	<u>\$ 20,956,135</u>	<u>\$ 24,093,028</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 12,437,860</u>	<u>\$ 8,390,627</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	62.75%	74.17%
Covered Payroll	N/A	N/A
Net Pension Liability as a percentage of Covered Payroll	N/A	N/A

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:*Changes of assumptions:*

For measurement date 09/30/2022, amounts reported as changes of assumptions resulted from lowering the investment return assumption from 7.00% to 6.75%, net of investment-related expenses.

SCHEDULE OF CONTRIBUTIONS

Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
09/30/2022	\$ 1,907,757	\$ 1,907,757	\$ -	N/A	N/A
09/30/2021	\$ 2,006,151	\$ 2,006,151	\$ -	N/A	N/A

Notes to Schedule

Valuation Date: 10/01/2020

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

Methods and assumptions used to determine contribution rates can be found in the October 1, 2020 Actuarial Valuation for the City of Longboat Key Consolidated Retirement System prepared by Foster & Foster Actuaries and Consultants.

SCHEDULE OF INVESTMENT RETURNS

Last 2 Fiscal Years

Fiscal Year Ended	Annual Money-Weighted Rate of Return Net of Investment Expense
09/30/2022	-11.66%
09/30/2021	21.45%

NOTES TO THE FINANCIAL STATEMENTS

(For the Year Ended September 30, 2023)

Plan Description

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of:

- a. Five Commission appointees, and
- b. Two Town Manager appointees.

Full-time certified Firefighters participate as a condition of employment. Members hired after September 30, 2013 do not participate in this System.

Plan Membership as of October 1, 2021:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	36
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	4
Active Plan Members	5
	45
	45

Benefits Provided

The Plan provides retirement, termination, disability and death benefits. Benefits are frozen as of September 30, 2013.

A summary of the benefit provisions can be found in the October 1, 2021 Actuarial Valuation Report for the Town of Longboat Key Consolidated Retirement System prepared by Foster & Foster Actuaries and Consultants.

Contributions

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).

Net Pension Liability

The measurement date is September 30, 2022.

The measurement period for the pension expense was October 1, 2021 to September 30, 2022.

The reporting period is October 1, 2022 through September 30, 2023.

The Sponsor's Net Pension Liability was measured as of September 30, 2022.

The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

Actuarial Assumptions:

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2021 updated to September 30, 2022 using the following actuarial assumptions:

Inflation	2.30%
Salary Increases	None.
Discount Rate	6.75%
Investment Rate of Return	6.75%

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.

Mortality Rate 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.

Mortality Rate Beneficiary Lives:

Female: PubG.H-2010 for Healthy Retirees.

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

Mortality Rate Disabled Lives:

80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

All rates 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 special risk employees, with appropriate adjustments made based on plan demographics.

The most recent actuarial experience study used to review the other significant assumptions was dated March 10, 2008.

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, Net of Pension Plan investment expenses and inflation) are developed for each major asset class.

For 2022 the inflation rate assumption of the investment advisor was 2.26%.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return ¹
Domestic Equity	45.00%	5.96%
International Equity	15.00%	4.64%
Fixed Income	25.00%	1.29%
Private Real Estate	10.00%	4.19%
MLP/Energy Infrastructure	3.50%	4.96%
Cash	1.50%	0.74%
Total	100.00%	

¹ Source: Morgan Stanley. Based on secular annualized return and volatility estimates are based on a 20-year-plus time horizon.

Please note that long term expected return of the total portfolio is greater than simply multiplying each of the above “Long Term Expected Real Rate of Returns” by their target allocation % and adding them together. Not only is the time horizon longer for an actuarial valuation relative to the time horizon over which the above projected returns were generated, but also there is an additional correlation resulting from a diversified portfolio that will provide additional returns.

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 6.75 percent.

The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Reporting Period Ending September 30, 2022	\$ 32,483,655	\$ 24,093,028	\$ 8,390,627
Changes for a Year:			
Service Cost	6,695	-	6,695
Interest	2,196,512	-	2,196,512
Differences between Expected and Actual Experience	103,301	-	103,301
Changes of assumptions	827,051	-	827,051
Changes of benefit terms	-	-	-
Contributions - Employer	-	1,907,757	(1,907,757)
Net Investment Income	-	(2,764,811)	2,764,811
Benefit Payments, including Refunds of Employee Contributions	(2,223,219)	(2,223,219)	-
Administrative Expense	-	(56,620)	56,620
Net Changes	910,340	(3,136,893)	4,047,233
Reporting Period Ending September 30, 2023	\$ 33,393,995	\$ 20,956,135	\$ 12,437,860

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

	Current		
	1% Decrease	Discount Rate	1% Increase
	5.75%	6.75%	7.75%
Sponsor's Net Pension Liability	\$ 16,154,202	\$ 12,437,860	\$ 9,322,868

Pension Plan Fiduciary Net Position.

Detailed information about the pension Plan's Fiduciary Net Position is available in a separately issued Plan financial report.

FINAL PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED
INFLOWS OF RESOURCES RELATED TO PENSIONS
FISCAL YEAR SEPTEMBER 30, 2022

For the year ended September 30, 2022, the Sponsor has recognized a Pension Expense of \$559,413.

On September 30, 2022, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	-	-
Changes of assumptions	-	-
Net difference between Projected and Actual Earnings on Pension Plan investments	-	1,888,455
Employer contributions subsequent to the measurement date	1,907,757	-
Total	<u>\$ 1,907,757</u>	<u>\$ 1,888,455</u>

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date has been recognized as a reduction of the Net Pension Liability in the year ended September 30, 2022.

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30:	
2023	\$ (410,573)
2024	\$ (379,724)
2025	\$ (534,713)
2026	\$ (563,445)
2027	\$ -
Thereafter	\$ -

**PRELIMINARY PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND
DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS
FISCAL YEAR SEPTEMBER 30, 2023**

For the year ended September 30, 2023, the Sponsor will recognize a Pension Expense of \$1,993,777.

On September 30, 2023, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	-	-
Changes of assumptions	-	-
Net difference between Projected and Actual Earnings on Pension Plan investments	2,072,758	-
Employer contributions subsequent to the measurement date	TBD	-
Total	TBD	\$ -

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended September 30, 2023.

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30:			
2024	\$	507,936	
2025	\$	352,947	
2026	\$	324,215	
2027	\$	887,660	
2028	\$	-	
Thereafter	\$	-	

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 2 Fiscal Years

Reporting Period Ending	09/30/2023	09/30/2022
Measurement Date	09/30/2022	09/30/2021
Total Pension Liability		
Service Cost	6,695	6,608
Interest	2,196,512	2,179,058
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	103,301	260,793
Changes of assumptions	827,051	-
Benefit Payments, including Refunds of Employee Contributions	(2,223,219)	(2,171,192)
Net Change in Total Pension Liability	910,340	275,267
Total Pension Liability - Beginning	32,483,655	32,208,388
Total Pension Liability - Ending (a)	<u>\$ 33,393,995</u>	<u>\$ 32,483,655</u>
Plan Fiduciary Net Position		
Contributions - Employer	1,907,757	2,006,151
Net Investment Income	(2,764,811)	4,216,016
Benefit Payments, including Refunds of Employee Contributions	(2,223,219)	(2,171,192)
Administrative Expense	(56,620)	(46,374)
Net Change in Plan Fiduciary Net Position	(3,136,893)	4,004,601
Plan Fiduciary Net Position - Beginning	24,093,028	20,088,427
Plan Fiduciary Net Position - Ending (b)	<u>\$ 20,956,135</u>	<u>\$ 24,093,028</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 12,437,860</u>	<u>\$ 8,390,627</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	62.75%	74.17%
Covered Payroll	N/A	N/A
Net Pension Liability as a percentage of Covered Payroll	N/A	N/A

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:*Changes of assumptions:*

For measurement date 09/30/2022, amounts reported as changes of assumptions resulted from lowering the investment return assumption from 7.00% to 6.75%, net of investment-related expenses.

SCHEDULE OF CONTRIBUTIONS

Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
09/30/2022	\$ 1,907,757	\$ 1,907,757	\$ -	N/A	N/A
09/30/2021	\$ 2,006,151	\$ 2,006,151	\$ -	N/A	N/A

Notes to Schedule

Valuation Date: 10/01/2020

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

Methods and assumptions used to determine contribution rates can be found in the October 1, 2020 Actuarial Valuation for the City of Longboat Key Consolidated Retirement System prepared by Foster & Foster Actuaries and Consultants.

EXPENSE DEVELOPMENT AND AMORTIZATION SCHEDULES

The following information is not required to be disclosed but is provided for informational purposes.

FINAL COMPONENTS OF PENSION EXPENSE

FISCAL YEAR SEPTEMBER 30, 2022

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 12,119,961	\$ 185,754	\$ 2,586,046	\$ -
Employer Contributions made after 09/30/2021	-	-	1,907,757	-
Total Pension Liability Factors:				
Service Cost	6,608	-	-	6,608
Interest	2,179,058	-	-	2,179,058
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	260,793	-	260,793	-
Current year amortization of experience difference	-	-	(260,793)	260,793
Change in assumptions about future economic or demographic factors or other inputs	-	-	-	-
Current year amortization of change in assumptions	-	-	-	-
Benefit Payments, including Refunds of Employee Contributions	(2,171,192)	-	-	-
Net change	<u>275,267</u>	<u>-</u>	<u>1,907,757</u>	<u>2,446,459</u>
Plan Fiduciary Net Position:				
Contributions - Employer	2,006,151	-	(2,006,151)	-
Projected Net Investment Income	1,398,790	-	-	(1,398,790)
Difference between projected and actual earnings on Pension Plan investments	2,817,226	2,817,226	-	-
Current year amortization	-	(718,351)	(183,721)	(534,630)
Benefit Payments, including Refunds of Employee Contributions	(2,171,192)	-	-	-
Administrative Expenses	(46,374)	-	-	46,374
Net change	<u>4,004,601</u>	<u>2,098,875</u>	<u>(2,189,872)</u>	<u>(1,887,046)</u>
Ending Balance	<u>\$ 8,390,627</u>	<u>\$ 2,284,629</u>	<u>\$ 2,303,931</u>	<u>\$ 559,413</u>

PRELIMINARY COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2023

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 8,390,627	\$ 2,284,629	\$ 2,303,931	\$ -
Employer Contributions made after 09/30/2022	-	-	TBD*	-
Total Pension Liability Factors:				
Service Cost	6,695	-	-	6,695
Interest	2,196,512	-	-	2,196,512
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	103,301	-	103,301	-
Current year amortization of experience difference	-	-	(103,301)	103,301
Change in assumptions about future economic or demographic factors or other inputs	827,051	-	827,051	-
Current year amortization of change in assumptions	-	-	(827,051)	827,051
Benefit Payments, including Refunds of Employee Contributions	(2,223,219)	-	-	-
Net change	<u>910,340</u>	<u>-</u>	<u>-</u>	<u>3,133,559</u>
Plan Fiduciary Net Position:				
Contributions - Employer	1,907,757	-	(1,907,757)	-
Projected Net Investment Income	1,673,489	-	-	(1,673,489)
Difference between projected and actual earnings on Pension Plan investments	(4,438,300)	-	4,438,300	-
Current year amortization	-	(594,294)	(1,071,381)	477,087
Benefit Payments, including Refunds of Employee Contributions	(2,223,219)	-	-	-
Administrative Expenses	(56,620)	-	-	56,620
Net change	<u>(3,136,893)</u>	<u>(594,294)</u>	<u>1,459,162</u>	<u>(1,139,782)</u>
Ending Balance	<u>\$ 12,437,860</u>	<u>\$ 1,690,335</u>	<u>TBD</u>	<u>\$ 1,993,777</u>

* Employer Contributions subsequent to the measurement date made after September 30, 2022 but made on or before September 30, 2023 need to be added.

Town of Longboat Key Firefighters' Retirement System

AMORTIZATION SCHEDULE - INVESTMENTS

Increase (Decrease) in Pension Expense Arising from the Recognition of the of Differences Between Projected and Actual Earnings on Pension Plan Investments

Plan Year Ending	Differences Between Projected and Actual Earnings	Recognition Period (Years)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2022	\$ 4,438,300	5	\$ -	\$ 887,660	\$ 887,660	\$ 887,660	\$ 887,660	\$ 887,660	\$ -	\$ -	\$ -	\$ -
2021	\$ (2,817,226)	5	\$ (563,446)	\$ (563,445)	\$ (563,445)	\$ (563,445)	\$ (563,445)	\$ -	\$ -	\$ -	\$ -	\$ -
2020	\$ 143,660	5	\$ 28,732	\$ 28,732	\$ 28,732	\$ 28,732	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	\$ 774,946	5	\$ 154,989	\$ 154,989	\$ 154,989	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	\$ (154,245)	5	\$ (30,849)	\$ (30,849)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ (620,281)	5	\$ (124,056)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ (534,630)	\$ 477,087	\$ 507,936	\$ 352,947	\$ 324,215	\$ 887,660	\$ -	\$ -	\$ -	\$ -

Town of Longboat Key Firefighters' Retirement System

AMORTIZATION SCHEDULE - CHANGES OF ASSUMPTIONS

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Changes of Assumptions

Plan Year Ending	Changes of Assumptions	Recognition Period (Years)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2022	\$ 827,051	1	\$ -	\$ 827,051	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ -	\$ 827,051	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

AMORTIZATION SCHEDULE - EXPERIENCE

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience

Plan Year Ending	Differences Between Expected and Actual Experience	Recognition Period (Years)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2022	\$ 103,301	1	\$ -	\$ 103,301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	\$ 260,793	1	\$ 260,793	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 260,793	\$ 103,301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Prepaid Benefits	85,194
Money Market	386,530
Cash	4,248
Total Cash and Equivalents	475,972
Receivables:	
From Broker for Investments Sold	5,372
Investment Income	17,319
Total Receivable	22,691
Investments:	
U. S. Bonds and Bills	1,196,536
Federal Agency Guaranteed Securities	27,226
Corporate Bonds	882,137
Stocks	4,288,177
Mutual Funds:	
Equity	2,748,927
Pooled/Common/Commingled Funds:	
Equity	16,149
Real Estate	1,355,560
Total Investments	10,514,712
Total Assets	11,013,375
<u>LIABILITIES</u>	
Payables:	
Administrative Expenses	168
To Broker for Investments Purchased	16,203
Total Liabilities	16,371
NET POSITION RESTRICTED FOR PENSIONS	10,997,004

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022
Market Value Basis

ADDITIONS

Contributions:

Town	409,499	
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Total Contributions		409,499
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Investment Income:

Net Increase in Fair Value of Investments	(1,675,203)	
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Interest & Dividends	256,702	
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Less Investment Expense ¹	(69,930)	
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Net Investment Income		(1,488,431)
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Total Additions		(1,078,932)
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DEDUCTIONS

Distributions to Members:

Benefit Payments	1,035,185	
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Total Distributions		1,035,185
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Administrative Expense		29,743
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Total Deductions		1,064,928
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Net Increase in Net Position		(2,143,860)
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NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year		13,140,864
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End of the Year		10,997,004
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¹Investment related expenses include investment advisory, custodial and performance monitoring fees.

NOTES TO THE FINANCIAL STATEMENTS

(For the Year Ended September 30, 2022)

Plan Administration

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees. The Board shall consist of seven Trustees, five of whom, unless otherwise prohibited by law, must be registered voters and residents of the town, who shall be appointed by the Longboat Key Town Commission, and two of whom shall be appointed by the Town Manager.

Plan Membership as of October 1, 2021:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	47
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	8
Active Plan Members	15
	<u>70</u>

Benefits Provided

The Plan provides retirement, termination, and death benefits. Benefits are frozen as of September 30, 2013. A summary of the benefit provisions can be found in the October 1, 2021 Actuarial Valuation Report for the Town of Longboat Key Consolidated Retirement System prepared by Foster & Foster Actuaries and Consultants.

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, Florida Statutes).

Investment Policy:

The following was the Board's adopted asset allocation policy as of September 30, 2022:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic Equity	45.00%
International Equity	15.00%
Fixed Income	25.00%
Private Real Estate	10.00%
MLP/Energy Infrastructure	3.50%
Cash	1.50%
Total	<u>100.00%</u>

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's Fiduciary Net Position.

Rate of Return:

For the year ended September 30, 2022, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was -11.66 percent.

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program

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.

The DROP balance as September 30, 2022 is \$0.

NET PENSION LIABILITY OF THE SPONSOR

The components of the Net Pension Liability of the Sponsor on September 30, 2022 were as follows:

Total Pension Liability	\$ 14,463,616
Plan Fiduciary Net Position	<u>\$ (10,997,004)</u>
Sponsor's Net Pension Liability	<u>\$ 3,466,612</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	76.03%

Actuarial Assumptions:

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2021 updated to September 30, 2022 using the following actuarial assumptions:

Inflation	2.30%
Salary Increases	None
Discount Rate	6.75%
Investment Rate of Return	6.75%

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.

Mortality Rate Healthy Retiree Lives:

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

Mortality Rate Beneficiary Lives:

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

Mortality Rate Disabled Lives:

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

All rates 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 special risk employees, with appropriate adjustments made based on plan demographics.

The most recent actuarial experience study used to review the other significant assumptions was dated March, 7, 2008.

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class.

For 2022 the inflation rate assumption of the investment advisor was 2.26%.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2022 are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return ¹
Domestic Equity	5.96%
International Equity	4.64%
Fixed Income	1.29%
Private Real Estate	4.19%
MLP/Energy Infrastructure	4.96%
Cash	0.74%

¹ Source: Morgan Stanley. Based on secular annualized return and volatility estimates are based on a 20-year-plus time horizon.

Please note that long term expected return of the total portfolio is greater than simply multiplying each of the above “Long Term Expected Real Rate of Returns” by their target allocation % and adding them together. Not only is the time horizon longer for an actuarial valuation relative to the time horizon over which the above projected returns were generated, but also there is an additional correlation resulting from a diversified portfolio that will provide additional returns.

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 6.75 percent.

The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Sponsor's Net Pension Liability	\$ 4,892,712	\$ 3,466,612	\$ 2,254,489

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 2 Fiscal Years

	09/30/2022	09/30/2021
Total Pension Liability		
Service Cost	1,456	1,435
Interest	960,911	969,116
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	(27,023)	(61,880)
Changes of assumptions	320,014	-
Benefit Payments, including Refunds of Employee Contributions	(1,035,185)	(1,016,606)
Net Change in Total Pension Liability	220,173	(107,935)
Total Pension Liability - Beginning	14,243,443	14,351,378
Total Pension Liability - Ending (a)	<u>\$ 14,463,616</u>	<u>\$ 14,243,443</u>
Plan Fiduciary Net Position		
Contributions - Employer	409,499	420,842
Net Investment Income	(1,488,431)	2,362,476
Benefit Payments, including Refunds of Employee Contributions	(1,035,185)	(1,016,606)
Administrative Expense	(29,743)	(26,313)
Net Change in Plan Fiduciary Net Position	(2,143,860)	1,740,399
Plan Fiduciary Net Position - Beginning	13,140,864	11,400,465
Plan Fiduciary Net Position - Ending (b)	<u>\$ 10,997,004</u>	<u>\$ 13,140,864</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 3,466,612</u>	<u>\$ 1,102,579</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	76.03%	92.26%
Covered Payroll	N/A	N/A
Net Pension Liability as a percentage of Covered Payroll	N/A	N/A

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:*Changes of assumptions:*

For measurement date 09/30/2022, amounts reported as changes of assumptions resulted from lowering the investment return assumption from 7.00% to 6.75%, net of investment-related expenses.

SCHEDULE OF CONTRIBUTIONS

Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
09/30/2022	\$ 409,499	\$ 409,499	\$ -	N/A	N/A
09/30/2021	\$ 420,842	\$ 420,842	\$ -	N/A	N/A

Notes to Schedule

Valuation Date:

10/01/2020

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

Methods and assumptions used to determine contribution rates can be found in the October 1, 2020 Actuarial Valuation for the City of Longboat Key Consolidated Retirement System prepared by Foster & Foster Actuaries and Consultants.

SCHEDULE OF INVESTMENT RETURNS

Last 2 Fiscal Years

Fiscal Year Ended	Annual Money-Weighted Rate of Return Net of Investment Expense
09/30/2022	-11.66%
09/30/2021	21.45%

NOTES TO THE FINANCIAL STATEMENTS

(For the Year Ended September 30, 2023)

Plan Description

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees. The Board shall consist of seven Trustees, five of whom, unless otherwise prohibited by law, must be registered voters and residents of the town, who shall be appointed by the Longboat Key Town Commission, and two of whom shall be appointed by the Town Manager. Full-time employees hired before September 30, 2013 become Members as a condition of employment.

Plan Membership as of October 1, 2021:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	47
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	8
Active Plan Members	15
	70

Benefits Provided

The Plan provides retirement, termination, and death benefits. Benefits are frozen as of September 30, 2013. A summary of the benefit provisions can be found in the October 1, 2021 Actuarial Valuation Report for the Town of Longboat Key Consolidated Retirement System prepared by Foster & Foster Actuaries and Consultants.

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, Florida Statutes).

Net Pension Liability

The measurement date is September 30, 2022.

The measurement period for the pension expense was October 1, 2021 to September 30, 2022.

The reporting period is October 1, 2022 through September 30, 2023.

The Sponsor's Net Pension Liability was measured as of September 30, 2022.

The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

Actuarial Assumptions:

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2021 updated to September 30, 2022 using the following actuarial assumptions:

Inflation	2.30%
Salary Increases	None
Discount Rate	6.75%
Investment Rate of Return	6.75%

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.

Mortality Rate Healthy Retiree Lives:

Female: PubG.H-2010 for Healthy Retirees.

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

Mortality Rate Beneficiary Lives:

Female: PubG.H-2010 for Healthy Retirees.

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

Mortality Rate Disabled Lives:

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

All rates 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 special risk employees, with appropriate adjustments made based on plan demographics.

The most recent actuarial experience study used to review the other significant assumptions was dated March, 7, 2008.

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, Net of Pension Plan investment expenses and inflation) are developed for each major asset class.

For 2022 the inflation rate assumption of the investment advisor was 2.26%.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return ¹
Domestic Equity	45.00%	5.96%
International Equity	15.00%	4.64%
Fixed Income	25.00%	1.29%
Private Real Estate	10.00%	4.19%
MLP/Energy Infrastructure	3.50%	4.96%
Cash	1.50%	0.74%
Total	100.00%	

¹ Source: Morgan Stanley. Based on secular annualized return and volatility estimates are based on a 20-year-plus time horizon.

Please note that long term expected return of the total portfolio is greater than simply multiplying each of the above “Long Term Expected Real Rate of Returns” by their target allocation % and adding them together. Not only is the time horizon longer for an actuarial valuation relative to the time horizon over which the above projected returns were generated, but also there is an additional correlation resulting from a diversified portfolio that will provide additional returns.

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 6.75 percent.

The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Reporting Period Ending September 30, 2022	\$ 14,243,443	\$ 13,140,864	\$ 1,102,579
Changes for a Year:			
Service Cost	1,456	-	1,456
Interest	960,911	-	960,911
Differences between Expected and Actual Experience	(27,023)	-	(27,023)
Changes of assumptions	320,014	-	320,014
Changes of benefit terms	-	-	-
Contributions - Employer	-	409,499	(409,499)
Net Investment Income	-	(1,488,431)	1,488,431
Benefit Payments, including Refunds of Employee Contributions	(1,035,185)	(1,035,185)	-
Administrative Expense	-	(29,743)	29,743
Net Changes	220,173	(2,143,860)	2,364,033
Reporting Period Ending September 30, 2023	\$ 14,463,616	\$ 10,997,004	\$ 3,466,612

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

	1% Decrease	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%
	Sponsor's Net Pension Liability	\$ 4,892,712	\$ 3,466,612

Pension Plan Fiduciary Net Position.

Detailed information about the pension Plan's Fiduciary Net Position is available in a separately issued Plan financial report.

**FINAL PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED
INFLOWS OF RESOURCES RELATED TO PENSIONS
FISCAL YEAR SEPTEMBER 30, 2022**

For the year ended September 30, 2022, the Sponsor has recognized a Pension Expense of \$(276,398).

On September 30, 2022, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	-	30,940
Changes of assumptions	-	-
Net difference between Projected and Actual Earnings on Pension Plan investments	-	1,064,585
Employer Contributions subsequent to the measurement date	409,499	-
Total	\$ 409,499	\$ 1,095,525

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer Contributions subsequent to the measurement date has been recognized as a reduction of the Net Pension Liability in the year ended September 30, 2022.

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30:	
2023	\$ (265,795)
2024	\$ (210,617)
2025	\$ (301,870)
2026	\$ (317,243)
2027	\$ -
Thereafter	\$ -

**PRELIMINARY PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND
DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS
FISCAL YEAR SEPTEMBER 30, 2023**

For the year ended September 30, 2023, the Sponsor will recognize a Pension Expense of \$452,962.

On September 30, 2023, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	-	13,512
Changes of assumptions	160,007	-
Net difference between Projected and Actual Earnings on Pension Plan investments	1,078,550	-
Employer Contributions subsequent to the measurement date	TBD	-
Total	TBD	\$ 13,512

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer Contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended September 30, 2023.

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30:	
2024	\$ 412,948
2025	\$ 175,200
2026	\$ 159,827
2027	\$ 477,070
2028	\$ -
Thereafter	\$ -

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 2 Fiscal Years

Reporting Period Ending	09/30/2023	09/30/2022
Measurement Date	09/30/2022	09/30/2021
Total Pension Liability		
Service Cost	1,456	1,435
Interest	960,911	969,116
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	(27,023)	(61,880)
Changes of assumptions	320,014	-
Benefit Payments, including Refunds of Employee Contributions	(1,035,185)	(1,016,606)
Net Change in Total Pension Liability	220,173	(107,935)
Total Pension Liability - Beginning	14,243,443	14,351,378
Total Pension Liability - Ending (a)	<u>\$ 14,463,616</u>	<u>\$ 14,243,443</u>
Plan Fiduciary Net Position		
Contributions - Employer	409,499	420,842
Net Investment Income	(1,488,431)	2,362,476
Benefit Payments, including Refunds of Employee Contributions	(1,035,185)	(1,016,606)
Administrative Expense	(29,743)	(26,313)
Net Change in Plan Fiduciary Net Position	(2,143,860)	1,740,399
Plan Fiduciary Net Position - Beginning	13,140,864	11,400,465
Plan Fiduciary Net Position - Ending (b)	<u>\$ 10,997,004</u>	<u>\$ 13,140,864</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 3,466,612</u>	<u>\$ 1,102,579</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	76.03%	92.26%
Covered Payroll	N/A	N/A
Net Pension Liability as a percentage of Covered Payroll	N/A	N/A

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:*Changes of assumptions:*

For measurement date 09/30/2022, amounts reported as changes of assumptions resulted from lowering the investment return assumption from 7.00% to 6.75%, net of investment-related expenses.

SCHEDULE OF CONTRIBUTIONS

Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
09/30/2022	\$ 409,499	\$ 409,499	\$ -	N/A	N/A
09/30/2021	\$ 420,842	\$ 420,842	\$ -	N/A	N/A

Notes to Schedule

Valuation Date: 10/01/2020

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

Methods and assumptions used to determine contribution rates can be found in the October 1, 2020 Actuarial Valuation for the City of Longboat Key Consolidated Retirement System prepared by Foster & Foster Actuaries and Consultants.

EXPENSE DEVELOPMENT AND AMORTIZATION SCHEDULES

The following information is not required to be disclosed but is provided for informational purposes.

FINAL COMPONENTS OF PENSION EXPENSE

FISCAL YEAR SEPTEMBER 30, 2022

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 2,950,913	\$ 279,682	\$ 756,093	\$ -
Employer Contributions made after 09/30/2021	-	-	409,499	-
Total Pension Liability Factors:				
Service Cost	1,435	-	-	1,435
Interest	969,116	-	-	969,116
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	(61,880)	61,880	-	-
Current year amortization of experience difference	-	(164,386)	-	(164,386)
Change in assumptions about future economic or demographic factors or other inputs	-	-	-	-
Current year amortization of change in assumptions	-	(15,310)	-	(15,310)
Benefit Payments, including Refunds of Employee Contributions	(1,016,606)	-	-	-
Net change	<u>(107,935)</u>	<u>(117,816)</u>	<u>409,499</u>	<u>790,855</u>
Plan Fiduciary Net Position:				
Contributions - Employer	420,842	-	(420,842)	-
Projected Net Investment Income	776,260	-	-	(776,260)
Difference between projected and actual earnings on Pension Plan investments	1,586,216	1,586,216	-	-
Current year amortization	-	(423,932)	(106,626)	(317,306)
Benefit Payments, including Refunds of Employee Contributions	(1,016,606)	-	-	-
Administrative Expenses	(26,313)	-	-	26,313
Net change	<u>1,740,399</u>	<u>1,162,284</u>	<u>(527,468)</u>	<u>(1,067,253)</u>
Ending Balance	<u>\$ 1,102,579</u>	<u>\$ 1,324,150</u>	<u>\$ 638,124</u>	<u>\$ (276,398)</u>

PRELIMINARY COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2023

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 1,102,579	\$ 1,324,150	\$ 638,124	\$ -
Employer Contributions made after 09/30/2022	-	-	TBD*	-
Total Pension Liability Factors:				
Service Cost	1,456	-	-	1,456
Interest	960,911	-	-	960,911
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	(27,023)	27,023	-	-
Current year amortization of experience difference	-	(44,451)	-	(44,451)
Change in assumptions about future economic or demographic factors or other inputs	320,014	-	320,014	-
Current year amortization of change in assumptions	-	-	(160,007)	160,007
Benefit Payments, including Refunds of Employee Contributions	(1,035,185)	-	-	-
Net change	<u>220,173</u>	<u>(17,428)</u>	<u>160,007</u>	<u>1,077,923</u>
Plan Fiduciary Net Position:				
Contributions - Employer	409,499	-	(409,499)	-
Projected Net Investment Income	896,920	-	-	(896,920)
Difference between projected and actual earnings on Pension Plan investments	(2,385,351)	-	2,385,351	-
Current year amortization	-	(341,481)	(583,697)	242,216
Benefit Payments, including Refunds of Employee Contributions	(1,035,185)	-	-	-
Administrative Expenses	(29,743)	-	-	29,743
Net change	<u>(2,143,860)</u>	<u>(341,481)</u>	<u>1,392,155</u>	<u>(624,961)</u>
Ending Balance	<u>\$ 3,466,612</u>	<u>\$ 965,241</u>	<u>TBD</u>	<u>\$ 452,962</u>

* Employer Contributions subsequent to the measurement date made after September 30, 2022 but made on or before September 30, 2023 need to be added.

Town of Longboat Key General Employees' Retirement System

AMORTIZATION SCHEDULE - INVESTMENTS

Increase (Decrease) in Pension Expense Arising from the Recognition of the of Differences Between Projected and Actual Earnings on Pension Plan Investments

Plan Year Ending	Differences Between Projected and Actual Earnings	Recognition Period (Years)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2022	\$ 2,385,351	5	\$ -	\$ 477,071	\$ 477,070	\$ 477,070	\$ 477,070	\$ 477,070	\$ -	\$ -	\$ -	\$ -
2021	\$ (1,586,216)	5	\$ (317,244)	\$ (317,243)	\$ (317,243)	\$ (317,243)	\$ (317,243)	\$ -	\$ -	\$ -	\$ -	\$ -
2020	\$ 76,866	5	\$ 15,373	\$ 15,373	\$ 15,373	\$ 15,373	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	\$ 456,263	5	\$ 91,253	\$ 91,253	\$ 91,253	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	\$ (121,191)	5	\$ (24,238)	\$ (24,238)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ (412,250)	5	\$ (82,450)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ (317,306)	\$ 242,216	\$ 266,453	\$ 175,200	\$ 159,827	\$ 477,070	\$ -	\$ -	\$ -	\$ -

Town of Longboat Key General Employees' Retirement System
 AMORTIZATION SCHEDULE - CHANGES OF ASSUMPTIONS

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Changes of Assumptions

Plan Year Ending	Changes of Assumptions	Recognition Period (Years)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2022	\$ 320,014	2	\$ -	\$ 160,007	\$ 160,007	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	\$ (30,620)	2	\$ (15,310)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ (15,310)	\$ 160,007	\$ 160,007	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

AMORTIZATION SCHEDULE - EXPERIENCE

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience

Plan Year Ending	Differences Between Expected and Actual Experience	Recognition Period (Years)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2022	\$ (27,023)	2	\$ -	\$ (13,511)	\$ (13,512)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	\$ (61,880)	2	\$ (30,940)	\$ (30,940)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	\$ (266,891)	2	\$ (133,446)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ (164,386)	\$ (44,451)	\$ (13,512)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -