City of Jacksonville Beach

Regular Meeting Agenda

11 North Third Street
Jacksonville Beach, Florida

Pension Board

Tuesday, May 9, 2023	2:00 PM	Council Chambers

MEMORANDUM TO:

Members of the City of Jacksonville Beach Pension Board

The following Agenda of Business has been prepared for consideration and action at a Regular Meeting of the Pension Board:

CALL TO ORDER

ROLL CALL

APPROVAL OF MINUTES

A. Joint Quarterly Meeting held on February 14, 2023

COURTESY OF THE FLOOR TO VISITORS

A. **Legal Update**

1 *Discussion* Sugarman, Susskind, Braswell & Herrera P.A. (Pedro Herrera), Pension Board Attorney Virtual Meeting Advisement and Legislative Update on Legal Matters

OLD BUSINESS

NEW BUSINESS

A. ***Consideration by General Employees', Police Officers' and Firefighters' Board of Trustees***

1 Consultant's Reports/Presentations

a *Approve* GRS Consulting (Brad Armstrong), Actuary October 1, 2022 Seventy-Second Annual Actuarial Valuations (Actuarial Valuation Provided)

b *Approve* Purvis Gray & Company (Barbara Boyd and Meagan Camp), Independent Auditors September 30, 2022 Audited Financial Statements (Audited Financial Statements Provided)

c *Approve* AndCo Consulting (Brendan Vavrica), Investment Consultant March 31, 2023; Quarterly Investment Performance Report

d *Possible Action* Rebalance or allocation of portfolio assets in accordance with Statement of Investment Policy and Consultant's recommendations

2 Pension Administrator's Reports/Presentations

a *Approve* 2024 Proposed Annual Budgets

b *Informational* March 31, 2023; Quarterly Pension Plan Administrator's Report

B. ***Consideration by General Employees' and Police Officers' Board of Trustees***

1 *Approve* Set the expected rate of return to 7.5% for the next year, the next several years, and the long term thereafter

C. ***Consideration by Firefighters' Board of Trustees***

1 *Approve* Set the expected rate of return to 6.5% for the next year, the next several years, and the long term thereafter

D. ***Consideration by General Employees' Board of Trustees***

1 *Approve* Application for Retirement – Pamela Atkinson - Chief Storekeeper (Finance) effective 6/1/2023; Separation Date 5/14/2023; Meets age/service requirements for Normal Retirement (19 years 3 months of service)

2 *Approve* Application for Retirement- Robert Rozelle - Mechanic II (Public Works) Deferred Retirement Effective 4/1/2023; Separation Date 6/18/2019; Meets age/service requirements for Deferred Retirement (13 years 0 months of service)

E. ***Consideration by Police Officers' Board of Trustees***

1 *Approve* Application for Retirement Ciro David Young – Police Sergeant (Police) Back-DROP Retirement Effective 12/1/2020; Separation Date 5/31/2023; Meets service requirements for Normal Retirement (27 years 2 months of service)

ITEMS FOR DISCUSSION

ADJOURNMENT

NOTICE

In accordance with Section 286.0105, Florida Statutes, any person desirous of appealing any decision reached at this meeting may need a record of the proceedings. Such person may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statutes, persons with disabilities needing a special accommodation to participate in this meeting should contact the City Clerk's Office at (904) 247-6299 no later than one business day before the meeting.

cc: Mike Staffopoulos, City Manager; Sandra Robinson, City Attorney; Sheri Gosselin, City Clerk

Minutes of the JOINT QUARTERLY MEETING of the Firefighters', General Employees', and Police Officers' Retirement Systems, held Tuesday, February 14, 2023, at 3:00 P.M., in the Council Chambers, 11 North 3rd Street, Jacksonville Beach, Florida.

Call to Order

Christine Hoffman of the General Employees' Board of Trustees called the meeting to order at 3:02 P.M.

Roll Call:

	General Employees' Board:	Nick Currie, Dan Janson, Christine Hoffman, Brandon Maresma (absent), Eddie Vergara (absent)
	Police Officers' Board:	David Cohill, Marvin Dupree (absent), Rudy Dean, John Gosztyla (absent), Jason Sharp
	Firefighters' Board:	Gaylord Candler, Ed Dawson, John McDaniel, Lance Huish (absent), Debbie White (absent)

Courtesy of the Floor to Visitors

No one came forward to address the Boards.

APPROVAL OF MINUTES

A. ***Consideration by General Employees', Police Officers', and Firefighters' Board of Trustees***

1. *Approve* Minutes of Joint Quarterly Meeting held November 9, 2022.

   Motion: It was moved by Mr. Janson and seconded by Mr. Currie to *Approve* Minutes of the Joint Quarterly Meeting held on November 9, 2022.

   Vote: Voice vote resulted in all Ayes by General Employees', Police Officers' and Firefighters' Board of Trustees.

OLD BUSINESS

NEW BUSINESS

A. ***Consideration by General Employees' Board of Trustees***

1. *Approve* - Application for Retirement – Dennis Faulkner – AS400 Systems Analyst (Information Systems) Retirement effective 03/01/2023; Separation Date 08/19/2022; Meets age/service requirements for deferred retirement (10 years 0 months of service)

   Motion: It was moved by Mr. Janson and seconded by Mr. Currie to *Approve* - Application for Retirement – Dennis Faulkner – AS400 Systems Analyst (Information Systems) Retirement effective 03/01/2023; Separation Date 08/19/2022; Meets age/service requirements for deferred retirement (10 years 0 months of service)

Roll call vote: Ayes – Currie, Janson, Hoffman,
The motion passed unanimously

2. *Approve* – Application for Retirement – Michael Coleman – Grounds Crew Leader (Parks) Bask-DROP Retirement effective 01/01/2020; Separation Date 12/30/2022; Meets age/service requirements for service retirement (33 years 9 months of service)

   Motion: It was moved by Mr. Janson and seconded by Mr. Currie to *Approve* – Application for Retirement – Michael Coleman – Grounds Crew Leader (Parks) Bask-DROP Retirement effective 01/01/2020; Separation Date 12/30/2022; Meets age/service requirements for service retirement (33 years 9 months of service)

   Roll call vote: Ayes – Currie, Janson, Hoffman,
   The motion passed unanimously

3. *Approve* – Application for Retirement – Lamar Whitaker – Utilities Superintendent (Beaches Energy) Back-DROP Retirement effective 02/01/2020; Separation Date 01/16/2023; Meets age/service requirements for service retirement (36 years 6 months)

   Motion: It was moved by Mr. Janson and seconded by Mr. Currie to *Approve* – Application for Retirement – Lamar Whitaker – Utilities Superintendent (Beaches Energy) Back-DROP Retirement effective 02/01/2020; Separation Date 01/16/2023; Meets age/service requirements for service retirement (36 years 6 months)

   Roll call vote: Ayes – Currie, Janson, Hoffman,
   The motion passed unanimously

B. Consideration by General Employees', Police Officers'' and Firefighters' Board of Trustees

1. Consultant's Reports/Presentations
   a. *Approve* December 31, 2022; Quarterly Investment Performance Report from AndCo Consulting (Brendan Vavrica), Investment Consultant.

   Motion: It was moved by Mr. Cohill and seconded by Mr. Dean to *Approve* December 31, 2022, Quarterly Investment Performance Report from AndCo Consulting (Brendan Vavrica), Investment Consultant.

   Roll call vote: Ayes – Cohill, Dean, Sharp
   The motion passed unanimously.

Motion: It was moved by Mr. Janson and seconded by Mr. Currie to *Approve* December 31, 2022, Quarterly Investment Performance Report from AndCo Consulting (Brendan Vavrica), Investment Consultant.

Roll call vote: Ayes – Currie, Janson, Hoffman,
The motion passed unanimously.

Motion: It was moved by Mr. McDaniel and seconded by Mr. Dawson to *Approve* December 31, 2022, Quarterly Investment Performance Report from AndCo Consulting (Brendan Vavrica), Investment Consultant.

Roll call vote: Ayes – Candler, Dawson, McDaniel,
The motion passed unanimously.

b. *Possible Action* Rebalance or allocation of portfolio assets in accordance with Statement of Investment Policy and Consultant's recommendations.
   i. **Motion:** It was moved by Mr. Cohill and seconded by Mr. Sharp to *Move* $3 million into the Baird Short Term Bond Instl (BSBIX) using existing cash.

      Roll call vote: Ayes – Cohill, Dean, Sharp
      The motion passed unanimously.

      Motion: It was moved by Mr. Janson and seconded by Mr. Currie to *Move* $3 million into the Baird Short Term Bond Instl (BSBIX) using existing cash.

      Roll call vote: Ayes – Currie, Janson, Hoffman,
      The motion passed unanimously.

      Motion: It was moved by Mr. Candler and seconded by Mr. Dawson to *Move* $3 million into the Baird Short Term Bond Instl (BSBIX) using existing cash.

      Roll call vote: Ayes – Candler, Dawson, McDaniel,
      The motion passed unanimously.

   ii. The consensus of General Employees', Police Officers' and Firefighters' Board of Trustees was to table the decision to make any changes regarding international equity.

2. Plan Administrator's Reports/Presentations
   a. *Informational* December 31, 2022; Quarterly Pension Plan Administrator's Report

ADJOURNMENT

Motion: It was moved by Mr. Janson and seconded by Mr. Currie to adjourn the meeting.

Vote: Voice vote resulted in all Ayes by all Boards.

The meeting adjourned at 4:05 P.M.

Submitted by: Jodilynn Byrd
Deputy City Clerk

Approval: ____________________________
Chair: Christine Hoffman

Date: _____________________

SUGARMAN, SUSSKIND, BRASWELL & HERRERA
PROFESSIONAL ASSOCIATION
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D. Marcus Braswell, Jr.
Pedro A. Herrera
Kenneth R. Harrison, Sr.
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♦Board Certified Labor &
Employment Lawyer

SPECIAL REPORT

February 2023

SECURE ACT 2.0

President Biden signed the Secure 2.0 Act of 2022 ("the Act") into law on December 29, 2022 as part of the Consolidated Appropriations Act, 2023. The Act makes sweeping changes to provisions of the Internal Revenue Code affecting qualified plans such as your municipal plan.

Many of the provisions take effect immediately, while others will become effective in years to come. For governmental plans such as yours amendments required by the Act must be made to the plan by no later than the last day of the first plan year beginning on or after January 1, 2027.

Below is a brief summary of the changes enacted. We will provide additional information with regard to each of the new requirements on an on-going basis as corresponding regulations or rules may be issued.

I. CHANGES THAT APPLY TO GOVERNMENTAL DEFINED BENEFIT PLANS AND STAND-ALONE SHARE PLANS

Increase in Ages for Required Minimum Distributions

Participants in tax-qualified pension plans are not taxed on the value of their retirement benefits until they begin to receive benefits under the plan.

The deferral of taxes is limited by the Required Minimum Distribution rules in Section 401(a)(9) of the Code, which require that participants begin to receive benefits (and therefore pay taxes) once they reach a certain age after retirement.

For many years, retirees were required to begin to receive benefits once they had retired and reached age 70 ½. The first Secure Act, passed in 2019, raised that age to 72.

Section 107 of the Secure 2.0 Act of 2022 has further increased the tax deferral by again raising the age by which retired participants must begin to receive benefits. The new ages are as follows:

a) For individuals who attain age 72 after December 31, 2022, and age 73 before January 1, 2033, the applicable age is 73;
b) For individuals who attain age 74 after December 31, 2032, the applicable age is 75;

Reduction in penalty for failure to make Required Minimum Distributions (Effective taxable years after December 29, 2022)

The Code currently provides for an excise tax for failure to take a required minimum distribution equal to 50% of the amount of the missed distribution.

Section 302 of the Act reduces the tax generally to 25%, and provides that the tax shall be further reduced to 10% if the failure is corrected in accordance with certain conditions.

Increase in the maximum amount of mandatory distributions (Effective January 1, 2024)

Plans may currently provide that benefits of which the lump-sum value does not exceed $5000 will be paid mandatorily in the form of a lump-sum. Section 304 of the Act raises the limit, allowing plans to impose a lump-sum distribution for amounts up $7000.

Exclusion from Income of Certain Service-Related Disability Benefits for First Responders (Effective for eligible amounts received after December 31, 2026)

Section 309 of the act allows certain first responders (law enforcement officers, firefighters, paramedics, and emergency medical technicians) to exclude from gross income certain service-related disability pension or annuity payments after they reach retirement age.

Expansion of 72(t) Age Exemption for Qualified Public Safety Employees (Effective Immediately)

Generally, the penalty on early withdrawals under Section 72(t) does not apply to distributions made to an employee after separation from service after attainment of age 55. For qualified public safety employees, Section 72(t) replaces the age 55 exemption with a more favorable, lower age exemption. Prior to the Act, the applicable age for qualified public safety employees was 50, instead of 55. Section 329 of the Act further expands the exemption for qualified public safety officers by adding 25 years of service as a separate qualifying condition for the exemption, which now applies upon the earlier of attainment of age 50 or 25 years of service.

<u>Expansion of Definition of Qualified Public Safety Employee for Purposes of 72(t) Age Exemption (Effective Immediately)</u>

Prior to the Act, for purposes of the favorable 72(t) exemption discussed above, the term qualified public safety employee included governmental employees providing police protection, firefighting services, and emergency medical services. Section 330 expands the definition to include corrections officers, as well as forensic security employees providing for the care, custody and control of forensic patients.

<u>Repeal of Direct Payment Requirement for Health Insurance Premiums (Effective Immediately)</u>

Currently under Section 402(l) of the Code, Retired Public Safety Officers are permitted to exclude from income up to $3,000 per taxable year in distributions from governmental plans that are used to for the payment of qualified health insurance premiums. Prior to the Act, payments were required to be made directly from the pension plan to the insurer. Section 328 of the Act removes the direct payment requirement and now allows payment to come directly from the member.

II. CHANGES THAT APPLY TO GOVERNMENTAL STAND-ALONE SHARE PLANS BUT NOT TO GOVERNMENTAL DEFINED BENEFIT PLANS

<u>Tax-Favored Withdrawals</u>

The Act allows plans to provide for the following types of withdrawals with favorable tax treatment (including exemption from any 72(t) penalty):

- Starting in 2024, up to $1,000 for participant-certified personal and family emergencies;
- Starting in 2024, withdrawals up to the lesser of $10,000 or 50% of account balance, if a participant has been the victim of domestic abuse;
- effective immediately withdrawals by participants who have been diagnosed as terminally ill;
- With regard to federal disasters occurring on or after January 26, 2021, withdrawals by participants who live in the disaster up to $22,000 within 180 months of the disaster. Also loans related to federal disasters are allowed to be increased to the lessor of $100,000 or 100% of the account balance,
- Plans are already permitted to provide for distributions for qualified birth or adoption expenses. Currently, such distributions may be paid back at any time. For withdrawals after December 29, 2022, the repayment period is limited to

three years. For withdrawals that have already been taken, the repayment period ends December 31, 2025,

- beginning on or after December 29, 2025, up to $2500 annually (adjustable for inflation) for long-term care insurance.

III. PROVISIONS OF THE ACT WITH REGARD TO PLAN CORRECTIONS

Changes to requirements regarding overpayments (effective immediately)

The IRS has on an on-going basis provided guidance to trustees regarding requirements for recovering benefit overpayments to participants and beneficiaries.

Section 301 of the Act amends the Code to provide clearly defined rules relating to the recovery of overpayments.

Principally, the Act provides that a plan is not necessarily obligated to pursue the recovery of an overpayment.

We will prepare procedures for the trustees to adopt to ensure that future actions with regard to overpayments comply with the new requirements.

Expanded Self-Correction Program (Effective upon guidance issued by IRS within two years of December 29, 2022)

The IRS maintains several programs pursuant to which trustees may correct errors in the operation of the plan and/or failures to amend the plan timely.

Under certain programs, a flat fee and/or penalties are required to be paid to the IRS to resolve the error or failure. On the other hand, under the IRS' Self-Correction Program, certain "non-significant" errors may be corrected without any notice or payment of fees or penalties to the IRS.

The Act expands the type of errors and failures that may be resolved through Self-Correction. The program is no longer limited to "non-significant" errors, and may be used generally to correct any inadvertent error or failure, except those (1) that were identified by the IRS before any good-faith corrective measures were taken, or (2) with respect to which corrective measures were not timely taken.

The Act requires the IRS to issue new guidance in accordance with the expansion of the self-correction program.

IV. FOR INFORMATIONAL PURPOSES (THE FOLLOWING INFORMATION PRESENTS PROVISIONS OF THE ACT THAT DO NOT APPLY TO THIS PLAN BUT THAT MAY BE OF INTEREST TO PUBLIC EMPLOYEES. THE INFORMATION IS PROVIDED FOR INFORMATIONAL PURPOSES ONLY AND IS NOT INTENTED AND SHALL NOT BE CONSTRUED AS LEGAL ADVICE)

Section 308 of the Act extends to private sector firefighters, the favorable 72(t) age exemption (50 or 25 Years of Service) that was previously limited to governmental public safety employees.

Section 306 Changes rules relating to elections for 457 plans

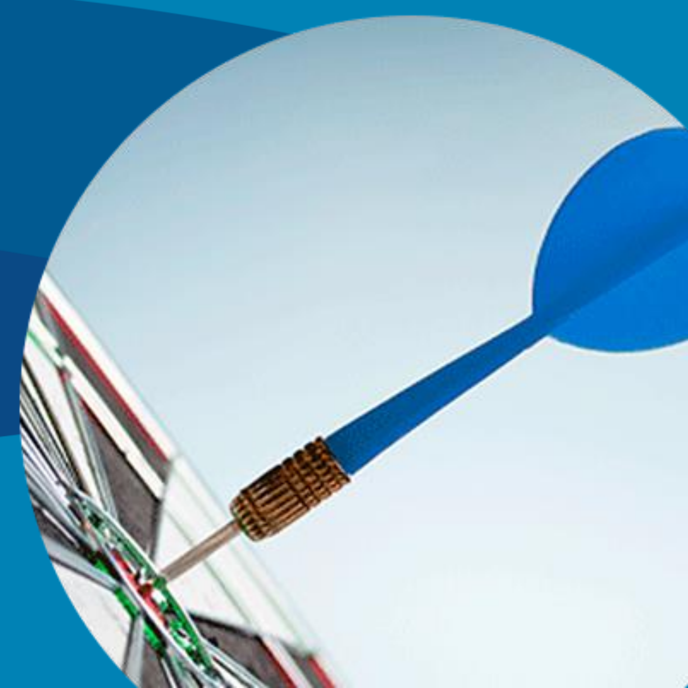
Some of the tax-favored withdrawals that are permitted under the Act (See Section II above) may also be available under 457 plans.

City of Jacksonville Beach

October 1, 2022

Annual Actuarial Valuations

May 9, 2023



October 1, 2022 Actuarial Valuations

- October 1, 2022 actuarial valuations performed for the purposes of:
  – Determining annual required contributions for the fiscal year beginning October 1, 2023
  – Determining the funded ratios of the Systems as of October 1, 2022
  – Assessing certain risks and trends beyond the contributions and funded ratios

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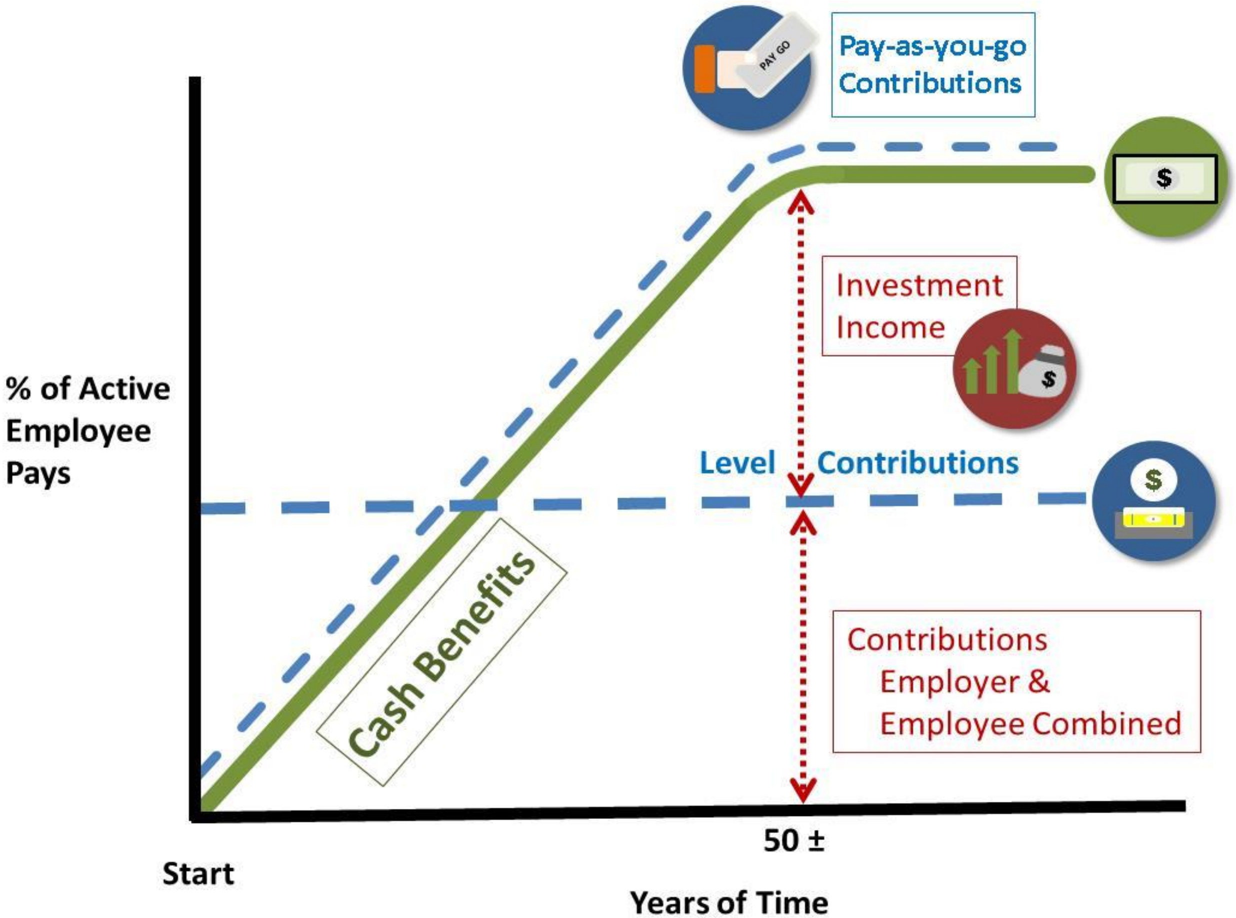
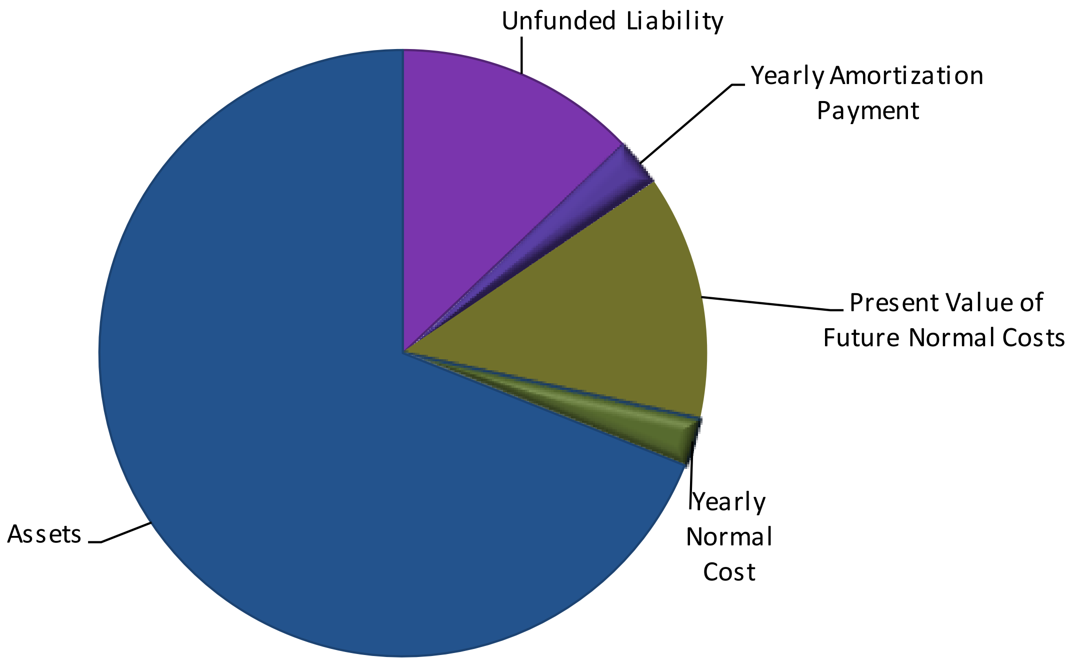
Financing Diagram



The Concept of a Present Value

- The present value of an amount of money payable in the future is the amount of money that, if we had it today, would accumulate to the amount that will be payable considering:
  - Investment return
  - Probability that money will be paid
- The present value of $1,000 payable 1 year from now with certainty at 7.5% interest is $930, i.e., $1,000/1.075.

Present Value of Future Benefits



Retired and Vested Terminated Members

	Retired Members		
	General	Police	Fire
Number	196	43	23
Avg. Benefit	$24,230	$33,490	$36,200
Annual Benefit	$4,749,130	$1,440,080	$832,604

	Vested Members		
	General	Police	Fire
Number	13	4	1
Avg. Benefit	$16,278	$31,026	$39,307
Annual Benefit	$211,613	$124,105	$39,307

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Active Members

	Active Members		
	General	Police	Fire
Number	243	65	25
Average Age	45.2 yrs.	41.9 yrs.	45.1 yrs.
Average Service	9.2 yrs.	11.1 yrs.	16.9 yrs.
Average Pay	$58,528	$79,346	$82,579
Total Pay	$14,222,366	$5,157,516	$2,064,466

Funding Value of Assets

- Reported market value is converted to a funding value of assets for valuation purposes.
- The 2022 funding value of assets recognizes assumed investment return of 7.50% for General and Police and 6.625% for Fire. This is the investment return assumption from the prior valuation.
- Differences between market return and assumed return are phased-in over a closed 4-year period.
- The reason for this method is an attempt to moderate employer contribution rate volatility.

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Funding Value of Assets (Values as of October 1)

	General				Police			
	2022	2023	2024	2025	2022	2023	2024	2025
Beginning of Year Values								
Market Value	$69,890,527				$31,982,965			
Funding Value	64,364,953				29,585,593			
End of Year								
Market Value	57,101,056				26,288,054			
Excess Investment Income Recognized								
Total Cap. Val. Change Recogn.	(2,163,106)	$(1,894,345)	$(2,232,559)	$(3,938,528)	(1,041,010)	$(926,032)	$(1,063,519)	$(1,809,312)
End of Year								
Funding Value	65,166,488				30,086,917			
Funding Value Rate of Return	4.1%				3.9%			

	Fire			
	2022	2023	2024	2025
Beginning of Year Values				
Market Value	$18,196,218			
Funding Value	16,717,149			
End of Year				
Market Value	15,626,702			
Excess Investment Income Recognized				
Total Cap. Val. Change Recogn.	(516,645)	$(452,047)	$(551,690)	$(999,817)
End of Year				
Funding Value	17,630,256			
Funding Value Rate of Return	3.6%			

Calculated Contributions

Contributions for	General		Police		Fire		Level Dollar Amounts Fire	
	Contributions Expressed as							
	Percents of Active Member Payroll						**Level Dollar Amounts**	
	FY Beginning October 1, 2022						**FYE 2023**	
Normal Cost								
Total Normal Cost	11.24	%	14.38	%	19.21	%	$	396,520
Unfunded Actuarial Accrued Liability								
Total Unfunded Actuarial Accrued Liability	11.52		8.91		37.59			776,068
Administrative Expenses	0.71		1.59		3.76			77,576
Total Calculated Contribution Requirement	23.47		24.88		60.56		$	1,250,164
Adjustments to Calculated Contribution Requirement								
FS 112.64(5) Compliance	0.30		0.00		0.00			-
Total Adjustments	0.30		0.00		0.00		$	-
Total Adjusted Contribution Requirement	23.77		24.88		60.56		$	1,250,164
Member Portion	7.95		7.95		7.42			153,138
Estimated Chapter 185/175	N/A		4.55		-			-
City's Portion (Fire includes Jacksonville)	15.82		12.38		53.14		$	1,097,026

Calculated Contributions

	General	Police	Fire
Total Contribution Requirement	$ 3,508,219	$ 1,331,609	$ 1,250,164
Less Member Contributions	1,173,342	425,494	153,138
Less Accumulated Prepaid Contributions &	N/A	0	0
Total Employer Contribution Requirement	2,334,877	906,115	1,097,026
Less Estimated Chapter 185/175 Contributions	N/A	243,584	0
City's Contributions (paid quarterly)*	**2,334,877**	**662,531**	**1,097,026**
City's Contributions (paid in full on October 1)	$ 2,306,227	$ 654,402	$ 1,083,565

& To be used by the City of Jacksonville Beach against their contribution requirement.

Fire Contribution Requirement

Fiscal Year Ending September 30,	2024	2023
City of Jacksonville Beach#	$ 707,653	$ 707,653
City of Jacksonville	389,373	289,465

- *Chapter 185 Florida Statutes. The City of Jacksonville Beach Employers' contribution amount may need to be increased if the amount received under the provisions of Chapter 185, Florida Statutes, is not sufficient to meet the total employer contribution requirement.*

\# *The required contribution by the City of Jacksonville Beach is fixed to be the amount of the amortization of the unfunded liability as of the date of the interlocal agreement less any credits due to the City of Jacksonville Beach.*

5-Year Projection of Employer Contributions

General

Year Ended 9/30	Active Count	Payroll	Benefit Payments	Actuarial Accrued Liability	Actuarial Value of Assets	Funded Ratio	Estimated City's Contributions: Fiscal Year	% of Payroll	Dollar Amount
2022	243	$14,222,366	$4,749,130	$ 77,088,512	$ 65,166,488	84.5%	2024	15.82%	$ 2,334,877
2023	243	14,768,488	5,125,021	78,650,065	66,160,947	84.1%	2025	16.97%	2,600,780
2024	243	15,111,412	5,389,677	80,695,909	66,797,993	82.8%	2026	18.35%	2,877,577
2025	243	15,490,982	5,690,630	82,624,032	65,691,964	79.5%	2027	20.48%	3,292,264
2026	243	15,823,804	5,971,804	84,442,492	68,592,941	81.2%	2028	20.73%	3,404,051
2027	243	16,242,431	6,196,091	86,202,540	71,770,314	83.3%	2029	20.85%	3,514,333

Police

Valuation Date 10/1	Active Count	Payroll	Benefit Payments	Actuarial Accrued Liability	Actuarial Value of Assets	Funded Ratio	Total Employer Contribution: Fiscal Year	% of Payroll	Dollar Amount	Less Estimated Chapter 185	Estimated City's Contributions
2022	65	$ 5,157,516	$ 1,440,080	$ 30,982,341	$ 30,086,917	97.1%	2024	16.93%	$ 906,115	$ 243,584	$ 662,531
2023	65	5,225,834	1,617,089	32,408,955	30,824,272	95.1%	2025	18.11%	982,215	243,584	738,631
2024	65	5,320,652	1,794,999	33,763,052	31,437,772	93.1%	2026	19.46%	1,074,413	243,584	830,829
2025	65	5,452,899	1,922,438	35,098,136	31,285,514	89.1%	2027	21.88%	1,238,155	243,584	994,571
2026	65	5,552,152	2,066,552	36,396,037	32,952,127	90.5%	2028	22.08%	1,272,020	243,584	1,028,436
2027	65	5,646,448	2,295,274	37,562,007	34,614,003	92.2%	2029	22.17%	1,299,314	243,584	1,055,730

Fire

Valuation Date 10/1	Active Count	Payroll	Benefit Payments	Actuarial Accrued Liability	Actuarial Value of Assets	Funded Ratio	Total Employer Contribution: Fiscal Year	% of Payroll	Dollar Amount	Estimated Local Employers' Contributions: City of Jacksonville Beach	City of Jacksonville	Total
2022	25	$ 2,064,466	$ 832,604	$ 22,590,575	$ 17,630,256	78.0%	2024	53.26%	$ 1,099,616	$ 707,653	$ 391,962	**$ 1,099,615**
2023	23	1,953,878	907,840	23,560,857	18,504,507	78.5%	2025	55.47%	1,083,820	707,653	376,167	**1,083,820**
2024	22	1,941,710	942,076	24,541,254	19,360,823	78.9%	2026	54.46%	1,057,440	707,653	349,787	**1,057,440**
2025	19	1,706,557	1,033,085	25,464,668	19,673,901	77.3%	2027	60.91%	1,039,416	707,653	331,763	**1,039,416**
2026	17	1,558,952	1,175,208	26,257,075	20,822,728	79.3%	2028	65.87%	1,026,906	707,653	319,253	**1,026,906**
2027	15	1,459,475	1,266,286	26,977,361	21,959,835	81.4%	2029	69.40%	1,012,853	707,653	305,200	**1,012,853**

GRS

Observed Experience

- Funded ratios as of October 1, 2022 are:
  - 84.5% for General, a decrease from 85.0% last year
  - 97.1% for Police Officers, a decrease from 98.7% last year
  - 78.0% for Firefighters, a decrease from 83.2% last year
- This was a result of an aggregate experience loss and assumption changes for Fire.

Risk Measures – General Employees

Actuarial Valuation Date (9/30)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Payroll	(5) Funded Ratio (1) / (2)	(6) Retiree Liabilities (RetLiab)	(7) RetLiab / AAL (6)/(2)	(8) AAL / Payroll (2) / (4)	(9) Assets / Payroll (1) / (4)	(10) UAAL / Payroll (3) / (4)	(11) Non-Invest. Cash Flow (NICF)	(12) NICF / Assets (11)/(1)	(13) Market Rate of Return	(14) 5-year Trailing Average
2018 *	$ 54,189	$ 69,364	$ 15,174	$ 12,761	78.1%	$ 41,787	60.2%	543.5%	424.6%	118.9%	$ (1,887)	(3.5)%	9.2%	7.8%
2019 *	57,082	72,015	14,932	13,057	79.3%	41,713	57.9%	551.6%	437.2%	114.4%	(1,608)	(2.8)%	5.6%	6.9%
2020 *	59,926	73,088	13,162	13,674	82.0%	43,499	59.5%	534.5%	438.2%	96.3%	(2,134)	(3.6)%	10.0%	9.0%
2021	64,365	75,743	11,378	13,857	85.0%	46,469	61.4%	546.6%	464.5%	82.1%	(1,933)	(3.0)%	18.9%	11.1%
2022	65,166	77,089	11,922	14,222	84.5%	46,066	59.8%	542.0%	458.2%	83.8%	(1,795)	(2.8)%	(15.9)%	4.9%

- *Revised actuarial assumptions.*

(5). The funded ratio is the most widely known measure of a plan's financial strength, but the trend in the funded ratio is much more important than the absolute ratio. The funded ratio should trend to 100%. As it approaches 100%, it is important to re-evaluate the level of investment risk in the portfolio and potentially to re-evaluate the assumed rate of return.

(6) and (7). The ratio of retiree liabilities to total accrued liabilities gives an indication of the maturity of the system. As the ratio increases, cash flow needs increase, and the liquidity needs of the portfolio change. A ratio on the order of 50% indicates a maturing system.

(8) and (9). The ratio of liabilities and assets to payroll gives an indication of both maturity and volatility. Many systems have ratios between 500% and 700%. Ratios significantly above that range may indicate difficulty in supporting the benefit level as a level % of payroll.

(10) The ratio of unfunded liability to payroll gives an indication of the plan sponsor's ability to actually pay off the unfunded liability. A ratio above approximately 300% or 400% may indicate difficulty in discharging the unfunded liability within a reasonable time frame.

(11) and (12). Positive net cash flow means contributions exceed benefits and expenses. A negative cash flow means benefits and expenses exceed contributions, and existing funds may be used to make payments. A certain amount of negative net cash flow is generally expected to occur when benefits are prefunded through a qualified trust. Large negative net cash flows as a percent of assets may indicate a super-mature plan or a need for additional contributions.

(13) and (14). Investment return is probably the largest single risk that most systems face. The year-by-year return and the five-year geometric average both give an indication of the reasonableness of the system’s assumed return. Of course past performance is not a guarantee of future results. Market rate shown is based on actuarial estimation method and will differ modestly from figures reported by the investment consultant.

GRS

Risk Measures – Police Officers

Actuarial Valuation Date (9/30)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Payroll	(5) Funded Ratio (1) / (2)	(6) Retiree Liabilities (RetLiab)	(7) RetLiab / AAL (6)/(2)	(8) AAL / Payroll (2) / (4)	(9) Assets / Payroll (1) / (4)	(10) UAAL / Payroll (3) / (4)	(11) Non-Invest. Cash Flow (NICF)	(12) NICF / Assets (11)/(1)	(13) Market Rate of Return	(14) 5-Year Trailing Average
2018 *	$ 23,213	$26,047	$ 2,834	$4,451	89.1%	$ 10,876	41.8%	585.1%	521.5%	63.7%	$ (261)	(1.1)%	9.1%	7.7%
2019 *	24,523	27,732	3,209	4,756	88.4%	12,486	45.0%	583.1%	515.6%	67.5%	(594)	(2.4)%	5.6%	6.8%
2020 *	26,598	28,245	1,647	5,093	94.2%	11,508	40.7%	554.6%	522.2%	32.3%	(64)	(0.2)%	9.9%	8.9%
2021	29,586	29,968	382	5,178	98.7%	12,768	42.6%	578.8%	571.4%	7.4%	151	0.5%	18.5%	10.9%
2022	30,087	30,982	895	5,158	97.1%	13,995	45.2%	600.7%	583.4%	17.4%	(652)	(2.2)%	(15.9)%	4.7%

- *Revised actuarial assumptions.*

(5). The funded ratio is the most widely known measure of a plan's financial strength, but the trend in the funded ratio is much more important than the absolute ratio. The funded ratio should trend to 100%. As it approaches 100%, it is important to re-evaluate the level of investment risk in the portfolio and potentially to re-evaluate the assumed rate of return.

(6) and (7). The ratio of retiree liabilities to total accrued liabilities gives an indication of the maturity of the system. As the ratio increases, cash flow needs increase, and the liquidity needs of the portfolio change. A ratio on the order of 50% indicates a maturing system.

(8) and (9). The ratio of liabilities and assets to payroll gives an indication of both maturity and volatility. Many systems have ratios between 500% and 700%. Ratios significantly above that range may indicate difficulty in supporting the benefit level as a level % of payroll.

(10) The ratio of unfunded liability to payroll gives an indication of the plan sponsor's ability to actually pay off the unfunded liability. A ratio above approximately 300% or 400% may indicate difficulty in discharging the unfunded liability within a reasonable time frame.

(11) and (12). Positive net cash flow means contributions exceed benefits and expenses. A negative cash flow means benefits and expenses exceed contributions, and existing funds may be used to make payments. A certain amount of negative net cash flow is generally expected to occur when benefits are prefunded through a qualified trust. Large negative net cash flows as a percent of assets may indicate a super-mature plan or a need for additional contributions.

(13) and (14). Investment return is probably the largest single risk that most systems face. The year-by-year return and the five-year geometric average both give an indication of the reasonableness of the system’s assumed return. Of course past performance is not a guarantee of future results. Market rate shown is based on actuarial estimation method and will differ modestly from figures reported by the investment consultant.

Risk Measures – Firefighters

Actuarial Valuation Date (10/1)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Payroll	(5) Funded Ratio (1) / (2)	(6) Retiree Liabilities (Ret Liab)	(7) Ret Liab / AAL (6)/(2)	(8) AAL / Payroll (2) / (4)	(9) Assets / Payroll (1) / (4)	(10) UAAL / Payroll (3) / (4)	(11) Non-Invest. Cash Flow (NICF)	(12) NICF / Assets (11)/(1)	(13) Market Rate of Return	(14) 5-year Trailing Average
2018 *	$ 12,223	$ 15,748	$ 3,525	$ 2,162	77.6%	$ 7,145	45.4%	728.5%	565.4%	163.1%	$ (151)	(1.2)%	11.9%	N/A
2019 *	13,028	16,888	3,860	2,153	77.1%	7,630	45.2%	784.3%	605.0%	179.3%	(80)	(0.6)%	9.1%	N/A
2020 *	13,901	19,204	5,303	2,089	72.4%	8,721	45.4%	919.1%	665.3%	253.8%	(202)	(1.4)%	5.6%	6.8%
2021 *	15,069	18,602	3,533	1,797	81.0%	9,173	49.3%	1,035.1%	838.5%	196.6%	18	0.1%	9.9%	8.9%
2021 *	16,717	20,099	3,382	1,871	83.2%	9,185	45.7%	1,074.3%	893.5%	180.8%	85	0.5%	18.5%	9.0%
2022 *	17,630	22,591	4,960	2,064	78.0%	9,875	43.7%	1,094.3%	854.0%	240.3%	312	1.8%	(15.7)%	4.8%

- *Revised actuarial assumptions.*

(5). The funded ratio is the most widely known measure of a plan's financial strength, but the trend in the funded ratio is much more important than the absolute ratio. The funded ratio should trend to 100%. As it approaches 100%, it is important to re-evaluate the level of investment risk in the portfolio and potentially to re-evaluate the assumed rate of return.

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Disclaimers

- This presentation is intended to be used in conjunction with the General, Police and Fire actuarial valuation reports issued on April 20, 2023, April 15, 2023 and April 15, 2023, respectively. This presentation should not be relied on for any purpose other than the purpose described in the valuation reports.
- The reports were prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.
- This presentation shall not be construed to provide tax advice, legal advice or investment advice.

GRS

City of Jacksonville Beach General Employees' Retirement System

Seventy-Second Annual Actuarial Valuation

October 1, 2022

GRS

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Report of October 1, 2022 Actuarial Valuation

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April 20, 2023

Board of Trustees
City of Jacksonville Beach
General Employees' Retirement System
Jacksonville Beach, Florida

The results of the October 1, 2022 Annual Actuarial Valuation of the City of Jacksonville Beach General Employees' Retirement System are presented in this report. The purpose of the annual valuation is to measure the System's funding progress and to determine the City's contribution rate for the fiscal year beginning October 1, 2023 in accordance with established funding policies. The results of the valuation may not be applicable for other purposes. Disclosures under the Governmental Accounting Standards Board (GASB) Statements No. 67 and No. 68 were issued in a separate report.

This report should not be relied on for any purposes other than those described above. It was prepared at the request of the Board and is intended for use by the Retirement System and those designated or approved by the Board. This report may be provided to parties other than the System only in its entirety and only with the permission of the Board. GRS is not responsible for unauthorized use of this report.

The signing actuaries are independent of the plan sponsor.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. We did not perform an analysis of the potential range of such future measurements under the scope of this assignment.

Valuation results, comments, recommendations (if any), and conclusion and our certification are contained in Section A.

The valuation was based upon information compiled during the fiscal year ending September 30, 2022, furnished by the City, concerning pension fund benefits, financial transactions, and individual members, terminated members, retired members and beneficiaries. Data was checked for reasonableness and missing information, but was not audited. GRS is not responsible for the accuracy or completeness of the data provided to us. This information is summarized in Section B.

A description of the actuarial valuation process, actuarial assumptions and definitions of technical terms are contained in Section C. Additional disclosure information is contained in Section D and a summary of valuation results in the State format is contained in Section E.

One Towne Square | Suite 800 | Southfield, Michigan 48076-3723

This report was prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

The contribution rate in this report is determined using the actuarial assumptions and methods disclosed in Section C of this report. This report includes certain risk metrics but does not include a more robust assessment of the risks of future experience not meeting the actuarial assumptions. Additional assessment of risks was outside the scope of this assignment. We encourage a review and assessment of investment and other significant risks that may have a material effect on the plan's financial condition.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. We certify that the information contained in this report is accurate and fairly presents the actuarial position of the City of Jacksonville Beach General Employees' Retirement System as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

Brad Lee Armstrong and Jeffrey T. Tebeau are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Respectfully submitted,
Gabriel, Roeder, Smith & Company

Brad Lee Armstrong, ASA, EA, FCA, MAAA

Jeffrey T. Tebeau, FSA, EA, FCA, MAAA

BLA/JTT:sc

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SECTION A

VALUATION RESULTS, COMMENTS, LOOKING FORWARD, RECOMMENDATIONS (IF ANY), CONCLUSION AND STATEMENT BY ENROLLED ACTUARY

Funding Objective

The funding objective of the Retirement System is to establish and receive contributions, expressed as percents of active member payroll, which will achieve progress towards 100% funded status and will remain approximately level from year-to-year and will not have to be increased for future generations of citizens in the absence of benefit improvements. This objective is stated in the Ordinance and meets the requirements of Part VII, Chapter 112, Florida Statutes.

Contribution Rates

The Retirement System is supported by member contributions, City contributions, and investment income from Retirement System's assets.

Contributions which satisfy the funding objective are determined by the actuarial valuation and are sufficient to:

(1) Cover the actuarial costs allocated to the current year (the normal cost) by the actuarial cost methods described in Section C; and

(2) Finance over a period of future years the actuarial costs not covered by present assets and anticipated future normal costs (unfunded actuarial accrued liability).

Contribution requirements for the Plan and fiscal year beginning October 1, 2023 are shown on page A-2.

Contributions to Finance Benefits of the Retirement System for the Plan Year Beginning October 1, 2023 to be Contributed During the Fiscal Year Beginning October 1, 2023

Contributions for	Contributions Expressed as Percents of Active Member Payroll
Normal Cost	
Service pensions	7.82 %
Disability pensions	0.36
Survivor pensions	
Pre-retirement	0.38
Termination benefits	
Deferred service pensions	1.25
Refunds of member contributions	1.43
Total Normal Cost	11.24
Unfunded Actuarial Accrued Liability [1]	
Retired members and beneficiaries	0.00
Active and vested terminated members	11.52
Total unfunded actuarial accrued liability	11.52
Administrative Expenses	0.71
Total Calculated Contribution Requirement	23.47
Adjustments to Calculated Contribution Requirement	
Temporary full funding credit	0.00
FS 112.64(5) compliance	0.30
Total adjustments	0.30
Total Adjusted Contribution Requirement	23.77 %
Member portion	7.95 %
City portion	15.82 %

[1] *Unfunded Actuarial Accrued Liability was financed as level percents of member payroll. Please refer to page A-12 for a schedule of financing periods.*

FS 112.64 requires that City contributions be deposited not less frequently than quarterly. Member contributions, which are in addition to the City contributions, must be deposited immediately after each payroll period.

Procedures for determining dollar contributions are shown on page A-3.

Comparative contribution amounts for prior fiscal years are shown on page A-14.

Determining Dollar Contributions for the Fiscal Year Beginning October 1, 2023

For any period of time, the percent-of-payroll contribution rate needs to be converted to dollar amounts. We recommend the following procedure.

Contribute the City amount indicated in the following schedule. Included in these amounts is the projected increase in salary level between the valuation date and the fiscal year in which the contribution is made. The projection factor of 1.037733 [$(1.025)^{1.5}$] is consistent with that used to calculate the actuarial liability. The member contribution amounts should not be used to reconcile actual member contributions.

Total Contribution Requirement	**$ 3,508,219**
Less Member Contributions	**1,173,342**
City Contribution	**$ 2,334,877**

The above contribution amounts are estimated to be contributed, on average, halfway through the fiscal year. If contributions are made on a later schedule, interest should be added at the rate of .60% (.0060) for each month of delay.

Funding Progress Achievement Indicators

There is no single all-encompassing measure of a retirement system's funding progress and current funded status.

A traditional measure has been the relationship of valuation assets to unfunded actuarial accrued liability - a measure that is influenced by the choice of actuarial cost method. This relationship is shown on page A-13.

We believe a better understanding of funding progress and status can be achieved using the following indicators.

Indicator (1) ***The actuarial present value of gains or losses realized in the operation of the retirement system.*** Gains and losses are expected to cancel each other over an economic cycle but sizable year-to-year fluctuations are common. An experience gain can result from assets increasing in value by more than anticipated, or by the System's obligation increasing by less than anticipated, or by other favorable combinations or deviation from expected asset and liability changes. Further details on the derivation of the gain/(loss) are shown on page A-11.

Indicator (2) ***The ratio of valuation assets to the actuarial present value of credited projected benefits*** allocated in the proportion credited service is to projected total service. The ratio is expected to increase over time, but the basic trend may be interrupted by benefit improvements. This ratio is the most appropriate of the three described here for assessing the need for future contributions above the amounts needed to fund the normal cost.

Indicator (3) ***The ratio of the unfunded actuarial present value of credited projected benefits to member payroll.*** The unfunded actuarial present value of credited projected benefits is controlled by the funding program. The ratio to payroll is a relative index of condition where inflation is present in both components. The ratio is expected to decrease over time, but the basic trend may be interrupted by benefit improvements.

Funding Progress Indicators#* - Historical Development
($ Amounts in Thousands)

	Indicator (1)		Indicator (2)			Indicator (3)		
	Gain/(Loss)		Funding Value of					
Valuation Date	Amount	% of AAL	Assets	APVCPB^	Funded Ratio	Unfunded APVCPB^	Member Payroll	Ratio to Payroll
10/1/1995 (a)	$ 1,315	4.5 %	$ 30,791	$ 28,889	106.6 %	$ (1,902)	$ 10,601	(17.90) %
10/1/2000 (a)	1,142	4.4	32,832	24,230	135.5	(8,602)	7,975	(107.86)
10/1/2005	(2,079)	(5.7)	34,445	36,504	94.4	2,059	10,714	19.22
10/1/2008	(796)	(1.7)	40,975	44,747	91.6	3,772	11,556	32.64
10/1/2009	(949)	(1.9)	41,538	46,829	88.7	5,291	11,677	45.31
10/1/2010	(961)	(1.9)	41,771	48,954	85.3	7,183	11,485	62.55
10/1/2011	(2,280)	(4.3)	40,809	51,068	79.9	10,259	11,449	89.61
10/1/2012	(156)	(0.3)	42,288	53,647	78.8	11,359	10,884	104.36
10/1/2013 (a)	602	1.1	45,066	53,927	83.6	8,861	10,714	82.70
10/1/2014	1,366	2.4	47,138	57,746	81.6	10,608	10,663	99.49
10/1/2015 (a)	1,659	2.9	49,153	60,403	81.4	11,250	11,196	100.48
10/1/2016 (a)	(562)	(0.9)	50,816	64,652	78.6	13,836	11,529	120.01
10/1/2017	(1,214)	(1.9)	52,342	67,352	77.7	15,010	13,291	112.94
10/1/2018 (a)	562	0.8	54,189	69,364	78.1	15,175	12,761	118.91
10/1/2019 (a)	852	1.2	57,082	72,015	79.3	14,933	13,057	114.37
10/1/2020 (a)	499	0.7	59,926	73,088	82.0	13,162	13,674	96.25
10/1/2021	842	1.2	64,365	75,743	85.0	11,378	13,857	82.11
10/1/2022	**(1,587)**	**(2.1)**	**65,166**	**77,089**	**84.5**	**11,923**	**14,222**	**83.83**

(a) After changes in benefit provisions and/or actuarial assumptions and actuarial cost methods.
 # Prior to 1999 valuation, results include General, Police and Fire.
^ AAL starting with 2014.
** None of these funding progress indicators are appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations.*

Comments, Looking Forward, Recommendations (if any), and Conclusion

Comment A: For the fiscal year ended September 30, 2022, the General System had an $1.6 million experience loss. The loss was primarily a result result of lower than expected recognized investment return on the funding value of assets (4.1% recognized vs. 7.5% assumed) and to a lesser extent higher salary increases than assumed. These losses were partially offset from gains due to lower than expected retirements, greater than expected terminations, and greater than expected retiree mortality. In addition, the increase in the 10-year average payroll growth was 1.92% and caused an decreased in the City's contribution rate of approximately 0.33% in compliance with Florida Statue 112.64(5). Additional experience information is reported on pages B-6, B-12, C-4, C-5 and C-6. The funded ratio fell from 85.0% to 84.5% from 2021 to 2022 on a funding value of assets basis and fell from 92.3% to 74.1% on a market value of assets basis.

Looking Forward: Due to the Board's use of a four-year smoothed market asset valuation method, greater than expected market returns during 2020 and 2021 and lower than expected market returns during 2019, 2022 have been partially recognized in developing the funding value of assets as of September 30, 2022. The funding value of assets currently exceeds the market value of assets by $8,065,432. If gains from investment returns above the 7.50% assumed or gains from other sources do not emerge, this will create an upward pressure on contribution requirements and a deceleration of funding progress in subsequent valuation years. An additional risk factor to the level of the contribution rate is the 10-year average payroll growth, which was 1.92% for the 10 years ending September 30, 2022. If the average payroll growth is lower than the wage inflation assumption of 2.5%, this will increase the City's contribution requirement pursuant to compliance with Florida Statute 112.64(5).

Risks to Future Employer Contribution Requirements: There are ongoing risks to future employer contribution requirements to which the Retirement System is exposed, such as:

- Actual <u>and</u> Assumed Investment Rate of Return
- Actual <u>and</u> Assumed Mortality Rates
- Amortization Policy
- F.S. 112.64(5) Compliance Regarding Payroll Growth
- F.S. 112.63(1)(f) Updated FRS Mortality Assumptions

Conclusion: It is the actuary's opinion that the required contribution rates determined by the most recent actuarial valuation are sufficient to meet the Retirement System's funding objective, presuming continued timely receipt of required contributions.

Other Observations

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Contributions and Funded Status

Given the System's contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the Retirement System earning 7.50% on the Market Value of Assets), it is expected that:

1. The employer normal cost is sufficient to cover the cost of benefits accruing each year;
2. The Unfunded Actuarial Accrued Liabilities (UAAL) will continue to be fully amortized; and
3. The funded status of the Retirement System will continue to increase gradually towards a 100% funded ratio.

Limitations of Funded Status Measurements

Unless otherwise indicated, a funded status measurement presented in this report is based upon the Actuarial Accrued Liability (AAL) and the Funding Value of Assets (FVA). Unless otherwise indicated, with regard to any funded status measurements presented in this report:

1. The measurement is inappropriate for assessing the sufficiency of Retirement System assets to cover the estimated cost of settling the Retirement System's benefit obligations, for example: transferring the liability to an unrelated third party in a market value type transaction.
2. The measurement is dependent upon the Actuarial Cost Method which, in combination with the Retirement System's amortization policy, affects the timing and amounts of future contributions. The amounts of future contributions will most certainly differ from those assumed in this report due to future actual experience differing from assumed experience based upon the actuarial assumptions. A funded status measurement in this report of 100% is not synonymous with no required future contributions. Even though the funded status is over 100%, the Retirement System would still require future normal cost contributions (i.e., contributions to cover the cost of active membership accruing an additional year of service credit).
3. The measurement would produce a different result if the Market Value of Assets (MVA) were used instead of the FVA, unless the MVA is used in the measurement.

Limitations of Project Scope

Actuarial standards do not require the actuary to evaluate the ability of the plan sponsor or other contributing entities to make required contributions to the plan when due. Such an evaluation was not within the scope of this project and is not within the actuary's domain of expertise. Consequently, the actuary performed no such evaluation.

Statement by Enrolled Actuary

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."

Brad Lee Armstrong

4/15/2022
Date

Brad Lee Armstrong, ASA, EA, FCA, MAAA [23-5614]

Risk Measures - Risks Associated with Measuring the Accrued Liability and Actuarially Determined Contribution

The determination of the accrued liability and the actuarially determined contribution requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in the accrued liability and the actuarially determined contribution that result from the differences between actual experience and the actuarial assumptions.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions due to changing conditions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period, or additional cost or contribution requirements based on the System's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Examples of risk that may reasonably be anticipated to significantly affect the plan's future financial condition include:

1. **Investment Risk** – actual investment returns may differ from the expected returns;
2. **Asset/Liability Mismatch** – changes in asset values may not match changes in liabilities, thereby altering the gap between the accrued liability and assets and consequently altering the funded status and contribution requirements;
3. **Contribution Risk** – actual contributions may differ from expected future contributions. For example, actual contributions may not be made in accordance with the plan's funding policy or material changes may occur in the anticipated number of covered employees, covered payroll, or other relevant contribution base;
4. **Salary and Payroll Risk** – actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and contributions differing from expected;
5. **Longevity Risk** – members may live longer or shorter than expected and receive pensions for a period of time other than assumed; and
6. **Other Demographic Risks** – members may terminate, retire or become disabled at times or with benefits other than assumed resulting in actual future accrued liability and contributions differing from expected.

The effects of certain trends in experience can generally be anticipated. For example, if the investment return since the most recent actuarial valuation is less (or more) than the assumed rate, the cost of the plan can be expected to increase (or decrease). Likewise, if longevity is improving (or worsening), increases (or decreases) in cost can be anticipated.

The computed contribution shown on page A-2 may be considered as a minimum contribution rate that complies with the Board's funding policy. The timely receipt of the actuarially determined contributions is critical to support the financial health of the Plan. Users of this report should be aware that contributions made at the actuarially determined rate do not necessarily guarantee benefit security.

Risk Measures

($ in Thousands)

Actuarial Valuation Date (9/30)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Payroll	(5) Funded Ratio (1) / (2)	(6) Retiree Liabilities (RetLiab)	(7) RetLiab / AAL (6)/(2)	(8) AAL / Payroll (2) / (4)	(9) Assets / Payroll (1) / (4)	(10) UAAL / Payroll (3) / (4)	(11) Non-Invest. Cash Flow (NICF)	(12) NICF / Assets (11)/(1)	(13) Market Rate of Return	(14) 5-year Trailing Average
2018 *	$ 54,189	$ 69,364	$ 15,174	$ 12,761	78.1%	$ 41,787	60.2%	543.5%	424.6%	118.9%	$ (1,887)	(3.5)%	9.2%	7.8%
2019 *	57,082	72,015	14,932	13,057	79.3%	41,713	57.9%	551.6%	437.2%	114.4%	(1,608)	(2.8)%	5.6%	6.9%
2020 *	59,926	73,088	13,162	13,674	82.0%	43,499	59.5%	534.5%	438.2%	96.3%	(2,134)	(3.6)%	10.0%	9.0%
2021	64,365	75,743	11,378	13,857	85.0%	46,469	61.4%	546.6%	464.5%	82.1%	(1,933)	(3.0)%	18.9%	11.1%
2022	65,166	77,089	11,922	14,222	84.5%	46,066	59.8%	542.0%	458.2%	83.8%	(1,795)	(2.8)%	(15.9)%	4.9%

** Revised actuarial assumptions.*

(5). The funded ratio is the most widely known measure of a plan's financial strength, but the trend in the funded ratio is much more important than the absolute ratio. The funded ratio should trend to 100%. As it approaches 100%, it is important to re-evaluate the level of investment risk in the portfolio and potentially to re-evaluate the assumed rate of return.

(6) and (7). The ratio of retiree liabilities to total accrued liabilities gives an indication of the maturity of the system. As the ratio increases, cash flow needs increase, and the liquidity needs of the portfolio change. A ratio on the order of 50% indicates a maturing system.

(8) and (9). The ratio of liabilities and assets to payroll gives an indication of both maturity and volatility. Many systems have ratios between 500% and 700%. Ratios significantly above that range may indicate difficulty in supporting the benefit level as a level % of payroll.

(10) The ratio of unfunded liability to payroll gives an indication of the plan sponsor's ability to actually pay off the unfunded liability. A ratio above approximately 300% or 400% may indicate difficulty in discharging the unfunded liability within a reasonable time frame.

(11) and (12). The ratio of Non-Investment Cash Flow to assets is an important measure of sustainability. Negative ratios are common and expected for a maturing system. In the longer term, this ratio should be on the order of approximately (4)%. A ratio that is significantly more negative than that for an extended period could be a leading indicator of potential exhaustion of assets.

(13) and (14). Investment return is probably the largest single risk that most systems face. The year-by-year return and the five-year geometric average both give an indication of the reasonableness of the system’s assumed return. Of course, past performance is not a guarantee of future results. Market rate shown is based on an actuarial estimation method and will differ modestly from figures reported by the investment consultant.

Experience Gain/(Loss)
Year Ended October 1, 2022

DERIVATION

(1)	UAAL* at start of year	$ 11,377,593
(2)	Normal cost for year (ER normal cost & expenses from the prior corresponding valuation x current valuation pay)	577,428
(3)	Actual City contribution	2,405,223
(4)	Interest accrual .0750 x [(1) + 1/2 [(2)-(3)]]	784,777
(5)	Expected UAAL before changes	10,334,575
(6)	Effect of timing/accounting	0
(7)	Effect of assumption/cost method changes	0
(8)	Effect of benefit changes	0
(9)	Expected UAAL after changes	10,334,575
(10)	Actual UAAL at end of year	11,922,024
(11)	Gain/(loss): (9) - (10)	$ (1,587,449)
(12)	% of AAL at start of year	(2.1)%

** UAAL represents Unfunded Actuarial Accrued Liability.*

Valuation Date October 1	Actuarial Gain/(Loss) as a % of Beginning Accrued Liabilities
2013	1.1 %
2014	2.4
2015	2.9
2016	(0.9)
2017	(1.9)
2018	0.8
2019	1.2
2020	0.7
2021	1.2
2022	**(2.1)**

Sources and Financing of Unfunded Actuarial Accrued Liability

Source of Unfunded Act. Accrued Liab.	Unf'd. Act. Acc. Liab. Initial Amount	Fin. Per.	Current Amount	Remaining Financing Period 9/30/2022	Amort. Factor	Contribution Dollar	% of Payroll	FS112.64(5) Compliance
Initial Unfunded Actuarial Accrued Liability								
			$ (547,363)	4 yrs.	3.642066	$ (150,289)	(1.06)%	(0.01)%
Changes from experience deviations.								
9/30/2002	$ 830,757	25	537,168	5	4.449229	120,733	0.85%	0.01%
9/30/2003	3,620,586	25	2,633,083	6	5.218850	504,533	3.55%	0.06%
9/30/2004	2,816,885	25	2,241,349	7	5.952674	376,528	2.65%	0.05%
9/30/2005	2,079,169	25	1,774,001	8	6.652368	266,672	1.88%	0.03%
9/30/2006	313,554	25	282,501	9	7.319519	38,596	0.27%	0.01%
9/30/2007	(818,787)	25	(769,520)	10	7.955639	(96,726)	(0.68)%	(0.02)%
9/30/2008	796,288	25	773,260	11	8.562173	90,311	0.63%	0.02%
9/30/2009	949,402	25	945,213	12	9.140496	103,409	0.73%	0.02%
9/30/2010	960,943	25	943,876	13	9.691920	97,388	0.68%	0.03%
9/30/2011	2,280,449	25	2,199,620	14	10.217697	215,276	1.51%	0.06%
9/30/2012	155,825	25	148,019	15	10.719020	13,809	0.10%	0.00%
9/30/2013	(602,138)	25	(570,276)	16	11.197025	(50,931)	(0.36)%	(0.01)%
9/30/2014	(1,365,869)	25	(1,305,077)	17	11.652798	(111,997)	(0.79)%	(0.03)%
9/30/2015	(1,659,101)	25	(1,621,280)	18	12.087373	(134,130)	(0.94)%	(0.04)%
9/30/2016	561,707	25	548,666	19	12.501734	43,887	0.31%	0.01%
9/30/2017	1,214,470	25	1,178,434	20	12.896824	91,374	0.64%	0.03%
9/30/2018	(562,039)	25	(546,271)	21	13.273537	(41,155)	(0.29)%	(0.01)%
9/30/2019	(851,937)	25	(829,103)	22	13.632729	(60,817)	(0.43)%	(0.02)%
9/30/2020	(498,719)	26	(487,754)	23	13.975214	(34,901)	(0.25)%	(0.01)%
9/30/2021	(841,632)	27	(833,049)	24	14.301770	(58,248)	(0.41)%	(0.02)%
9/30/2022	1,587,449	25	1,587,449	25	14.613138	108,632	0.76%	0.05%
Changes from actuarial assumption and actuarial cost method revisions.								
9/30/1995	$ (203,286)	25 yrs.	$ (67,176)	4 yrs.	3.642066	$ (18,444)	(0.13)%	0.00%
9/30/2002	306,659	25	198,286	5	4.449229	44,566	0.31%	0.01%
9/30/2015	2,519,513	25	2,462,079	18	12.087373	203,690	1.43%	0.07%
9/30/2016	2,044,097	25	1,996,642	19	12.501734	159,709	1.12%	0.05%
9/30/2018	1,052,845	25	1,023,309	21	13.273537	77,094	0.54%	0.03%
9/30/2019	1,094,290	25	1,064,959	22	13.632729	78,118	0.55%	0.03%
9/30/2020	(568,095)	25	(555,605)	23	13.975214	(39,756)	(0.28)%	(0.04)%
Changes from amendments to benefit provisions.								
9/30/2000	226,722	25	100,671	3	2.795529	36,011	0.25%	0.01%
9/30/2013	(2,728,463)	25	(2,584,087)	16	11.197025	(230,783)	(1.62)%	(0.07)%
Totals			**$ 11,922,024**			**$ 1,642,159**	**11.52%**	**0.30%**

Weighted average remaining financing period: 15.1

Unfunded Actuarial Accrued Liability

	October 1, 2022	October 1, 2021
A. Actuarial present value of future benefits	**$88,162,007**	$86,398,088
B. Actuarial present value of future normal costs	**11,073,495**	10,655,542
C. Actuarial accrued liability	**77,088,512**	75,742,546
D. Funding value of assets	**65,166,488**	64,364,953
E. Unfunded actuarial accrued liability	**$11,922,024**	$11,377,593

Unfunded actuarial accrued liability is not a good measure of the System's funded status because the amount is dependent upon the actuarial cost method (please refer to page C-1). The funding progress indicators (2) and (3) on pages A-4 and A-5 are less dependent of the actuarial cost method and are a better guide to funded status and funding progress. The funded status and the funding progress indicators would be different if based on the market value of assets instead of the funding value of assets.

Recommended and Actual Contributions
Comparative Statement

Fiscal Year	Valuation Date	City/Chapter Dollar Contributions# Recommended	Actual	Recommended City % of Payroll Contributions
99/00	10/1/1998	$ 17,714	$ 17,724	0.23 %
00/01	10/1/1999	0	87,641	0.00
01/02	10/1/2000 (a)	0	3	0.00
02/03	10/1/2001	0	22,268	0.00
03/04	10/1/2002 (a)	0	32,662	0.00
04/05	10/1/2003	82,709	82,709	0.52
05/06	10/1/2004	241,358	241,358	2.33
06/07	10/1/2005	389,150	389,150	3.40
07/08	10/1/2006	612,047	623,377	4.95
08/09	10/1/2007	612,416	612,416	4.90
09/10	10/1/2008	749,331	737,532	6.07
10/11	10/1/2009	971,717	971,717	7.79
11/12	10/1/2010	1,132,385	1,132,385	9.23
12/13	10/1/2011	1,490,902	1,490,902	12.19
13/14	10/1/2012 (a)	1,205,756	1,216,994	10.37
14/15	10/1/2013 (a)	1,387,165	1,387,165	12.12
15/16	10/1/2014	1,321,320	1,321,320	11.60
16/17	10/1/2015 (a)	1,591,545	1,591,545	13.50
17/18	10/1/2016 (a)	1,892,707	1,898,689	15.82
18/19	10/1/2017	2,097,788	2,100,105	15.21
19/20	10/1/2018 (a)	2,322,790	2,324,624	17.54
20/21	10/1/2019 (a)	2,442,960	2,443,559	18.03
21/22	10/1/2020 (a)	2,405,220	2,405,223	16.95
22/23	10/1/2021	2,248,973		15.64
23/24	**10/1/2022**	**2,334,877**		**15.82**

(a) After changes in benefit provisions and/or actuarial assumptions and/or actuarial cost methods.
 # Prior to the fiscal year ending 9/30/99, results include General, Police and Fire.

Actuarial Balance Sheet - October 1, 2022

Present Resources and Expected Future Resources

A. Funding value of System assets:	
1. Net assets from System financial statements (market value)	$57,101,056
2. Funding value adjustment	8,065,432
3. Funding value of assets	65,166,488
B. Actuarial present value of expected future employer contributions:	
1. For normal costs	3,036,234
2. For unfunded actuarial accrued liability	11,922,024
3. Totals	14,958,258
C. Actuarial present value of expected future member contributions	8,037,261
D. Total present and expected future resources	$88,162,007

Actuarial Present Value of Expected Future Benefit Payments and Reserves

A. To retired members and beneficiaries	$46,065,527
B. To vested terminated members	2,112,276
C. To present active members:	
1. Allocated to service rendered prior to valuation date	28,910,709
2. Allocated to service likely to be rendered after valuation date	11,073,495
3. Totals	39,984,204
D. Total actuarial present value of expected future benefit payments	88,162,007
E. All Reserves	0
F. Total actuarial present value of expected future payments and reserves	$88,162,007

5-Year Projections of Funded Ratios and Future Employer Contributions

Year Ended 9/30	Active Count	Payroll	Benefit Payments	Actuarial Accrued Liability	Actuarial Value of Assets	Funded Ratio	Estimated City's Contributions: Fiscal Year	% of Payroll	Dollar Amount
2022	243	$ 14,222,366	$ 4,749,130	$ 77,088,512	$ 65,166,488	84.5%	2024	15.82%	$ 2,334,877
2023	243	14,768,488	5,125,021	78,650,065	66,160,947	84.1%	2025	16.97%	2,600,780
2024	243	15,111,412	5,389,677	80,695,909	66,797,993	82.8%	2026	18.35%	2,877,577
2025	243	15,490,982	5,690,630	82,624,032	65,691,964	79.5%	2027	20.48%	3,292,264
2026	243	15,823,804	5,971,804	84,442,492	68,592,941	81.2%	2028	20.73%	3,404,051
2027	243	16,242,431	6,196,091	86,202,540	71,770,314	83.3%	2029	20.85%	3,514,333

Uses 2.5% wage growth assumption.

We have reflected compliance with F.S. 112.64(5) to remain constant with year ended 9/30/2022.

We have not determined any additional possible impact due to F.S. 112.64(5).

Future experience was assumed to be consistent with the actuarial assumptions. If experience differs from the actuarial assumptions, future results could be significantly different from the projected results above.

Existing schedule of unrecognized investment gains and losses are reflected in this projection.

SECTION B

SUMMARY OF BENEFIT PROVISIONS AND VALUATION DATA SUBMITTED BY THE RETIREMENT SYSTEM

Summary of Benefit Provisions
(as of October 1, 2022)

Normal Retirement (no reduction factor for age):

Eligibility - 30 years of service regardless of age, or age 60 with 5 or more years of service for members with at least 10 years of service as of November 25, 2013. Age 55 with 30 or more years of service, or age 62 with 10 or more years of service for members with less than 10 years of service as of November 25, 2013.

Mandatory Retirement Age - None.

Pension Amount - Total credited service times 2.50% of final average compensation. Maximum pension is 75% of final average compensation or $90,000, whichever is less.

The normal form of benefit is a benefit payable for the life of the retired member. Optional benefit forms are available on an actuarial equivalent basis. Assumptions used to calculate optional forms of payment are those in effect at the member's commencement date.

Final Average Compensation - Highest 5 years out of the last 10. Compensation includes base pay plus longevity. Compensation excludes overtime, shift differential, incentive pay, leave payouts and all other compensation.

Early Retirement:

Eligibility - After completion of 20 years of service, but before the member's earliest projected normal retirement date.

Pension Amount - Computed as regular retirement, but reduced to take into account earlier commencement of retirement income payments, as follows:

7.5% per year reduction for the first five years prior to Normal Retirement
5.5% per year reduction for all years in excess of five years prior to Normal Retirement

Deferred Retirement (vested benefit):

Eligibility - 5 or more years of service with benefit beginning at regular retirement age of 60 for members with at least 10 years of service as of November 25, 2013. The vesting requirement is 10 years of service for members with less than 5 years of service as of November 25, 2013. Members with less than 10 years of service as of November 25, 2013 may commence benefits beginning at age 55 with 30 or more years of service, age 62 with 10 or more years of service, or age 65 with 5 or more years of service.

Pension Amount - Computed as a normal retirement but based upon service and final average compensation at time of termination.

Summary of Benefit Provisions
(Continued)

Duty Disability Retirement:

Eligibility - No age or service requirements.

Pension Amount - Computed as a normal retirement to regular retirement age. Minimum benefit is not less than 50% of final average compensation. At regular retirement age the participant has the option to have the benefit re-computed as a normal retirement with additional service credit granted from date of retirement to the later of normal retirement age or five years after date of disability. Minimum benefit is not less than 42% of final average compensation.

Non-Duty Disability Retirement:

Eligibility - 10 or more years of service.

Pension Amount - Computed as a normal retirement. Minimum benefit is not less than 25% of final average compensation.

Duty Death Before Retirement:

Eligibility - No age or service requirements.

Pension Amount - To spouse: 100% of the normal retirement benefit. Minimum benefit is not less than 35% of final average compensation.

Non-Duty Death Before Retirement:

Eligibility - 10 or more years of service.

Pension Amount - To spouse: 100% of the normal retirement benefit.

Member Contributions: 7.95% of pay effective November 30, 2013.

City Contributions: Actuarially determined amounts which together with member contributions and premium tax monies are sufficient to at least cover the requirements of the funding objective stated on page A-1.

Forfeiture of Retirement Benefits: Retirement benefits granted by the Retirement System are subject to forfeiture if an employee is convicted of an offense specified in Section 112.3173, Florida Statutes, pursuant to the procedures set forth in the cited statute.

Prior Service Purchases: A former member with credited service who wishes to return to city employment may restore the forfeited credited service to receive credit for prior service within ninety (90) days after return to city employment.

Summary of Benefit Provisions
(Concluded)

Backwards Deferred Retirement Option Program (BackDROP):

Eligibility – Same as normal retirement. Member must not be participating in the DROP on November 25, 2013 and must continue employment beyond the normal retirement date. The member may elect a BackDROP period for the number of months worked beyond their normal retirement date, up to a maximum of 36 months.

Amount of Pension – Computed as if the member had chosen to terminate on a day chosen by the member but not before the member's normal retirement date, using credited service and final average salary at the BackDROP date. In addition to the pension, there will be a lump sum payment equal to the pension benefits the member would have received had he/she retired on the BackDROP date with interest at the rate of 3.0% per year.

Claims Procedure: Claims for benefits should be filed with the Human Resources Department. If a claim is denied, you will be notified and informed of the procedure to request a hearing before the Board of Trustees. An applicant for benefits must appeal said denial within 20 days of being informed of the denial by filing an appeal with the Board Secretary. If no appeal is filed within the time period then the denial shall be final.

Disclaimer: The preceding summary briefly describes the principle benefits of the Retirement System. Detailed benefit conditions and limitations are contained in the City of Jacksonville Beach General Employees' Retirement System Ordinance as amended, which establishes the System. The Internal Revenue Code, Florida Statutes, and the Ordinance all govern the operation of the System, and should be consulted before you take any action concerning your membership or benefits. In case of any conflict between this Summary and the Ordinance or other applicable law, the Ordinance or other applicable law will prevail. Copies of the Ordinance are available at the office of the City Clerk.

Accounting Information Submitted for Valuation

Revenues and Expenditures

	Year Ended September 30, 2022		Year Ended September 30, 2021	
Revenues:				
a. Member contributions	**$ 1,173,445**		$ 1,147,477	
b. City contributions	**2,405,223**		2,443,559	
c. Total contributions to System		**$ 3,578,668**		$3,591,036
d. Investment income				
1. Interest and dividends	**1,978,258**		1,474,070	
2. Realized gain on investments	**(253,539)**		3,454,839	
3. Unrealized gain on investments	**(12,610,751)**		6,435,857	
4. Investment expense	**(108,036)**		(118,963)	
e. Total investment income		**(10,994,068)**		11,245,803
f. Total revenues		**($7,415,400)**		$14,836,839
Expenditures:				
a. Refunds of member contributions	**0**		101,416	
b. Benefits paid	**5,272,459**		5,422,910	
c. Administrative expenses	**101,612**		0	
d. Total expenditures		**5,374,071**		5,524,326
Reserve Increase:				
Total revenues minus total expenditures		**$(12,789,471)**		$9,312,513
Adjustment - Prior Period				

Summary of Assets (Market Value)

	September 30, 2022	September 30, 2021
Cash and equivalents	**$ 3,416,130**	$ 3,528,525
Receivables less payables	**191,127**	(49,166)
Certificates of deposit & savings	**none**	none
U.S. Government Securities	**9,178,405**	11,690,252
Bonds: - government	**none**	none
- corporate	**4,532,155**	3,942,932
Stocks: - common	**none**	none
- preferred	**none**	none
Real Estate Fund	**3,969,684**	3,410,511
Other (Equity, Mutual Funds)	**35,813,555**	47,367,473
Total Assets	**$ 57,101,056**	$ 69,890,527

Derivation of Funding Value of Retirement System Assets

	2020	2021	2022	2023	2024	2025
Beginning of Year Values						
(1) Market Value	$57,101,628	$60,578,014	$69,890,527			
(2) Funding Value	57,082,442	59,925,630	64,364,953			
End of Year						
(3) Market Value	60,578,014	69,890,527	57,101,056			
(4) Net Addition to Assets Excluding Investment Income#	(2,133,653)	(1,933,290)	(1,795,403)			
(5) Total Net Investment Income# =(3)-(1)-(4)	5,610,039	11,245,803	(10,994,068)			
(6) Projected Net Rate of Return#	7.60%	7.50%	7.50%			
(7) Projected Investment Income =(6) x [(2)+0.5 x (4)]	4,257,187	4,421,924	4,760,044			
(8) Investment Income in Excess of Projected	1,352,852	6,823,879	(15,754,112)			
Excess Investment Income Recognized						
(9a) From Current Year = .25 x (8)	338,213	1,705,970	(3,938,528)			
(9b) From One Year Prior	(268,760)	338,213	1,705,970	$ (3,938,528)		
(9c) From Two Years Prior	175,266	(268,760)	338,213	1,705,970	$ (3,938,528)	
(9d) From Three Years Prior	474,935	175,266	(268,761)	338,213	1,705,969	$ (3,938,528)
(9e) Total Cap. Val. Change Recogn. = (9a)+(9b)+(9c)+(9d)	719,654	1,950,689	(2,163,106)	(1,894,345)	(2,232,559)	(3,938,528)
(10) Increase(Decr.) in Funding Value = (4) + (7) + (9e)	2,843,188	4,439,323	801,535			
End of Year						
(11) Market Value	60,578,014	69,890,527	57,101,056			
(12) Funding Value = (2)+(10)	59,925,630	64,364,953	65,166,488			
(13) Market Value Rate of Return	10.0%	18.9%	(15.9)%			
(14) Funding Value Rate of Return	8.9%	10.8%	4.1%			
(15) Ratio of Market to Funding Value	101.1%	108.6%	87.6%			

 # Net of expenses paid from investment income.

Retired Member and Beneficiary Data
Historical Schedule

	Added		Removed		Net Increase		End of Year		Removals	
Year Ended	No.	Annual Pensions	No.	Annual Pensions	No.	Annual Pensions	No.	Annual Pensions	No.	Pensions
9/30/1975			3	$ 5,238	(3)	$ (5,238)	38	$ 96,998		
9/30/1980	4	$ 12,535	2	6,322	2	6,213	43	126,043		
9/30/1985	6	38,897	3	9,338	3	29,559	54	206,265	1.7	$ 4,085
9/30/1990	6	63,868	5	14,043	1	49,825	63	346,855	1.9	6,447
9/30/1995	8	184,693	6	24,617	2	160,076	85	1,015,250	2.3	14,657
9/30/1998							76	800,890		
9/30/1999 #	10	172,208	1	6,329	9	165,878	85	966,768	2.2	14,706
9/30/2000	10	136,587	7	59,619	3	76,968	88	1,043,736	2.4	18,374
9/30/2001	4	24,217	2	11,788	2	12,429	90	1,056,165	2.4	19,964
9/30/2002	11	151,501	3	10,618	8	140,883	98	1,197,048	2.7	21,848
9/30/2003	8	172,085	1	10,667	7	161,418	105	1,358,466	2.7	24,633
9/30/2004	11	134,489	3	15,936	8	118,553	113	1,477,019	3	27,076
9/30/2005	6	49,379	5	62,667	1	(13,288)	114	1,463,731	2.9	29,309
9/30/2006	10	202,781	5	22,299	5	180,482	119	1,644,213	3.1	31,396
9/30/2007	14	322,021	5	65,654	9	256,367	128	1,900,580	3.2	34,413
9/30/2008	10	298,652	8	44,625	2	254,027	130	2,154,607	3.6	39,721
9/30/2009	9	195,633	4	63,680	5	131,953	135	2,286,560	3.7	43,533
9/30/2010	10	184,355	3	64,710	7	119,645	142	2,406,205	3.9	47,327
9/30/2011	16	363,208	7	119,896	9	243,312	151	2,649,517	4.3	51,034
9/30/2012	13	435,110	4	39,274	9	395,836	160	3,045,353	4.6	54,980
9/30/2013	13	323,154	3	15,400	10	307,754	170	3,353,107	4.9	62,669
9/30/2014	19	484,768	11	263,155	8	221,613	178	3,574,720	5.3	70,395
9/30/2015	9	181,304	5	68,058	4	113,246	182	3,687,966	5.7	76,746
9/30/2016	10	304,651	5	79,399	5	225,252	187	3,913,218	5.9	80,101
9/30/2017	9	181,804	7	69,064	2	112,740	189	4,025,958	5.7	78,887
9/30/2018	10	322,298	7	106,475	3	215,824	192	4,241,782	5.4	80,605
9/30/2019	6	92,582	6	99,879	0	(7,297)	192	4,234,485	5.5	86,398
9/30/2020	14	341,374	13	153,134	1	188,239	193	4,422,724	5.9	90,664
9/30/2021	11	397,067	5	67,198	6	329,869	199	4,752,593	5.8	93,156
9/30/2022	**7**	**151,908**	**10**	**155,371**	**(3)**	**(3,463)**	**196**	**4,749,130**	**6.0**	**101,543**
Expected for 9/30/2023	----------	----------	----------	----------	----------	----------	----------	----------	5.9	103,295

 # Prior to 1999 valuation, numbers include General, Police and Fire.

Normal (Age and Service) Retirements*

Valuation Year	No.	Average Attained Age	Average Retirement Age	Average Annual Pensions	Newly Retired During Year No.	Newly Retired Averages Retirement Age	Newly Retired Averages Service	Newly Retired Averages Annual Pensions
2008	104	68.8 yrs.	59.7 yrs.	$ 17,352	9	61.0 yrs.	22.9 yrs.	$ 30,855
2009	109	69.1	60.4	17,871	4	55.8	23.9	36,241
2010	113	69.4	60.5	17,861	7	62.1	18.7	19,289
2011	120	69.1	60.3	18,762	13	60.8	20.4	26,434
2012	131	69.1	60.2	20,282	13	60.0	24.5	33,470
2013	143	69.2	60.1	21,008	13	59.1	19	24,858
2014	144	69.3	60.0	21,460	11	64.2	17.4	30,863
2015	148	69.7	60.1	21,767	8	59.6	18.8	22,159
2016	153	70.1	60.1	21,776	8	61.4	21.3	29,172
2017	155	70.0	59.9	22,266	8	59.3	19.1	20,232
2018	156	70.2	59.8	23,150	7	61.1	20.9	34,139
2019	155	71.1	59.8	23,102	3	62.9	14.2	17,613
2020	157	70.7	59.8	24,039	12	61.7	20.3	26,134
2021	162	70.9	59.9	25,012	9	63.1	21.4	36,642
2022	**162**	**71.2**	**59.2**	**25,357**	**7**	**63.3**	**19.8**	**21,701**

** Includes DROP members in years prior to 2018.*

Retired Members and Beneficiaries

Historical Comparison

Valuation Date	% Incr. in Annual Pensions	No. of Active Per Retired	Pension Payroll as % of Active Payroll	Average Pension
10/1/2008	13.4	1.8	18.6	$ 16,574
10/1/2009	6.1	1.8	19.6	16,937
10/1/2010	5.2	1.6	21.0	16,945
10/1/2011	10.1	1.5	23.1	17,546
10/1/2012	14.9	1.3	28.0	19,033
10/1/2013	10.1	1.3	31.3	19,724
10/1/2014	6.6	1.2	33.5	20,083
10/1/2015	3.2	1.3	32.9	20,264
10/1/2016	6.1	1.2	33.9	20,926
10/1/2017	2.9	1.3	30.3	21,301
10/1/2018	5.4	1.2	32.5	22,093
10/1/2019	(0.2)	1.2	32.4	22,055
10/1/2020	4.4	1.2	32.3	22,916
10/1/2021	7.5	1.2	34.3	23,882
10/1/2022	**(0.1)**	**1.2**	**33.4**	**24,230**

Retired Members and Beneficiaries as of October 1, 2022 by Type of Pension Being Paid*

New Plan Pensions

Type of Pension Being Paid	No.	Annual Pension	Average Pension	Actuarial Liability
Age and Service Pensions				
Regular	83	$2,085,526	$25,127	$ 19,040,221
Option I	15	347,463	23,164	3,280,207
Option II	39	957,018	24,539	10,798,496
Option III	25	717,875	28,715	7,433,575
Total Age and Service Pensions	162	4,107,882	25,357	40,552,499
Survivor Pensions				
Surviving Beneficiaries	21	350,234	16,678	2,774,297
Death-in-Service	6	140,806	23,468	1,332,437
Total Survivor Pensions	27	491,040	18,187	4,106,734
Disability Pensions				
Regular	3	62,829	20,943	482,801
Option I	0	0	0	0
Option II	3	64,977	21,659	746,730
Option III	1	22,402	22,402	176,763
Total Disability Pensions	7	150,208	21,458	1,406,294
Total New Plan Pensions	**196**	**$4,749,130**	**$24,230**	**$46,065,527**

** Regular - benefit terminating upon death of retired member.*
Option I - 10-year certain.
Option II - 100% joint and survivor benefit.
Option III - 50%/67%/75% joint and survivor benefit.
Surviving Beneficiaries - benefit terminating upon death of beneficiary.

Retired Members and Beneficiaries as of October 1, 2022 by Type of Pension Being Paid*

Old Plan Pensions

Type of Pension Being Paid	No.	Annual Pension	Average Pension	Actuarial Liability
Age and Service Pensions				
Regular	0	$ 0	N/A	$ 0
Total Age and Service Pensions	0	0	N/A	0
Total New Plan Pensions	**0**	**$ 0**	**N/A**	**$ 0**
Total New & Old Plan	**196**	**$4,749,130**	**$24,230**	**$46,065,527**

** Regular - benefit terminating upon death of retired member.*
Automatic Spouse Benefit - 75% joint and survivor benefit.
Surviving Beneficiaries - benefit terminating upon death of beneficiary.

Retired Member and Beneficiary Data as of October 1, 2022
by Attained Ages

Attained Ages	New Plan No.	New Plan Annual Benefits	Old Plan No.	Old Plan Annual Benefits	Totals No.	Totals Annual Benefits
46	1	$ 20,348			1	$ 20,348
48	1	15,483			1	15,483
50	1	52,245			1	52,245
52	2	21,329			2	21,329
55	1	18,238			1	18,238
56	1	65,706			1	65,706
57	3	43,928			3	43,928
58	1	49,829			1	49,829
59	5	159,207			5	159,207
60	4	112,049			4	112,049
61	4	145,901			4	145,901
62	6	162,407			6	162,407
63	5	198,834			5	198,834
64	13	376,650			13	376,650
65	10	332,889			10	332,889
66	10	257,962			10	257,962
67	9	241,043			9	241,043
68	15	517,408			15	517,408
69	7	178,762			7	178,762
70	14	431,928			14	431,928
71	4	61,018			4	61,018
72	8	132,842			8	132,842
73	3	50,883			3	50,883
74	8	241,916			8	241,916
75	10	202,181			10	202,181
76	3	53,629			3	53,629
77	1	1,633			1	1,633
78	7	104,440			7	104,440
79	6	108,674			6	108,674
80	4	55,747			4	55,747
81	2	41,642			2	41,642
82	2	33,297			2	33,297
83	5	49,777			5	49,777
84	1	12,036			1	12,036
85	4	45,331			4	45,331
86	3	44,772			3	44,772
88	2	18,075			2	18,075
89	1	11,346			1	11,346
90	3	26,976			3	26,976
91	1	8,466			1	8,466
92	5	42,303			5	42,303
Totals	**196**	**$4,749,130**	**0**	**$ -**	**196**	**$4,749,130**

Vested Terminated Members as of October 1, 2022
by Attained Ages

Attained Ages	No.	Annual Benefits
30 - 34	1	$ 12,756
39	2	28,611
42	1	13,546
47	1	11,774
51	1	16,356
53	1	7,327
54	1	37,774
56	1	17,401
59	1	28,758
61	2	24,605
Totals	**13**	**$211,613**

Active and Vested Terminated Members (Excluding DROP Members)

Valuation Date	Active Members	Vested Terminated Members	Valuation Payroll	Average Age	Average Service	Average Pay
10/1/2012	214	16	$ 10,884,445	47.0 yrs.	11.2 yrs.	$50,862
10/1/2013	213	16	$ 10,713,988	47.2 yrs.	11.1 yrs.	$50,300
10/1/2014	218	16	10,662,900	46.6	10.3	48,912
10/1/2015	233	13	11,196,298	46.1	9.8	48,053
10/1/2016	231	13	11,528,990	46.6	9.9	49,909
10/1/2017	249	11	13,290,665	46.3	9.3	53,376
10/1/2018	240 *	10	12,761,296 *	46.0	9.8	53,172
10/1/2019	238 *	11	13,056,744 *	46.9	10.2	54,860
10/1/2020	238 *	11	13,674,121 *	46.5	9.4	57,454
10/1/2021	240 *	11	13,856,763	45.6	9.3	57,737
10/1/2022	**243** *	**13**	**14,222,366**	**45.2**	**9.2**	**58,528**

** Beginning In 2018 there were 0 DROP members.*

Number Added to and Removed from Active Membership

Year Ended September 30	Number Added During Year A	Number Added During Year E	Normal Retirement A	Normal Retirement E	Disability Retirement A	Disability Retirement E	Died-in-Service A	Died-in-Service E	Withdrawal Vested A	Withdrawal Other A	Withdrawal Total A	Withdrawal Total E	Active Members End of Year
2013	15	16	11	9.5	0	0.3	0	0.2	1	4	5	14.5	213
2014	35	30	11	9.5	1	0.3	0	0.3	2	16	18	14.2	218
2015	35	20	5	7.1	0	0.3	0	0.2	1	14	15	19.9	233
2016	30	32	6	9.7	0	0.3	1	0.2	2	23	25	23.8	231
2017	38	20	6	7.2	0	0.3	0	0.4	1	13	14	21.7	249
2018	19	28	6	6.7	0	0.3	0	0.4	0	22	22	25.3	240
2019	26	28	2	7.5	0	0.3	0	0.4	2	24	26	21.2	238
2020	35	35	10	7.3	0	0.3	0	0.4	2	23	25	19.9	238
2021	31	29	6	9.3	0	0.3	1	0.3	3	19	22	22.5	240
2022	**36**	**33**	**6**	**8.4**	**0**	**0.3**	**1**	**0.3**	**3**	**23**	**26**	**23.1**	**243**
5-yr. Totals 2018 - 2022	147	153	30	39	0	1.4	2	1.8	10	111	121	112	
Expected for 2023				6.3		0.3		0.3				23.2	

A Represents actual number.
E Represents expected number.

Active Members as of October 1, 2022
by Near Age and Years of Service

Near Age	Years of Service to Valuation Date 0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	Totals No.	Valuation Payroll
15-19	1							1	$ 30,454
20-24	13	1						14	522,493
25-29	14	1						15	544,199
30-34	15	8						23	1,061,671
35-39	16	10	2	6	1			35	1,942,260
40-44	12	13	3	4	1			33	2,047,599
45-49	11	6	1	1	4			23	1,447,685
50-54	7	5	1	3	3	3	1	23	1,491,959
55-59	5	10	2	11	4	3	2	37	2,516,948
60	1	2	2	2	1		3	11	724,005
61	2	3	2	2	1	1		11	716,849
62	1				1	1	1	4	267,665
63	2	1		1			2	6	429,797
64		2						2	125,080
66	1	1					1	3	211,240
67		1						1	53,351
71		1						1	89,111
Totals	**101**	**65**	**13**	**30**	**16**	**8**	**10**	**243**	**$ 14,222,366**

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Age:	45.2 years
Service:	9.2 years
Annual Pay:	$58,528

SECTION C

ACTUARIAL COST METHOD, ACTUARIAL ASSUMPTIONS, AND DEFINITIONS OF TECHNICAL TERMS

Actuarial Cost Method

The actuarial cost method is a procedure for allocating the actuarial present value of benefits and expenses to time periods. The method used for your valuation is known as the individual entry-age actuarial cost method, and has the following characteristics:

(i) The annual normal costs for each individual active member is sufficient to accumulate the value of the member's pension at time of retirement.

(ii) Each annual normal cost is a constant percentage of the member's year-by-year projected pensionable compensation.

The entry-age actuarial cost method allocates the actuarial present value of each member's projected benefits on a level basis over the member's pensionable compensation between the entry age of the member and the estimated active status exit ages. This was based on our understanding of the approach preferred by the Florida Division of Retirement.

The portion of the actuarial present value allocated to the valuation year is called the normal cost. The portion of the actuarial present value not provided for by the actuarial present value of future normal costs is called the actuarial accrued liability. Deducting accrued assets from the actuarial accrued liability determines the unfunded actuarial accrued liability. The unfunded actuarial accrued liability was financed as a level percent of member payroll. Please refer to page A-12 for a schedule of financing periods.

The characteristics of this method of financing the unfunded actuarial accrued liability are shown on page C-2.

The sum of active member payroll was assumed to increase 2.5% a year for the purpose of determining the level percent contributions, except to the extent needed for FS 112.64(5) compliance. This assumption is consistent with the base rate of increase in salaries used to calculate actuarial present values.

Level Percent of Active Participant Payroll Amortization of Unfunded Actuarial Accrued Liability (Amortization Schedule $ Amounts in Thousands)

	Payroll		Unfunded		Contribution	
Year Ended September 30	Inflated Dollars	Constant Value	Inflated Dollars	Constant Value	Inflated Dollars	Constant Value
2022	$14,222	$14,222	$ 11,922	$ 11,922	$ 1,642	$ 1,642
2023	14,578	14,222	11,092	10,822	1,683	1,642
2024	14,942	14,222	10,157	9,668	1,725	1,642
2025	15,316	14,222	9,108	8,457	1,730	1,606
2026	15,699	14,222	7,975	7,225	1,959	1,775
2031	17,762	14,222	3,205	2,566	529	423
2036	20,096	14,222	1,481	1,048	19	14
2041	22,737	14,222	387	242	192	120
2045	25,097	14,222	265	150	89	50
2046	25,724	14,222	192	106	196	109
2047	13,875	14,222	0	0	0	0

$ 1,587,449	over 25 years	$ 943,876	over 13 years
(833,049)	over 24 years	945,213	over 12 years
(1,043,359)	over 23 years	773,260	over 11 years
235,856	over 22 years	(769,520)	over 10 years
477,038	over 21 years	282,501	over 9 years
1,178,434	over 20 years	1,774,001	over 8 years
2,545,308	over 19 years	2,241,349	over 7 years
840,799	over 18 years	2,633,083	over 6 years
(1,305,077)	over 17 years	735,454	over 5 years
(3,154,363)	over 16 years	(614,539)	over 4 years
148,019	over 15 years	100,671	over 3 years
2,199,620	over 14 years	**$11,922,024**	

Level percent-of-payroll financing of unfunded actuarial accrued liability treats each generation of taxpayers equally during the financing period. The alternative, level dollar financing, produces declining percent-of-payroll contributions and places a greater relative burden on current taxpayers.

The annual rate of increase in participant payroll used to compute the level percent-of-payroll contribution is the same rate of payroll growth used to compute actuarial liability and costs. It reflects across-the-board salary increases, not group size increases.

If future payroll growth is less than the assumed rate due to smaller than projected salary increases, the percent-of-payroll contribution rate for unfunded actuarial accrued liability will tend to decline.

If future payroll growth is less than the assumed rate due to decreases in the number of participants, the percent-of-payroll contribution rate for unfunded actuarial accrued liability will tend to increase but dollar contributions will be less than indicated in the preceding schedule.

Actuarial Assumptions Used for the Valuation

Funding objective contribution requirements and actuarial present values are calculated by applying estimates of future plan activities (actuarial assumptions) to the benefit provisions and people information of the system, using the actuarial cost method described on page C-1. All actuarial assumptions used in this report are estimates of future experience.

The principal areas of risk which require estimates of future plan activities are:

(i) Long-term rates of investment return to be generated by the assets of the system
(ii) Patterns of pay increases to active members
(iii) Rates of mortality among active members, retired members and beneficiaries
(iv) Rates of withdrawal of active members
(v) Rates of disability among active members
(vi) The age patterns of actual retirements

In making a valuation, the monetary effect of each activity is calculated for as long as a present covered person survives - - a period of time which can be as long as a century.

Actual activities of the System will not coincide exactly with estimated activities, due to their nature. Each valuation provides a complete recalculation of estimated future activities and takes into account the effect of differences between estimated and actual activity to date. The result is a continual series of adjustments (usually small) to the computed contribution rate. From time-to-time one or more of the assumptions are modified to reflect experience trends (but not random or temporary year-to-year fluctuations).

The actuarial assumptions are adopted by the Board of Trustees after consultation with the actuary. In general, the actuarial assumptions were based on the System's experience, as well as experience of plans similar in nature where the System's experience was insufficient. In addition, the mortality tables also reflect actual trends. The reasonableness of the economic assumptions was based upon capital market expectations provided by various investment consultants and other sources such as the Social Security Trustees report. All actuarial assumptions are based on future expectations, not market measures.

The actuarial assumptions regarding the INFLATION rate, the SALARY INCREASE rates, and REAL INVESTMENT RETURN were effective October 1, 2020. These actuarial assumptions are used, in combination with the other actuarial assumptions, to (i) determine the present value of amounts expected to be paid in the future and (ii) establish rates of contribution which are expected to remain relatively level as a percent of covered payroll.

PRICE INFLATION. 2.5% per annum, compounded annually. This is the rate at which growth in the supply of money and credit is estimated to exceed growth in the supply of goods and services. It may be thought of as the rate of depreciation of the purchasing power of the dollar. There are a number of indices for measuring the inflation rate. The recent inflation rate, as measured by the Consumer Price Index, has been:

	Year Ended September 30					Average	
	2022	**2021**	**2020**	**2019**	**2018**	**3-Year**	**5-Year**
Actual	**8.2%**	5.4%	1.4%	1.7%	2.3%	4.9%	3.8%
Assumed	**2.5%**	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

REAL INVESTMENT RETURN. 5.00% per annum, compounded annually. This is the rate of return estimated to be produced by investing a pool of assets in an inflation-free environment. Recent real investment return for the Retirement System has been:

	Year Ended September 30					Average	
	2022	**2021**	**2020**	**2019**	**2018**	**3-Year**	**5-Year**
Net Rate	**4.1%**	10.8%	8.9%	8.4%	7.3%	7.8%	7.9%
Less Inflation Rate	**8.2%**	5.4%	1.4%	1.7%	2.3%	4.9%	3.8%
Net Real Rate	**(4.1)%**	5.4%	7.5%	6.7%	5.0%	2.9%	4.1%
Target Real Rate	**5.0%**	5.0%	5.1%	5.3%	5.4%	5.0%	5.1%

The total investment return rate was computed using the approximate *formula i = I divided by 1/2 (A + B - I),* where I is actual realized investment income plus market value adjustments, A is the beginning of year funding asset value and B is the end of year funding value of assets.

The preceding investment return rates reflect the particular characteristics of this Retirement System and should not be used to measure an investment advisor's performance or for comparison with other retirement systems. Such use will usually mislead.

SALARY INCREASES. Employee salaries are estimated to increase between the date of hire and date of retirement. Salary increases occur in recognition of (i) individual merit and seniority, (ii) inflation-related depreciation of the purchasing power of salaries, and (iii) competition from other employers for personnel.

A schedule of estimated rates of increases in individual salaries for sample ages follows:

	Annual Rates for Salary Increase for Sample Ages				
Attributable to:	**20**	**30**	**40**	**50**	**60**
Merit & Seniority	3.8%	2.7%	2.1%	1.1%	0.2%
General Increase in Wage Level Due to:					
Price Inflation	2.5	2.5	2.5	2.5	2.5
Other Factors	0.0	0.0	0.0	0.0	0.0
Total	6.3%	5.2%	4.6%	3.6%	2.7%

The valuation is based on a constant group size and total payroll increasing at the rate of the general increase in wage levels due to inflation and other causes, which in this case is 2.5% a year.

A schedule of recent salary change experience, as measured by average reported pay, follows:

	Year Ended September 30					Average		
	2022	**2021**	**2020**	**2019**	**2018**	**3-Year**	**5-Year**	**10-Year**
% Change:								
Actual [(1)]	5.6%	4.2%	9.8%	4.4%	(0.3)%	6.5%	4.7%	4.5%
Assumed	3.9%	3.8%	3.8%	3.8%	3.9%	3.8%	3.8%	4.5%
% Change in Total Payroll [(2)]	2.6%	1.3%	4.7%	2.3%	(4.0)%	2.9%	1.4%	1.9%

(1) Excluding terminations and new members.
(2) Including pays of members electing DROP participation but still working at the time of the respective valuation.

In order to achieve the funding objective of a contribution rate which remains level as a percent-of-payroll, the total rate of investment return must exceed the rate of average increase in salaries by an amount equal to the estimated real investment return rate. The following schedule illustrates the recent history of the relationship between total investment return and average pay changes.

	Year Ended September 30					**Average**	
	2022	**2021**	**2020**	**2019**	**2018**	**3-Year**	**5-Year**
Net Investment Return Rate	4.1%	10.8%	8.9%	8.4%	7.3%	7.8%	7.9%
Rate of Change in Average Pay	5.6%	4.2%	9.8%	4.4%	(0.3)%	6.4%	4.7%
Difference: Actual	(1.5)%	6.6%	(0.9)%	4.0%	7.6%	1.3%	3.1%
Target	5.0%	5.0%	5.1%	5.3%	5.4%	5.0%	5.1%

MORTALITY TABLE. The mortality tables used to measure retired life mortality were the Florida Retirement System (FRS) Mortality Tables, as described below:

- Male non-disabled pre-retirement mortality: fully generational mortality. PUB-2010 Headcount Weighted General Below Median Employee Male Table, set back 1 year, projected with scale MP-2018.
- Female non-disabled pre-retirement mortality: fully generational mortality. PUB-2010 Headcount Weighted General Below Median Employee Female Table, projected with scale MP-2018.
- Male non-disabled post-retirement mortality: fully generational mortality. PUB-2010 Headcount Weighted General Below Median Healthy Retiree Male Table, set back 1 year, projected with scale MP-2018.
- Female non-disabled post-retirement mortality: fully generational mortality. PUB-2010 Headcount Weighted General Below Median Healthy Retiree Female Table, projected with scale MP-2018.
- Male disabled mortality: PUB-2010 Headcount Weighted General Disabled Retiree Male Table, set forward 3 years.
- Female disabled mortality: PUB-2010 Headcount Weighted General Disabled Retiree Female Table, set forward 3 years.

Sample values follow:

PUB-2010 Fully Generational Mortality Tables

Sample Ages	Value of $1 Monthly for Life		Future Life Expectancy (Years)	
in 2022	Men	Women	Men	Women
50	$140.56	$146.58	33.20	37.00
55	134.45	142.43	28.83	32.55
60	127.64	136.18	24.73	28.00
65	118.57	127.20	20.66	23.42
70	106.37	115.18	16.64	18.94
75	91.87	100.44	12.93	14.75
80	75.81	83.48	9.64	10.99

Applicable to calendar year 2022. Values for future years are determined using the MP-2018 projection scale. The above values are for healthy participants.

The margin for future mortality improvements is included in the projection scales. 25% of pre-retirement deaths were assumed to be duty related.

RATES OF WITHDRAWAL FROM ACTIVE MEMBERSHIP. The rates do not apply to members eligible to retire and do not include separation on account of death or disability. This assumption measures the probabilities of members remaining in employment.

Sample Ages	Years of Service	% of Active Members Separating During Next Year
ALL	0	37.00%
	1	23.50%
	2	14.10%
	3	9.40%
	4	6.58%
25	5 & Over	11.01%
30		8.90%
35		6.15%
40		4.23%
45		2.98%
50		2.22%
55		1.78%
60		1.50%

These rates were first used for the October 1, 2002.

RATES OF DISABILITY. These rates represent the probabilities of active members becoming disabled.

Sample Ages	% of Active Members Becoming Diabled During Next Year
20	0.0004
25	0.0004
30	0.0004
35	0.0008
40	0.0012
45	0.0016
50	0.0023
55	0.0042
60	0.0061
65	0.0077

The mortality table was set forward ten years from the age at disability for projecting disability costs, of which 25% were assumed to be duty related.

These rates were first used for the October 1, 1995 valuation.

RATES OF RETIREMENT. These rates are used to measure the probabilities of an eligible member retiring during the next year.

	Age Based					
Retirement Ages	With 10 Years of Service at 11/25/2013	With Less Than 10 Years of Service at 11/25/2013	Yrs. of Service	Service Based	Early Retirement Ages	Early Retirement Rates
55		75%	30	75%	45	5%
56		75%	31	30%	46	5%
57		75%	32	30%	47	5%
58		75%	33	30%	48	5%
59		75%	34	30%	49	5%
60	40%	75%	35	30%	50	5%
61	10%	75%	36	30%	51	5%
62	20%	40%	37	30%	52	5%
63	20%	20%	38	30%	53	5%
64	20%	20%	39	30%	54	5%
65	20%	20%	40	100%	55-59	5%
66	20%	20%				
67	25%	25%				
68	25%	25%				
69	25%	25%				
70	100%	100%				

A General member with at least 10 years of service at November 25, 2013 is eligible for normal retirement after 30 years of service or after attaining age 60 with 5 years of service. Members with less than 10 years of service at November 25, 2013 are eligible for normal retirement at age 55 with 30 years of service or age 62 with 10 years of service.

A General member is eligible for early retirement after 20 years of service.

These rates were first used for the October 1, 2013 valuation.

ADMINISTRATIVE EXPENSES. Administrative expenses are projected to continue at the same percent-of-payroll as experienced during the preceding fiscal year.

INVESTMENT EXPENSES. Investment expenses are offset against gross investment income.

ACTIVE MEMBER GROUP SIZE. The valuation was based on a constant active member group size. This is unchanged from previous valuations.

VESTED MEMBERS who terminate with a benefit worth less than 100% of their own accumulated contributions were assumed to forfeit their vested benefit.

COMPENSATION reported for the actuarial valuation includes all amounts included in final average compensation for benefit purposes.

Summary of Assumptions Used
September 30, 2022

Pensions in an Inflationary Environment

Value of $1,000/month Retirement Benefit to an Individual Who Retires at Age 60 in an Environment of 2.5% Inflation

Age	Value
60	$1,000
61	976
62	952
63	929
64	906
65	884
70	780
75	689
80	609
85	539
90	476
95	420

The life expectancy of a 60-year-old male retiree is age 85. The life expectancy for a 60-year-old female retiree is age 88. Half of the people will outlive their life expectancy. The effects of even moderate amounts of inflation can be significant for those who live to an advanced age.

Summary of Assumptions Used
Miscellaneous and Technical Assumptions

Marriage Assumption. 100% of males and 100% of females are assumed to be married for purposes of death-in-service benefits.

Pay Increase Timing. Beginning of (Fiscal) year. This is equivalent to assuming that reported pays represent amounts paid to members during the year ended on the valuation date.

Decrement Timing. Decrements of all types are assumed to occur mid-year.

Eligibility Testing. Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.

Benefit Service. Exact fractional service is used to determine the amount of benefit payable.

Decrement Relativity. Decrement rates are used without adjustment for multiple decrement table effects.

Decrement Operation. Disability and mortality decrements do not operate during the first five years of service. Disability and withdrawal do not operate during retirement eligibility.

Normal Form of Benefit. The assumed normal form of benefit is the straight life form. Optional benefit forms are available on an actuarial equivalent basis.

Incidence of Contributions. Contributions are assumed to be received continuously throughout the year based upon the computed percent-of-payroll shown in this report, and the actual payroll payable at the time contributions are made. New entrant normal cost contributions are applied to the funding of new entrant benefits.

Data Assumptions. Salary for new hires was annualized based on date of hire and actual pay paid. Annual salary was assumed to remain level for one member who was indicated to be on military leave.

Definitions of Technical Terms

Accrued Service. Service credited under the system which was rendered before the date of the actuarial valuation.

Actuarial Accrued Liability. The difference between the actuarial present value of future benefit payments and the actuarial present value of future normal costs. Also referred to as "accrued liability" or "past service liability."

Actuarial Assumptions. Estimates of expected future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement estimates (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic estimates (salary increases and investment income) consist of the underlying rates in an inflation-free environment plus a provision for a long-term average rate of inflation.

Actuarial Cost Method. A mathematical budgeting procedure for allocating the dollar amount of the "actuarial present value of future benefit payments" between future normal costs and actuarial accrued liabilities. Sometimes referred to as the "actuarial valuation cost method."

Actuarial Equivalent. A single amount or series of amounts of equal actuarial present value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.

Actuarial Present Value. The amount of funds currently required to provide a payment or series of payments in the future. It is determined by discounting future payments at predetermined rates of interest, and by probabilities of payment. Also referred to as "present value."

Amortization. Paying off an interest-discounted amount with periodic payments of interest and principal -- as opposed to paying off with a lump sum payment.

Experience Gain (Loss). The difference between actual actuarial costs and assumed actuarial costs -- during the period between two valuation dates.

Funding Value of Assets. Also referred to as actuarial value of assets, smoothed market value of assets, or valuation assets.

Valuation assets recognize assumed investment return fully each year. Differences between actual and assumed investment return are phased-in over a closed four-year period. During periods when investment performance exceeds the assumed rate, valuation assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, valuation assets will tend to be greater than market value. If assumed rates are exactly realized for three consecutive years, valuation assets will become equal to market value.

Definitions of Technical Terms (Concluded)

Normal Cost. The actuarial cost allocated to the current year by the actuarial cost method. Sometimes referred to as "current service cost."

Pension Benefit Obligation. A standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The PBO is independent of the actuarial funding method used to determine contributions.

Unfunded Actuarial Accrued Liability. The difference between actuarial accrued liability and the funding value of system assets. Sometimes referred to as "unfunded past service liability," "unfunded accrued liability" or "unfunded supplemental present value."

Most retirement systems have unfunded actuarial accrued liability. An amount arises each time new benefits are added and each time an experience loss occurs.

The existence of unfunded actuarial accrued liability is not in itself bad, any more than a mortgage on a house is bad. Unfunded actuarial accrued liability does not represent a debt that is payable today. What is important is the ability to control the amount of unfunded actuarial accrued liability and the trend in the amount (after due allowance for devaluation of the dollar).

SECTION D

ADDITIONAL DISCLOSURE INFORMATION

GASB Statements No. 67 and No. 68 are the accounting standards which replaced GASB Statements No. 25 and No. 27. GASB Statement No. 67 was first effective for fiscal year 2014 and GASB Statement No. 68 was first effective for fiscal year 2015. A separate GASB Statements No. 67 and No. 68 report has been issued outside of this report. This section contains historical GASB Statements No. 25 and No. 27 reporting information for prior fiscal years and illustrative information for fiscal year 2015 and after.

Contributions Required and Contributions Made

The City's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. The normal cost and actuarial accrued liability are determined using an entry-age actuarial funding method. Unfunded actuarial accrued liability is being amortized as a level percent-of-payroll over periods of 3 to 25 years.

During the year ended September 30, 2022 contributions totaling $3,578,668 -- $2,405,223 employer and $1,173,445 employee -- were made in accordance with contribution requirements determined by an actuarial valuation of the plan as of October 1, 2020. The employer contributions consisted of $598,762 for normal cost and administrative expenses and $1,806,461 for amortization of the unfunded actuarial accrued liability. Employer contributions represented 16.91% of covered payroll.

Significant actuarial assumptions used to compute contribution requirements were the same as those used to compute the standardized measure of the actuarial accrued liability.

Computed Employer Contribution Comparative Schedule

Year Beginning October 1	Valuation Date	Contribution Rates as Percents of Valuation Payroll	Valuation Payroll	Dollar Contribution for Fiscal Year Computed	Actual
2014	10/1/2013 *	12.1	$ 10,713,988	$ 1,387,166	$ 1,387,166
2015	10/1/2014	11.6	10,662,900	1,321,320	1,321,320
2016	10/1/2015 *	13.5	11,196,298	1,591,545	1,591,545
2017	10/1/2016 *	15.8	11,528,990	1,892,707	1,898,689
2018	10/1/2017	15.2	13,290,665	2,097,788	2,100,105
2019	10/1/2018 *	17.5	12,761,296	2,322,790	2,324,624
2020	10/1/2019 *	18.0	13,056,744	2,442,960	2,443,559
2021	10/1/2020 *	17.0	13,674,121	2,405,220	2,405,223
2022	10/1/2021	16.4	13,856,763	2,356,820	
2023	**10/1/2022**	**15.8**	**14,222,366**	**2,334,877**	

** After changes in benefit provisions and/or actuarial assumptions.*

Actuarial Accrued Liability

The actuarial accrued liability is a measure intended to help users assess (i) a pension fund's funded status on a going-concern basis, and (ii) progress being made toward accumulating the assets needed to pay benefits as due. Allocation of the actuarial present value of projected benefits between past and future service was based on service using the individual entry-age actuarial cost method. Assumptions, including projected pay increases, were the same as used to determine the Fund's level percent of payroll annual required contribution between entry-age and assumed exit age. Entry-age was established by subtracting credited service from current age on the valuation date.

The preceding methods comply with the financial reporting standards established by the Governmental Accounting Standards Board.

The entry age actuarial accrued liability was determined as part of an actuarial valuation of the plan as of October 1, 2022. Significant actuarial assumptions used in determining the entry age actuarial accrued liability include (a) a rate of return on the investment of present and future assets of 7.50% per year compounded annually, (b) projected salary increases of 2.5% per year compounded annually, 2.5% attributable to inflation, (c) additional projected salary increases of 3.8% to 0.0% per year, depending on age, attributable to seniority/merit, and (d) the assumption that benefits will not increase after retirement.

As of October 1, 2022, the unfunded actuarial accrued liability was $11,922,024 determined as follows:

Actuarial Accrued Liability:	
Active participants (77 vested and 166 non-vested)	$28,910,709
Retired participants and beneficiaries currently receiving benefits (196 vested)	46,065,527
Vested terminated participants not yet receiving benefits (13 vested)	2,112,276
Total Actuarial Accrued Liability	77,088,512
Actuarial Value of Assets (market value was $57,101,056)	65,166,488
Unfunded Actuarial Accrued Liability	$11,922,024

During the year ended September 30, 2022, the plan experienced a net change of $1,345,966 in the actuarial accrued liability. There were no changes in actuarial assumptions, benefit provisions, or methods.

Supplementary Information
Schedule of Funding Progress

Actuarial Valuation Date October 1	Actuarial Value of Assets# (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (b)-(a)	Funded Ratio (a)/(b)	Active Participant Covered Payroll (c)	Unfunded AAL as a Percentage of Active Member Covered Payroll ((b-a)/c)
2003	$33,997	$33,590	$ (407)	101.2 %	$ 9,259	(4.4) %
2004	33,674	36,614	2,940	92.0	9,697	30.3
2005	34,445	40,242	5,797	85.6	10,714	54.1
2006	36,644	43,650	7,006	83.9	11,575	60.5
2007	39,424	46,208	6,785	85.3	11,700	58.0
2008	40,975	49,110	8,135	83.4	11,556	70.4
2009	41,538	51,118	9,580	81.3	11,677	82.0
2010	41,771	53,050	11,279	78.7	11,485	98.2
2011	40,809	54,975	14,166	74.2	11,449	123.7
2012	42,288	57,220	14,932	73.9	10,884	137.2
2013 *	45,066	56,970	11,904	79.1	10,714	111.1
2014	47,138	57,746	10,608	81.6	10,663	99.5
2015 *	49,153	60,403	11,250	81.4	11,196	100.5
2016 *	50,816	64,652	13,836	78.6	11,529	120.0
2017	52,342	67,352	15,010	77.7	13,291	112.9
2018 *	54,189	69,364	15,175	78.1	12,761	118.9
2019 *	57,082	72,015	14,933	79.3	13,057	114.4
2020 *	59,926	73,088	13,162	82.0	13,674	96.3
2021	64,365	75,743	11,378	85.0	13,857	82.1
2022	**65,166**	**77,089**	11,922	**84.5**	**14,222**	**83.8**

Dollar amounts are in thousands.

** After changes in benefits and/or actuarial assumptions and/or actuarial cost methods.*
 # The actuarial value of assets is four year smoothed market value.

Analysis of the dollar amounts of actuarial value of assets, actuarial accrued liability, or unfunded actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the System's funded status on a going-concern basis. Analysis of this percentage over time indicates whether the System is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan. The unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of covered payroll approximately adjusts for the effects of inflation and aids analysis of the progress being made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the plan.

Section E

Summary of Valuation Results in State Format

Summary of Valuation Results in State Format
($ Amounts in Thousands)

		October 1, 2022	October 1, 2021
(a) Participant Data			
(i) Active members	- number	243	240
	- annual payroll	$14,222	$ 13,857
(ii) Retired members & beneficiaries (excl. disability)			
	- number	183	185
	- annualized benefit payroll	$ 4,458	$ 4,451
(iii) Disabled members & beneficiaries			
	- number	7	7
	- annualized benefit payroll	$ 150	$ 150
(iv) Terminated vested members			
	- number	13	11
	- annualized deferred benefit payroll	$ 212	$ 173
(b) Assets			
(i) Actuarial value for funding		65,166	64,365
(ii) Market value		57,101	69,891
(c) Actuarial Liability			
(i) Actuarial present value of active member benefits:			
service retirement		34,872	33,852
termination benefits - pension		2,553	2,431
disability retirement		781	746
survivor benefits (pre-retirement)		1,059	1,012
termination benefits - refunds		719	725
Total		39,984	38,766
(ii) Actuarial present value of terminated vested member benefits		2,112	1,163
(iii) Actuarial present value of retired member benefits:			
total service retirement & survivors		44,659	45,040
disability retirement & survivors		1,406	1,430
Total		46,066	46,469
(iv) Total actuarial present value of future benefit payments		88,162	86,398
(v) Payables		0	0
(vi) Actuarial accrued liability		77,089	75,743
(vii) Unfunded actuarial accrued liability[1]		$ 11,922	$ 11,378

[1] *Please refer to page A-12 for requested detail.*

Summary of Valuation Results in State Format
($ Amounts in Thousands)

		October 1, 2022	October 1, 2021
(d)	Actuarial Present Value of Accrued Benefits (calculated in accordance with FASB Statement No. 35)		
	(i) Vested accrued benefits		
	Retired members and beneficiaries	$46,066	$ 46,469
	Terminated members	2,112	1,163
	Active members (includes non-forfeitable accum. member contributions of $11,417 for 2022 and $10,905 for 2021)	21,565	21,096
	Total	$69,743	$ 68,728
	(ii) Non-vested accrued benefits	3,386	2,977
	(iii) Total actuarial p.v. of accrued benefits	73,129	71,705
	(iv) Actuarial p.v. of accrued benefits at begin. of year	71,705	69,618
	(v) Changes attributable to:		
	Amendments	0	0
	Assumption change	0	0
	Operation of decrements	6,696	7,611
	Benefit payments	(5,272)	(5,524)
	Other	none	none
	(vi) Net change	1,424	2,087
	(vii) Actuarial p.v. of accr. benefits at end of year	$73,129	$ 71,705
(e)	Plan costs for fiscal year beginning October 1, 2023 and October 1, 2022 (EANC)		
	(i) Normal costs		
	Service pensions	7.82%	7.85%
	Disability pensions	0.36%	0.36%
	Survivor pensions (pre-retirement)	0.38%	0.38%
	Deferred service pensions	1.25%	1.25%
	Refunds of member contributions	1.43%	1.42%
	Total normal cost	11.24%	11.26%
	(ii) Payment to amortize unf'd. act. accr. liab.	11.52%	11.77%
	(iii) FS112.64(5) Compliance	0.30%	0.56%
	(iv) Administrative expenses	0.71%	0.75%
	(v) Amount to be paid by members	7.95%	7.95%
	(vi) Expected plan sponsor	15.82%	16.39%
	- dollars	$ 2,335	$ 2,357

Summary of Valuation Results in State Format
($ Amounts in Thousands)

			October 1, 2022	October 1, 2021
(f)	Past Contributions (fiscal year ending 9/30/2022 & 2021)			
	(i) Required minimum:			
		Plan sponsor	$ 2,405	$ 2,443
		Members	1,128	1,077
		Total	3,533	3,520
	(ii) Actual:			
		Plan sponsor	2,405	2,444
		Members	1,173	1,147
		Total	3,578	3,591
(g)	Net Experience Gain (Loss)		(1,587)	842
(h)	Other Disclosures			
	(i) Present value of active member future salaries			
		from attained age	$101,098	$97,033
		from entry age	not applicable to individual EANC method	
	(ii) Present value of active member future contribs.			
		from attained age	$ 8,037	$ 7,714
		from entry age	not applicable to individual EANC method	

Reconciliation of Membership
for the Plan Year Ended September 30, 2022

	Active Members	Vested Terminated Members	Service Retired	Disability Retired	All Beneficiaries
No. at Start of Year	**240**	**11**	**162 ***	**7**	**30 ***
Increase (Decrease) From					
Service Retirement	(6)	(1)	7		
Disability Retirement					
Deaths	(1)		(7)		(3)
Other Pension Terminations					
Vested Terminations	(3)	3			
Non-Vested Terminations	(23)				
Transfer to another division					
New Entrants/Rehires	36				
No. at End of Year	**243**	**13**	**162 ***	**7**	**27 ***

**Includes two members at the beginning of year and one member at the end of year who retired in FY 2021 and were already receiving a survivor pension from their late spouse.*

800.521.0498 | P: 248.799.9000 | www.grsconsulting.com

April 20, 2023

Mr. Duston Scott
Payroll/Benefits Administrator
City of Jacksonville Beach
11 North Third Street
Jacksonville Beach, FL 32250

Dear Duston:

Enclosed are 15 copies of the report of the Seventy-Second Annual Actuarial Valuation of the City of Jacksonville Beach General Employees' Retirement System. As directed, copies have been sent directly to:

> Attention: Mr. Ryan Tucker
> Purvis, Gray and Company
> 222 N.E. 1st Street
> Gainesville, FL 32602
>
> Attention: Mr. Douglas E. Beckendorf, Actuary
> Division of Retirement
> Bureau of Local Retirement Systems
> P.O. Box 9000
> Tallahassee, FL 32315-9000

Sincerely,
Gabriel, Roeder, Smith & Company

Brad Lee Armstrong

Brad Lee Armstrong, ASA, EA, FCA, MAAA

BLA:sc
Enclosures

Purvis, Gray and Company
Attention: Mr. Ryan Tucker
P.O. Box 23999
222 N. E. 1st Street
Gainesville, FL 32602
Fax (941-365-0238)

City of Jacksonville Beach Police Officers' Retirement System

Seventy-Second Annual Actuarial Valuation Report

October 1, 2022

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Report of October 1, 2022 Actuarial Valuation

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April 15, 2023

Board of Trustees
City of Jacksonville Beach
Police Officers' Retirement System
Jacksonville Beach, Florida

The results of the October 1, 2022 Annual Actuarial Valuation of the City of Jacksonville Beach Police Officers' Retirement System are presented in this report. The purpose of the annual valuation is to measure the System's funding progress and to determine the City's contribution rate for the fiscal year beginning October 1, 2023 in accordance with established funding policies. The results of the valuation may not be applicable for other purposes. Disclosures under the Governmental Accounting Standards Board (GASB) Statements No. 67 and No. 68 were issued in a separate report.

This report should not be relied on for any purposes other than those described above. It was prepared at the request of the Board and is intended for use by the Retirement System and those designated or approved by the Board. This report may be provided to parties other than the System only in its entirety and only with the permission of the Board. GRS is not responsible for unauthorized use of this report.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. We did not perform an analysis of the potential range of such future measurements under the scope of this assignment.

Valuation results, comments, recommendation and our certification are contained in Section A.

The valuation was based upon information, compiled during the fiscal year ending September 30, 2022, furnished by the City, concerning pension fund benefits, financial transactions, individual members, terminated members, retired members and beneficiaries. Data was checked for reasonableness and missing information, but was not audited. GRS is not responsible for the accuracy or completeness of the data provided to us. This information is summarized in Section B.

A description of the actuarial valuation process, actuarial assumptions and definitions of technical terms are contained in Section C. Additional disclosure information is contained in Section D and a summary of valuation results in the State format is contained in Section E.

One Towne Square | Suite 800 | Southfield, Michigan 48076-3723

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. We certify that the information contained in this report is accurate and fairly presents the actuarial position of the City of Jacksonville Beach Police Officers' Retirement System as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board. It is our opinion that the actuarial assumptions used for the valuation produce results which are reasonable.

This report was prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

This report does not fully reflect the recent and still developing impact of COVID-19, which is likely to influence demographic experience and economic expectations, at least in the short term. We will continue to monitor these developments and their impact.

Brad Lee Armstrong and Jeffrey T. Tebeau are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

The signing actuaries are independent of the plan sponsor.

Respectfully submitted,
Gabriel, Roeder, Smith & Company

Brad Lee Armstrong, ASA, EA, FCA, MAAA

Jeffrey T. Tebeau, FSA, EA, FCA, MAAA

BLA/JTT:rmn

C2221

SECTION A

VALUATION RESULTS, COMMENTS, CONCLUSION, RECOMMENDATIONS (IF ANY) AND STATEMENT BY ENROLLED ACTUARY

Funding Objective

The funding objective of the Retirement System is to establish and receive contributions, expressed as percents of active member payroll, which will achieve progress towards 100% funding status and will remain approximately level from year-to-year and will not have to be increased for future generations of citizens in the absence of benefit improvements. This objective is stated in the Ordinance and meets the requirements of Part VII, Chapter 112, Florida Statutes.

Contribution Rates

The Retirement System is supported by member contributions, casualty insurance premium tax monies received from the State pursuant to Chapter 185 Florida Statutes, City contributions, and investment income from Retirement System assets.

Contributions which satisfy the funding objective are determined by the actuarial valuation and are sufficient to:

(1) Cover the actuarial costs allocated to the current year (the normal cost) by the actuarial cost methods described in Section C; and

(2) Finance over a period of future years the actuarial costs not covered by present assets and anticipated future normal costs (unfunded actuarial accrued liability).

Contribution requirements for the plan and fiscal year beginning October 1, 2023 are shown on page A-2.

Contributions to Finance Benefits of the Retirement System for the Plan Year Beginning October 1, 2023 to be Contributed during the Fiscal Year Beginning October 1, 2023

Contributions for	Contributions Expressed as Percents of Active Member Payroll
Normal Cost	
Service pensions	9.14 %
Disability pensions	1.07
Survivor pensions	
Pre-retirement	0.36
Termination benefits	
Deferred service pensions	2.56
Refunds of member contributions	1.25
Total Normal Cost	14.38
Unfunded Actuarial Accrued Liability [(1)]	
Retired members and beneficiaries	0.00
Active and vested terminated members	8.91
Total unfunded actuarial accrued liability	8.91
Administrative Expenses	1.59
Total Calculated Contribution Requirement	24.88
Adjustments to Calculated Contribution Requirement	
Temporary full funding credit	0.00
FS 112.64(5) compliance	0.00
Total adjustments	0.00
Total Adjusted Contribution Requirement	24.88 %
Member portion	7.95 %
Estimated Chapter 185 portion and Additional premium tax revenue	4.55 %
City portion	12.38 %

(1) *Unfunded actuarial accrued liability was financed as level percents of member payroll. Please refer to page A-13 for a schedule of financing periods.*

FS 112.64 requires that City contributions be deposited not less frequently than quarterly. FS 185.11 requires that Chapter 185 monies be deposited within 5 days of receipt from the state. Member contributions, which are in addition to the City/Chapter contributions, must be deposited immediately after each pay period.

Procedures for determining dollar contributions are shown on page A-3.

Comparative contribution amounts for prior fiscal years are shown on page A-15.

Chapter Revenue

Actuarial Confirmation of the Use of State Chapter Money	
1. Base Amount Previous Plan Year	$ 303,569
2. Amount Received for Previous Plan Year	243,584
3. Benefit Improvements	0
4. Excess Funds for Previous Plan Year	(59,985)
5. Accumulated Excess at Beginning of Previous Year	52,546
6. Prior Excess Used in Previous Plan Year	52,546
7. Accumulated Excess as of Valuation Date (4) + (5) - (6)	0
8. Base Amount This Plan Year	$ 243,584

The Accumulated Excess shown in line 7 is being held in reserve and is included in System liabilities. The base amount in line 8 is available to the City of Jacksonville Beach as a credit against the total employer contribution requirement.

Under the Collective Bargaining Agreement between the City of Jacksonville Beach and FOP Lodge 17, the City of Jacksonville Beach may use all amounts received during the fiscal year ending 9/30/2022 (shown in line 8) and all of the Accumulated Excess as of Valuation Date (shown in line 7) to offset funding requirements. Refer to CBA Effective 10/1/2017 Sections 29.11 and 29.12.

Determining Dollar Contributions for the Fiscal Year Beginning October 1, 2023

For any period of time, the percent-of-payroll contribution rate needs to be converted to dollar amounts. We recommend the following procedure.

Contribute the City/Chapter amount indicated in the following schedule. Included in these amounts is the projected increase in salary level between the valuation date and the fiscal year in which the contribution is made. The projection factor of 1.037733 [$(1.025)^{1.5}$] is consistent with that used to calculate the actuarial liability. The member contribution amounts should not be used to reconcile actual member contributions.

Total Contribution Requirement	$1,331,609	
Less Member Contributions	425,494	
Less Accumulated Prepaid Contributions &	0	
Total Employer Contribution Requirement	906,115	
Less Estimated Chapter 185 Contrib. and Funding		
from Additional Premium Tax Revenue	243,584	
Base City Contribution	**$ 662,531**	*

& *To be used by the City of Jacksonville Beach against their contribution requirement.*

* *Chapter 185 Florida Statutes. The base City contribution amount may need to be increased if the amount received under the provisions of Chapter 185, Florida Statutes, and the Prepaid Employer Reserve are not sufficient to meet the total employer contribution requirement.*

The above City/Chapter contribution amounts are estimated to be contributed, on average, halfway through the fiscal year. If contributions are made on a later schedule, interest should be added at the rate of .60% (.0060) for each month of delay.

Funding Progress Achievement Indicators

There is no single all-encompassing measure of a retirement system's funding progress and current funded status.

A traditional measure has been the relationship of valuation assets to unfunded actuarial accrued liability - a measure that is influenced by the choice of actuarial cost method. This relationship is shown on page A-14.

We believe a better understanding of funding progress and status can be achieved using the following indicators.

Indicator (1) ***The actuarial present value of gains or losses realized in the operation of the retirement system.*** Gains and losses are expected to cancel each other over an economic cycle but sizable year-to-year fluctuations are common. An experience gain can result from assets increasing in value by more than anticipated, or by the system's obligation increasing by less than anticipated, or by other favorable combinations or deviation from expected asset and liability changes. Further details on the derivation of the gain (loss) are shown on page A-12.

Indicator (2) ***The ratio of valuation assets to the actuarial present value of credited projected benefits*** allocated in the proportion credited service is to projected total service. The ratio is expected to increase over time, but the basic trend may be interrupted by benefit improvements. This ratio is the most appropriate of the three described here for assessing the need for future contributions needed to fund the normal cost.

Indicator (3) ***The ratio of the unfunded actuarial present value of credited projected benefits to member payroll.*** The unfunded actuarial present value of credited projected benefits is controlled by the funding program. The ratio to payroll is a relative index of condition where inflation is present in both components. The ratio is expected to decrease over time, but the basic trend may be interrupted by benefit improvements.

Funding Progress Indicators* - Historical Development
($ Amounts in Thousands)

Valuation Date	Indicator (1) Gain/(Loss) Amount	Indicator (1) Gain/(Loss) % of AAL	Indicator (2) Funding Value of Assets	Indicator (2) APVCPB^	Indicator (2) Funded Ratio	Indicator (3) Unfunded APVCPB^	Indicator (3) Member Payroll	Indicator (3) Ratio to Payroll
10/1/1995 (a) #	$ 1,315	4.5 %	$ 30,791	$ 28,889	106.6 %	$ (1,902)	$ 10,601	(17.90) %
10/1/2000 (aa)	545	4.9	13,280	11,234	118.2	(2,047)	2,419	(84.60)
10/1/2005	(965)	(6.7)	13,021	14,466	90.0	1,445	3,231	44.72
10/1/2006	306	1.9	13,707	14,988	91.5	1,281	3,181	40.28
10/1/2007	220	1.3	14,694	15,751	93.3	1,057	3,572	29.59
10/1/2008 (a)	(998)	(5.1)	15,104	17,470	86.5	2,366	3,931	60.19
10/1/2009	(220)	(1.1)	15,342	18,047	85.0	2,705	3,873	69.84
10/1/2010	(103)	(0.5)	15,646	18,602	84.1	2,956	3,896	75.87
10/1/2011	(1,043)	(4.8)	15,458	19,479	79.4	4,021	3,786	106.21
10/1/2012	517	2.4	16,365	19,925	82.1	3,560	3,743	95.10
10/1/2013	597	2.7	17,469	20,657	84.6	3,188	3,559	89.56
10/1/2014 (a)	816	3.6	18,367	20,779	88.4	2,412	3,946	61.13
10/1/2015 (a)	557	2.7	19,489	22,018	88.5	2,529	4,006	63.13
10/1/2016 (a)	361	1.6	20,651	23,397	88.3	2,746	4,254	64.55
10/1/2017 (a)	(211)	(0.9)	21,889	24,750	88.4	2,861	4,431	64.57
10/1/2018 (a)	339	1.4	23,213	26,047	89.1	2,834	4,451	63.67
10/1/2019 (a)	(92)	(0.4)	24,523	27,732	88.4	3,209	4,756	67.48
10/1/2020 (a)	854	3.1	26,598	28,245	94.2	1,647	5,093	32.34
10/1/2021	878	3.2	29,586	29,968	98.7	382	5,178	7.38
10/1/2022	**(727)**	**(2.6)**	**30,087**	**30,982**	**97.1**	**895**	**5,158**	**17.35**

(a) After changes in benefit provisions and/or actuarial assumptions and actuarial cost methods.
(aa) After minimum benefit changes.
 # Prior to 1999 valuation, results include General, Police and Fire.
^ Actuarial Accrued Liability starting in 2014.
** None of these funding progress indicators are appropriate for assessing the sufficiency of plan assets to cover the estimated cost of setting the Plan's benefit obligations.*

Comments and Conclusion

Comment A: For the fiscal year ended September 30, 2022, the Police System had a $727,417 experience loss. The loss was attributable to worse than expected investment experience offset partially by retiree mortality experience. The 10-year average payroll growth rate was 4.0% (higher than the current wage inflation assumption of 2.5%). Therefore, there was no increase in the City's contribution rate due to Florida Statute 112.64(5). Additional experience information is reported on pages B-6, B-12, C-4, C-5 and C-6. The funded ratio decreased from 98.7% to 97.1% from 2021 to 2022 on a funding value of assets basis and decreased from 106.0% to 84.8% on a market value of assets basis.

Comment B: The payroll growth assumption is 2.5%, the same as the wage inflation assumption. Actual payroll declined by 0.4% last year. This increased the contribution rate approximately 0.27% to generate the appropriate dollar amortization payments necessary to fund the existing unfunded actuarial accrued liability.

Looking Forward: Due to the Board's use of a four-year smoothed market asset valuation method, greater-than-expected market returns during 2020 and 2021 and lower-than-expected market returns during 2022 have only been partially recognized in developing the funding value of assets as of September 30, 2022. The Funding Value of Assets currently exceeds the Market Value of Assets by $3,798,863. If gains from investment returns above the 7.50% assumed or gains from other sources do not emerge, this will create an upward pressure on contribution requirements and a deceleration of funding progress in subsequent valuation years. An additional risk factor to the level of the contribution rate is the 10-year average payroll growth, which was 3.3% for the 10 years ending September 30, 2022. If the average payroll growth is lower than the wage inflation assumption of 2.5%, this will increase the City's contribution requirement pursuant to compliance with Florida Statute 112.64(5).

Risks to Future Employer Contribution Requirements: There are ongoing risks to future employer contribution requirements to which the Retirement System is exposed, such as:

- Actual and Assumed Investment Rate of Return;
- Actual and Assumed Mortality Rates;
- Amortization Policy;
- F.S. 112.64(5) Compliance Regarding Payroll Growth; and
- F.S. 112.63(1)(f) Updated FRS Mortality Assumptions.

Conclusion: It is the actuary's opinion that the required contribution rates determined by the most recent actuarial valuation are sufficient to meet the Retirement System's funding objective, presuming continued timely receipt of required contributions.

Other Observations

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Contributions and Funded Status

Given the System's contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the Retirement System earning 7.50% on the Market Value of Assets), it is expected that:

1. The employer normal cost is sufficient to cover the cost of benefits accruing each year;
2. The Unfunded Actuarial Accrued Liabilities (UAAL) will continue to be amortized according to the schedule on page A-13, but may not be completely paid off in the definite future; and
3. The funded status of the Retirement System will continue to increase gradually towards a 100% funded ratio.

The computed contribution shown on page A-2 may be considered as a minimum contribution rate that complies with the Board's funding policy. The timely receipt of the actuarially determined contributions is critical to support the financial health of the plan. Users of this report should be aware that contributions made at the actuarially determined rate do not necessarily guarantee benefit security.

Limitations of Funded Status Measurements

Unless otherwise indicated, a funded status measurement presented in this report is based upon the Actuarial Accrued Liability (AAL) and the Funding Value of Assets (FVA). Unless otherwise indicated, with regard to any funded status measurements presented in this report:

1. The measurement is inappropriate for assessing the sufficiency of Retirement System assets to cover the estimated cost of settling the Retirement System's benefit obligations; for example, transferring the liability to an unrelated third party in a market value type transaction.
2. The measurement is dependent upon the Actuarial Cost Method which, in combination with the Retirement System's amortization policy, affects the timing and amounts of future contributions. The amounts of future contributions will most certainly differ from those assumed in this report due to future actual experience differing from assumed experience based upon the actuarial assumptions. A funded status measurement in this report of 100% is not synonymous with no required future contributions. Even though the funded status is over 100%, the Retirement System would still require future normal cost contributions (i.e., contributions to cover the cost of active membership accruing an additional year of service credit).
3. The measurement would produce a different result if the Market Value of Assets (MVA) were used instead of the FVA, unless the MVA is used in the measurement.

Limitations of Project Scope

Actuarial standards do not require the actuary to evaluate the ability of the plan sponsor or other contributing entities to make required contributions to the plan when due. Such an evaluation was not within the scope of this project and is not within the actuary's domain of expertise. Consequently, the actuary performed no such evaluation.

Risk Measures - Risks Associated with Measuring the Accrued Liability and Actuarially Determined Contribution

The determination of the accrued liability and the actuarially determined contribution requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in the accrued liability and the actuarially determined contribution that result from the differences between actual experience and the actuarial assumptions.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions due to changing conditions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period, or additional cost or contribution requirements based on the System's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Examples of risk that may reasonably be anticipated to significantly affect the plan's future financial condition include:

1. **Investment Risk** – actual investment returns may differ from the expected returns;
2. **Asset/Liability Mismatch** – changes in asset values may not match changes in liabilities, thereby altering the gap between the accrued liability and assets and consequently altering the funded status and contribution requirements;
3. **Contribution Risk** – actual contributions may differ from expected future contributions. For example, actual contributions may not be made in accordance with the plan's funding policy or material changes may occur in the anticipated number of covered employees, covered payroll, or other relevant contribution base. The continuing ability of the plan sponsor to make the contributions necessary to fund the plan is outside our scope of expertise and was not performed by GRS;
4. **Salary and Payroll Risk** – actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and contributions differing from expected;
5. **Longevity Risk** – members may live longer or shorter than expected and receive pensions for a period of time other than assumed; and
6. **Other Demographic Risks** – members may terminate, retire or become disabled at times or with benefits other than assumed resulting in actual future accrued liability and contributions differing from expected.

The effects of certain trends in experience can generally be anticipated. For example, if the investment return since the most recent actuarial valuation is less (or more) than the assumed rate, the cost of the plan can be expected to increase (or decrease). Likewise, if longevity is improving (or worsening), increases (or decreases) in cost can be anticipated.

Risk Measures
($ Amounts in Thousands)

Actuarial Valuation Date (9/30)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Payroll	(5) Funded Ratio (1) / (2)	(6) Retiree Liabilities (RetLiab)	(7) RetLiab / AAL (6)/(2)	(8) AAL / Payroll (2) / (4)	(9) Assets / Payroll (1) / (4)	(10) UAAL / Payroll (3) / (4)	(11) Non-Invest. Cash Flow (NICF)	(12) NICF / Assets (11)/(1)	(13) Market Rate of Return	(14) 5-Year Trailing Average
2014 *	$ 18,367	$20,779	$ 2,412	$3,946	88.4%	$ 11,633	56.0%	526.6%	465.5%	61.1%	$ (713)	(3.9)%	10.2%	N/A
2015 *	19,489	22,018	2,529	4,006	88.5%	11,739	53.3%	549.6%	486.5%	63.1%	(506)	(2.6)%	(0.3)%	N/A
2016 *	20,651	23,397	2,746	4,254	88.3%	11,256	48.1%	550.0%	485.4%	64.6%	(278)	(1.3)%	8.1%	N/A
2017 *	21,889	24,750	2,861	4,431	88.4%	11,055	44.7%	558.6%	494.0%	64.6%	(292)	(1.3)%	11.9%	N/A
2018 *	23,213	26,047	2,834	4,451	89.1%	10,876	41.8%	585.1%	521.5%	63.7%	(261)	(1.1)%	9.1%	7.7%
2019 *	24,523	27,732	3,209	4,756	88.4%	12,486	45.0%	583.1%	515.6%	67.5%	(594)	(2.4)%	5.6%	6.8%
2020 *	26,598	28,245	1,647	5,093	94.2%	11,508	40.7%	554.6%	522.2%	32.3%	(64)	(0.2)%	9.9%	8.9%
2021	29,586	29,968	382	5,178	98.7%	12,768	42.6%	578.8%	571.4%	7.4%	151	0.5%	18.5%	10.9%
2022	30,087	30,982	895	5,158	97.1%	13,995	45.2%	600.7%	583.4%	17.4%	(652)	(2.2)%	(15.9)%	4.7%

** Revised actuarial assumptions.*

(5). The funded ratio is the most widely known measure of a plan's financial strength, but the trend in the funded ratio is much more important than the absolute ratio. The funded ratio should trend to 100%. As it approaches 100%, it is important to re-evaluate the level of investment risk in the portfolio and potentially to re-evaluate the assumed rate of return.

(6) and (7). The ratio of retiree liabilities to total accrued liabilities gives an indication of the maturity of the system. As the ratio increases, cash flow needs increase, and the liquidity needs of the portfolio change. A ratio on the order of 50% indicates a maturing system.

(8) and (9). The ratio of liabilities and assets to payroll gives an indication of both maturity and volatility. Many systems have ratios between 500% and 700%. Ratios significantly above that range may indicate difficulty in supporting the benefit level as a level % of payroll.

(10). The ratio of unfunded liability to payroll gives an indication of the plan sponsor's ability to actually pay off the unfunded liability. A ratio above approximately 300% or 400% may indicate difficulty in discharging the unfunded liability within a reasonable time frame.

(11) and (12). A positive net cash flow means contributions exceed benefits and expenses. A negative cash flow means benefits and expenses exceed contributions, and existing funds may be used to make payments. A certain amount of negative net cash flow is generally expected to occur when benefits are prefunded through a qualified trust. Large negative net cash flows as a percent of assets may indicate a super-mature plan or a need for additional contributions.

(13) and (14). Investment return is probably the largest single risk that most systems face. The year-by-year return and the five-year geometric average both give an indication of the reasonableness of the system's assumed return. Of course, past performance is not a guarantee of future results. Market rate shown is based on an actuarial estimation method and will differ modestly from figures reported by the investment consultant.

Statement by Enrolled Actuary

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."

Brad Lee Armstrong

04/15/2023
Date

Brad Lee Armstrong, ASA, EA, FCA, MAAA [23-5614]

Experience Gain (Loss)
Year Ended October 1, 2022

DERIVATION

(1)	UAAL at start of year	$ 382,649
(2)	Normal cost for year (ER normal cost & expenses from the prior corresponding valuation x current valuation pay)	419,306
(3)	Actual City/Chapter contribution made toward ER normal cost, expenses and UAAL	653,851
(4)	Interest accrual .075 x [(1) + 1/2 [(2)-(3)]]	19,903
(5)	Expected UAAL before changes	168,007
(6)	Effect of timing/accounting	0
(7)	Effect of assumption/cost method changes	0
(8)	Effect of benefit changes	0
(9)	Expected UAAL after changes	168,007
(10)	Actual UAAL at end of year	895,424
(11)	Gain (loss) (9) - (10)	$ (727,417)
(12)	% of AAL at start of year	**(2.4)%**

UAAL represents Unfunded Actuarial Accrued Liability.

Valuation Date September 30	**Actuarial Gain (Loss) as a % of Beginning Accrued Liabilities**
2013	2.7 %
2014	3.6
2015	2.7
2016	1.6
2017	(0.9)
2018	1.4
2019	0.0
2020	3.1
2021	3.1
2022	**(2.4)**

Sources and Financing of
Unfunded Actuarial Accrued Liability

Unfunded Act. Accrued Liability				Remaining Financing		Contribution		
Source of Unfunded	Initial		Current	Period	Amort.		% of	FS112.64(5)
Act. Accrued Liab.	Amount	Fin. Per.	Amount	9/30/2022	Factor	Dollar	Payroll	Compliance
Initial Unf'd. actuarial accrued liability								
			$ (97,330)	3 yrs.	2.795529	$ (34,816)	(0.68)%	0.00%
Changes from experience deviations								
9/30/2002	$ 1,136,957	25 yrs.	$ 822,646	5 Yrs.	4.449229	$ 184,896	3.58 %	0.00%
9/30/2003	586,136	25	473,284	6	5.218850	90,687	1.76 %	0.00%
9/30/2004	492,455	25	432,764	7	5.952674	72,701	1.41 %	0.00%
9/30/2005	964,532	25	905,540	8	6.652368	136,123	2.64 %	0.00%
9/30/2006	(306,132)	25	(298,468)	9	7.319519	(40,777)	(0.79) %	0.00%
9/30/2007	(220,348)	25	(223,641)	10	7.955639	(28,111)	(0.55) %	0.00%
9/30/2008	997,763	25	1,059,431	11	8.562173	123,734	2.40%	0.00%
9/30/2009	219,770	25	238,954	12	9.140496	26,142	0.51%	0.00%
9/30/2010	102,832	25	111,242	13	9.691920	11,478	0.22%	0.00%
9/30/2011	1,043,104	25	1,140,561	14	10.217697	111,626	2.16%	0.00%
9/30/2012	(516,717)	25	(553,475)	15	10.719020	(51,635)	(1.00) %	0.00%
9/30/2013	(597,024)	25	(643,965)	16	11.197025	(57,512)	(1.12) %	0.00%
9/30/2014	816,103	25	(844,543)	17	11.652798	(72,476)	(1.41) %	0.00%
9/30/2015	(556,507)	25	(562,357)	18	12.087373	(46,524)	(0.90) %	0.00%
9/30/2016	(360,779)	25	(359,974)	19	12.501734	(28,794)	(0.56) %	0.00%
9/30/2017	211,107	25	211,969	20	12.896824	16,436	0.32%	0.00%
9/30/2018	(338,603)	25	(328,376)	21	13.273537	(24,739)	(0.48) %	0.00%
9/30/2019	92,093	25	90,314	22	13.632729	6,625	0.13%	0.00%
9/30/2020	827,506	25	(833,563)	23	13.975214	(59,646)	(1.16) %	0.00%
9/30/2021	(878,466)	25	(901,053)	24	14.301770	(63,003)	(1.22) %	0.00%
9/30/2022	727,417	25	727,417	25	14.613138	49,778	0.97%	0.00%
Changes from actuarial assumption and actuarial cost method revisions.								
9/30/1995	$ 291,716	25 yrs.	$ 36,216	1 yrs.	0.97656	$ 37,085	0.72 %	0.00%
9/30/2002	(143,237)	25	(102,202)	5	4.449229	(22,971)	(0.45) %	0.00%
9/30/2015	714,017	25	731,679	18	12.087373	60,533	1.17%	0.00%
9/30/2016	667,012	25	674,895	19	12.501734	53,984	1.05%	0.00%
9/30/2017	31,486	25	31,614	20	12.896824	2,451	0.05%	0.00%
9/30/2018	429,749	25	432,504	21	13.273537	32,584	0.63%	0.00%
9/30/2019	455,586	25	448,298	22	13.632729	32,884	0.64%	0.00%
9/30/2020	(505,243)	25	(493,386)	23	13.975214	(35,304)	(0.68) %	0.00%
Changes from amendments to benefit provisions.								
9/30/1997	$ 197,204	25 yrs.	$ 37,054	1 yrs.	0.97656	$ 37,943	0.74 %	0.00%
9/30/2000	285,181	25	146,984	3	2.795529	52,578	1.02 %	0.00%
9/30/2004	116,892	25	102,724	7	5.952674	17,257	0.33 %	0.00%
9/30/2008	499,931	25	530,829	11	8.562173	61,997	1.20 %	0.00%
9/30/2014	(2,173,428)	25	(2,249,162)	17	11.652798	(193,015)	(3.74)%	0.00%
Totals			**$895,424**			**$460,199**	**8.91 %**	**0.00%**

Unfunded Actuarial Accrued Liability

	October 1, 2022	October 1, 2021
A. Actuarial present value of future benefits	**$36,232,113**	$35,133,218
B. Actuarial present value of future normal costs	**5,249,772**	5,164,976
C. Actuarial accrued liability	**30,982,341**	29,968,242
D. Funding value of assets	**30,086,917**	29,585,593
E. Unfunded actuarial accrued liability	**$ 895,424**	$ 382,649

Unfunded actuarial accrued liability is not a good measure of the System's funded status because the amount is dependent upon the actuarial cost method (please refer to page C-1). The funding progress indicators (2) and (3) on pages A-4 and A-5 are less dependent of the actuarial cost method and are a better guide to funded status and funding progress. The funded status and the funding progress indicators would be different if based on the market value of assets instead of the funding value of assets.

Recommended and Actual Contributions
Comparative Statement

Fiscal Year	Valuation Date	City/Chapter Dollar Contributions# Recommended	Actual		Recommended City/Chapter % of Payroll Contributions
96/97	10/1/1995 (a)	$ 612,267	$ 618,521		7.58 %
97/98	10/1/1996	563,577	563,577		7.48
98/99	10/1/1996 (a)	242,436	250,954		10.08
99/00	10/1/1998	190,095	228,463		8.12
00/01	10/1/1999	133,981	193,862		5.49
01/02	10/1/2000 (aa)	186,100	186,100		7.15
02/03	10/1/2001	158,486	184,912		6.46
03/04	10/1/2002 (a)	223,716	273,477		8.26
04/05	10/1/2003	335,787	403,589		10.38
05/06	10/1/2004 (a)	376,586	425,205		12.50
06/07	10/1/2005	443,557	532,674		12.85
07/08	10/1/2006	470,310	528,361		13.84
08/09	10/1/2007	503,281	550,995		13.19
09/10	10/1/2008 (a)	713,865	690,515		17.00
10/11	10/1/2009	777,408	777,408		18.79
11/12	10/1/2010	818,251	818,251		19.66
12/13	10/1/2011	930,958	930,958		23.02
13/14	10/1/2012 (a)	490,666	530,453		12.27
14/15	10/1/2013 (a)	511,049	542,504		13.44
15/16	10/1/2014 (a)	630,183	630,194		14.95
16/17	10/1/2015 (a)	678,304	678,304	*	16.08
17/18	10/1/2016 (a)	691,323	691,323	**	15.66
18/19	10/1/2017 (a)	770,582	770,841		16.76
19/20	10/1/2018 (a)	844,401	855,851		18.28
20/21	10/1/2019 (a)	917,954	917,957		18.60
21/22	10/1/2020 (a)	854,650	854,650	***	16.17
22/23	10/1/2021	794,716			14.79
23/24	**10/1/2022**	**906,115**			**16.93**

(a) After changes in benefit provisions and/or actuarial assumptions and/or actuarial cost methods.
(aa) After minimum benefit changes.
 # Prior to the fiscal year ending 9/30/99, results include General, Police and Fire.
** Includes City Contribution of $460,548, State Contribution of $197,425 pursuant to Chapter 185 F.S., and $20,331 from the prepaid employer reserve.*
*** Includes City Contribution of $479,669, State Contribution of $197,425 pursuant to Chapter 185 F.S., and $14,229 from the prepaid employer reserve.*
**** Includes City Contribution of $410,267, State Contribution of $243,584, and $200,799 from the prepaid employer reserve.*

Actuarial Balance Sheet - October 1, 2022

Present Resources and Expected Future Resources

A. Funding value of System assets:	
1. Net assets from System financial statements (market value)	$26,288,054
2. Funding value adjustment	3,798,863
3. Funding value of assets	30,086,917
B. Actuarial present value of expected future employer contributions:	
1. For normal costs	2,276,380
2. For unfunded actuarial accrued liability	895,424
3. Totals	3,171,804
C. Actuarial present value of expected future member contributions	2,973,392
D. Total present and expected future resources	$36,232,113

Actuarial Present Value of Expected Future Benefit Payments and Reserves

A. To retired members and beneficiaries	$ 13,995,049
B. To vested terminated members	971,869
C. To present active members:	
1. Allocated to service rendered prior to valuation date	16,015,423
2. Allocated to service likely to be rendered after valuation date	5,249,772
3. Totals	21,265,195
D. Total actuarial present value of expected future benefit payments	36,232,113
E. Prepaid Employer Reserve	0
F. Total actuarial present value of expected future benefit payments and reserves	$36,232,113

5-Year Projections of Future Funded Ratios and Future Employer Contributions

Valuation Date 10/1	Active Count	Payroll	Benefit Payments	Actuarial Accrued Liability	Actuarial Value of Assets	Funded Ratio
2022	65	$ 5,157,516	$ 1,440,080	$ 30,982,341	$ 30,086,917	97.1%
2023	65	5,225,834	1,617,089	32,408,955	30,824,272	95.1%
2024	65	5,320,652	1,794,999	33,763,052	31,437,772	93.1%
2025	65	5,452,899	1,922,438	35,098,136	31,285,514	89.1%
2026	65	5,552,152	2,066,552	36,396,037	32,952,127	90.5%
2027	65	5,646,448	2,295,274	37,562,007	34,614,003	92.2%

	Total Employer Contribution			
Fiscal Year	% of Payroll	Dollar Amount	Less Estimated Chapter 185	Estimated City's Contributions
2024	16.93%	$ 906,115	$ 243,584	$ 662,531
2025	18.11%	982,215	243,584	738,631
2026	19.46%	1,074,413	243,584	830,829
2027	21.88%	1,238,155	243,584	994,571
2028	22.08%	1,272,020	243,584	1,028,436
2029	22.17%	1,299,314	243,584	1,055,730

Chapter 185 monies are assumed to stay level in future years.
Uses 2.5% wage growth assumption.
We have reflected compliance with F.S. 112.64(5) to remain constant with year ended 9/30/2022.
We have not determined any additional possible impact due to F.S. 112.64(5).
Future experience was assumed to be consistent with the actuarial assumptions. If experience differs from the actuarial assumptions, future results could be significantly different from the projected results above.
Existing schedule of unrecognized investment gains and losses are reflected in this projection.

SECTION B

SUMMARY OF BENEFIT PROVISIONS AND VALUATION DATA SUBMITTED BY THE RETIREMENT SYSTEM

Summary of Benefit Provisions
(as of October 1, 2022)

Normal Retirement (no reduction factor for age):

Eligibility
Members Eligible for Normal Retirement or 10 years of service at June 23, 2014: 30 years of service regardless of age, or age 52 with 25 or more years of service, or age 55 with 5 or more years of service.

Members with less than 10 years of service at June 23, 2014: 30 years of service regardless of age, or age 52 with 25 or more years of service, or age 55 with 10 or more years of service.

Mandatory Retirement Age - None.

Pension Amount
Members Eligible for Normal Retirement at June 23, 2014: Final average compensation times the sum of a) 3.0% for each of the first 30 years of service, plus, b) 2.0% for each year of service in excess of 30 years. Maximum pension is 100% of final average compensation (FS 112.65).

Members Not Eligible for Normal Retirement at June 23, 2014: Total credited service times 3.0% of final average compensation. Maximum pension is 90% of final average compensation or $90,000, whichever is less. Accrued benefits at June 23, 2014 in excess of the maximum amount are retained.

The normal form of benefit is a benefit payable for the life of the retired member with the first 10 years guaranteed. Optional benefit forms are available on an actuarial equivalent basis. Assumptions used to calculate optional forms of payment are those in effect at the member's commencement date.

Final Average Compensation - Highest 5 years out of last 10. Compensation includes base pay plus longevity, incentive pay, and overtime. Overtime is limited to 300 hours per calendar year after June 23, 2014. Excludes all other compensation.

Early Retirement:

Eligibility - 20 years of service or age 50 with 10 years of service at June 23, 2014. Members that do not meet these conditions are not eligible for Early Retirement.

Pension Amount - Computed as regular retirement, but reduced to take into account earlier commencement of retirement income payments, as follows:

3.0% per year reduction for all years prior to Normal Retirement.

Summary of Benefit Provisions
(as of October 1, 2022)
(Continued)

Deferred Retirement (vested benefit):

Eligibility - 10 or more years of service for members with less than 5 years of service and new hires as of June 23, 2014. Benefit begins at the earlier of: age 55 with 10 years of service, age 52 with 25 years of service, and age 65 with 5 years of service. The commencement date also applies to members with less than 10 years of service at June 23, 2014.

Members with 10 or more years of service on June 23, 2014: 5 or more years of service. Benefit begins at regular retirement age of 55.

Pension Amount - Computed as a normal retirement but based upon service and final average compensation at time of termination.

Duty Disability Retirement:

Eligibility - No age or service requirements.

Pension Amount - Computed as a normal retirement to regular retirement age. Minimum benefit is not less than 50% of final average compensation. At regular retirement age, the participant has the option to have the benefit re-computed as a normal retirement with additional service credit granted from date of retirement to the later of normal retirement age or five years after date of disability. Minimum benefit is not less than 42% of final average compensation.

Non-Duty Disability Retirement:

Eligibility - 10 or more years of service.

Pension Amount - Computed as a normal retirement. Minimum benefit is not less than 25% of final average compensation.

Duty Death Before Retirement:

Eligibility - No age or service requirements.

Pension Amount - To spouse: 100% of the normal retirement benefit. Minimum benefit is not less than 35% of final average compensation.

Non-Duty Death Before Retirement:

Eligibility - 5 or more years of service for members with more than 5 years of service as of July 21, 2014. 10 or more years of service for members with less than 5 years of service and new hires as of July 21, 2014.

Pension Amount - To spouse: 100% of the normal retirement benefit.

Summary of Benefit Provisions
(as of October 1, 2022)
(Concluded)

Member Contributions: 7.95% of pay.

Premium Tax Monies: A distribution of casualty insurance premium tax monies collected by the State pursuant to Chapter 185, Florida Statutes.

City Contributions: Actuarially determined amounts which together with member contributions and premium tax monies are sufficient to at least cover the requirements of the funding objective.

Forfeiture of Retirement Benefits: Retirement benefits granted by the Retirement System are subject to forfeiture if an employee is convicted of an offense specified in Sections 112.3173 and 185.185, Florida Statutes, pursuant to the procedures set forth in the cited statute.

Prior Service Purchases: A former member with credited service who wishes to return to City employment may restore the forfeited credited service to receive credit for prior service within ninety (90) days after return to City employment.

Backwards Deferred Retirement Option Program (BackDROP):

> ***Eligibility*** – Same as normal retirement. Member must not be participating in the DROP on June 23, 2014 and must continue employment beyond the normal retirement date. The member may elect a BackDROP period for the number of months worked beyond their normal retirement date, up to a maximum of 36 months.
>
> ***Amount of Pension*** – Computed as if the member had chosen to terminate on a day chosen by the member but not before the member's normal retirement date, using credited service and final average salary at the BackDROP date. In addition to the pension, there will be a lump sum payment, equal to the pension benefits the member would have received had he/she retired on the BackDROP date with interest at the rate of 3.0% per year.

Claims Procedure: Claims for benefits should be filed with the Human Resources Department. If a claim is denied, you will be notified and informed of the procedure to request a hearing before the Board of Trustees. An applicant for benefits must appeal said denial within 20 days of being informed of the denial by filing an appeal with the Board Secretary. If no appeal is filed within the time period then the denial shall be final.

Accounting Information Submitted for Valuation

Revenues and Expenditures

	Year Ended September 30, 2022	Year Ended September 30, 2021
Revenues:		
a. Member contributions	$ 448,906	$ 493,053
b. City contributions	410,267	720,532
c. Premium taxes from State	243,584	303,569
d. Total contributions to System	**$1,102,757**	**$1,517,154**
e. Investment income:		
1. Interest and dividends	894,723	653,513
2. Realized gain on investments	(116,023)	1,531,204
3. Unrealized gain on investments	(5,770,871)	2,852,408
4. Investment expense	(50,609)	(53,459)
f. Total investment income	**($5,042,780)**	**$4,983,666**
g. Total revenues	**($3,940,023)**	**$6,500,820**
Expenditures:		
a. Refunds of member contributions	0	0
b. Benefits paid	1,672,918	1,282,380
c. Administrative expenses	81,970	83,994
d. Total expenditures	**$1,754,888**	**$1,366,374**
Reserve Increase:		
Total revenues minus total expenditures	**$(5,694,911)**	**$5,134,446**

Summary of Assets (Market Value)

	Year Ended September 30, 2022	Year Ended September 30, 2021
Cash and Short-term Investments	$ 1,433,996	$ 2,531,331
Due from Other Government Units	0	0
Receivables less payables	145,677	17,828
Real Estate	1,816,587	1,511,558
U.S. Government Securities	4,200,177	5,181,186
Bonds - government	none	none
- corporate	2,073,983	1,747,530
Stocks - common	none	none
- preferred	none	none
Other (equity mutual funds)	16,617,634	20,993,532
Total assets	**$26,288,054**	**$31,982,965**

Derivation of Funding Value of Retirement System Assets

	Values as of September 30					
	2020	2021	2022	2023	2024	2025
Beginning of Year Values						
(1) Market Value	$24,501,172	$26,848,519	$31,982,965			
(2) Funding Value	24,522,722	26,597,835	29,585,593			
End of Year						
(3) Market Value	26,848,519	31,982,965	26,288,054			
(4) Net Addition to Assets Excluding Investment Income#	(63,892)	$150,780	(652,131)			
(5) Total Net Investment Income# =(3)-(1)-(4)	2,411,239	4,983,666	(5,042,780)			
(6) Projected Net Rate of Return#	7.60%	7.50%	7.50%			
(7) Projected Investment Income =(6) x [(2)+0.5 x (4)]	$ 1,861,299	$ 2,000,492	$ 2,194,465			
(8) Investment Income in Excess of Projected	549,940	2,983,174	(7,237,245)			
Excess Investment Income Recognized						
(9a) From Current Year = .25 x (8)	137,485	745,794	(1,809,311)			
(9b) From One Year Prior	(114,980)	137,485	745,794	$ (1,809,311)		
(9c) From Two Years Prior	68,187	(114,980)	137,485	745,794	$ (1,809,311)	
(9d) From Three Years Prior	187,014	68,187	(114,978)	137,485	745,792	$ (1,809,312)
(9e) Total Cap. Val. Change Recogn. = (9a)+(9b)+(9c)+(9d)	277,706	836,486	(1,041,010)	(926,032)	(1,063,519)	(1,809,312)
(10) Increase(Decr.) in Funding Value = (4) + (7) + (9e)	2,075,113	2,987,758	501,324			
End of Year						
(11) Market Value	26,848,519	31,982,965	26,288,054			
(12) Funding Value = (2)+(10)	26,597,835	29,585,593	30,086,917			
(13) Market Value Rate of Return	9.9%	18.5%	(15.9)%			
(14) Funding Value Rate of Return	8.7%	10.6%	3.9%			
(15) Ratio of Market Value to Funding Value	100.9%	108.1%	87.4%			

 # Net of expenses paid from investment income.

Retired Member and Beneficiary Data
Historical Schedule

Year Ended	Added No.	Added Annual Pensions	Removed No.	Removed Annual Pensions	Net Increase No.	Net Increase Annual Pensions	End of Year No.	End of Year Annual Pensions	Expected Removals No.	Expected Removals Pensions
9/30/1975			3	$ 5,238	(3)	$ (5,238)	38	$ 96,998		
9/30/1980	4	$ 12,535	2	6,322	2	6,213	43	126,043		
9/30/1985	6	38,897	3	9,338	3	29,559	54	206,265	1.7	$ 4,085
9/30/1990	6	63,868	5	14,043	1	49,825	63	346,855	1.9	6,447
9/30/1995	8	184,693	6	24,617	2	160,076	85	1,015,250	2.3	14,657
9/30/1997	5	65,068	4	22,208	1	42,860	93	1,272,018	2.0	16,685
9/30/1998 #							18	468,055	2.0	16,685
9/30/1999	3	63,905	1	25,870	2	38,035	20	506,090	0.2	4,687
9/30/2000	2	100,698		3,890	2	96,808	22	602,898	0.3	5,328
9/30/2001	2	83,928			2	83,928	24	686,826	0.3	6,281
9/30/2002	3	75,810 *			3	75,810	27	761,435	0.3	7,492
9/30/2003	2	22,825	1	12,935	1	9,890	28	771,325	0.4	8,401
9/30/2004	2	45,760			2	45,760	30	817,085	0.5	9,148
9/30/2005	2	78,914	1	3,600	1	75,314	31	892,399	0.5	10,221
9/30/2006	2	54,624			2	54,624	33	947,023	0.5	11,512
9/30/2007	0	0	1	3,600	(1)	(3,600)	32	943,423	0.6	13,132
9/30/2008	2	69,969	1	34,909	1	35,060	33	978,483	0.6	14,333
9/30/2009	2	63,898		2,303 @	2	61,595	35	1,040,078	0.7	16,425
9/30/2010	1	3,895			1	3,895	36	1,043,973	0.7	18,502
9/30/2011	6	171,322	2	32,490	4	138,832	40	1,182,805	0.7	19,567
9/30/2012	2	69,773	2	72,887	0	(3,114)	40	1,179,691	0.9	22,884
9/30/2013	2	97,458			2	97,458	42	1,277,149	0.9	24,431
9/30/2014	0	0	1	13,274	(1)	(13,274)	41	1,263,875	1.0	27,155
9/30/2015	3	50,301	2	57,882	1	(7,581)	42	1,256,294	1.1	29,416
9/30/2016	0	0	3	74,648	(3)	(74,648)	39	1,181,646	1.2	31,283
9/30/2017	0	0	1	5,315	(1)	(5,315)	38	1,176,331	1.0	27,536
9/30/2018	0	42	1	36,872	(1)	(36,830)	37	1,139,501	0.9	29,091
9/30/2019	5	238,436	2	75,371	3	163,065	40	1,302,566	0.8	25,115
9/30/2020	1	24,786	2	84,621	(1)	(59,835)	39	1,242,731	0.9	28,109
9/30/2021	4	134,609	1	17,410	3	117,200	42	1,359,931	1.1	31,771
9/30/2022	**4**	**187,555**	**3**	**107,406**	**1**	**80,149**	**43**	**1,440,080**	**1.2**	**35,188**
Expected for **9/30/2023**									**1.2**	**37,192**

 # Prior to the 1998 valuation, results include General, Police and Fire.
** Includes changes in benefits due to the minimum benefit requirement.*
@ This amount is being paid from the General Employees' Retirement System.

Normal (Age and Service) Retirements

Valuation Year	No.	Average Attained Age	Retirement Age	Annual Pensions	Newly Retired During Year: No.	Averages: Ret. Age	Averages: Service	Averages: Annual Pensions
2013	31	65.3 yrs.	54.3 yrs.	$ 31,272	1	49.4 yrs.	20.3 yrs.	$ 47,578
2014	30	65.9	54.4	31,872	0	0.0	0.0	0
2015	29	66.0	54.2	31,698	1	50.8	19.9	20,971
2016	28	66.7	54.2	31,466	0	0.0	0.0	0
2017	28	66.7	54.2	31,466	0	0.0	0.0	0
2018	27	67.9	53.8	31,267	0	0.0	0.0	0
2019	28	67.9	54.1	33,188	2	55.0	27.1	73,878
2020	29	68.4	54.1	32,898	1	56.0	12.3	24,786
2021	30	68.7	54.5	28,144	2	54.8	16.0	35,908
2022	**31**	**67.5**	**54.9**	**32,524**	**3**	**57.2**	**21.7**	**60,685**

Retired Members and Beneficiaries

Historical Comparison

Valuation Date	% Incr. in Annual Pensions#	No. of Active Per Retired	Pension Payroll as % of Active Payroll	Average Pension#
10/1/1990	16.8 %			$ 5,506
10/1/1995	18.7	4.0	13.2 %	11,944
10/1/2000	19.1	2.5	24.9	27,404
10/1/2005	9.2	1.8	27.6	28,787
10/1/2006	6.1	1.7	29.8	28,698
10/1/2007	(0.4)	1.9	26.4	29,482
10/1/2008	3.7	1.8	24.9	29,651
10/1/2009	6.3	1.7	26.9	29,717
10/1/2010	0.4	1.6	26.8	28,999
10/1/2011	13.3	1.4	31.2	29,570
10/1/2012	(0.3)	1.4	31.5	29,492
10/1/2013	8.3	1.3	35.9	30,408
10/1/2014	(1.0)	1.5	32.0	30,826
10/1/2015	(0.6)	1.5	31.4	29,912
10/1/2016	(5.9)	1.6	27.8	30,299
10/1/2017	(0.4)	1.7	26.6	30,956
10/1/2018	(3.1)	1.6	25.6	30,797
10/1/2019	14.3	1.7	27.4	32,564
10/1/2020	(4.6)	1.7	24.4	31,865
10/1/2021	9.4	1.6	26.3	32,379
10/1/2022	**5.9**	**1.5**	**27.9**	**33,490**

 # Prior to the 1999 valuation, results include General, Police and Fire.

Retired Members and Beneficiaries as of October 1, 2022 by Type of Pension Being Paid*

New Plan Pensions

Type of Pension Being Paid	No.	Annual Pension	Average Pension	Actuarial Liability
Age and Service Pensions				
Regular	3	$ 151,597	$ 50,532	$ 1,458,237
Option I	8	259,210	32,401	2,216,306
Option II	9	207,877	23,097	2,460,769
Option III	10	506,386	50,639	4,868,561
Total Age and Service Pensions	30	1,125,070	37,502	11,003,873
Survivor Pensions				
Surviving Beneficiaries	6	122,252	20,375	1,081,083
Death-in-Service	1	45,384	45,384	610,400
Total Survivor Pensions	7	167,636	23,948	1,691,483
Disability Pensions				
Regular	1	29,466	29,466	260,379
Option I	2	40,673	20,337	289,956
Option II	1	35,060	35,060	389,901
Option III	1	36,760	36,760	306,795
Total Disability Pensions	5	141,959	28,392	1,247,031
Total New Plan Pensions	**42**	**$1,434,665**	**$34,159**	**$13,942,387**

* *Regular - benefit terminating upon death of retired member.*
Option I - 10-year certain.
Option II - 100% joint and survivor benefit.
Option III - 50%/66.7%/75% joint and survivor benefit.
Surviving Beneficiaries - benefit terminating upon death of beneficiary.

Retired Members and Beneficiaries as of October 1, 2022
by Type of Pension Being Paid*

Old Plan Pensions

Type of Pension Being Paid	No.	Annual Pension	Average Pension	Actuarial Liability
Age and Service Pensions				
Option II	1	$ 5,415	$ 5,415	$ 52,662
Total Age and Service Pensions	1	5,415	5,415	52,662
Disability Pensions				
Surviving Beneficiaries	0	0	0	0
Total Disability Pensions	0	0	0	0
Total Old Plan Pensions	**1**	**$ 5,415**	**$ 5,415**	**$ 52,662**
Total New and Old Plan **Pensions Being Paid**	**43**	**$1,440,080**	**$33,490**	**$13,995,049**

* *Regular - benefit terminating upon death of retired member.*
Option I - 10 year certain.
Option II - 100% joint and survivor benefit.
Option III - 50%/66.7%/75% joint and survivor benefit.
Surviving Beneficiaries - benefit terminating upon death of beneficiary.

Retired Member and Beneficiary Data as of October 1, 2022
by Attained Ages

Attained Ages	New Plan No.	New Plan Annual Benefits	Old Plan No.	Old Plan Annual Benefits	Totals No.	Totals Annual Benefits
Under 20						
20 - 24	1	$ 45,384			1	$ 45,384
52	1	51,293			1	51,293
54	3	196,304			3	196,304
57	2	51,300			2	51,300
58	4	130,422			4	130,422
60	2	49,989			2	49,989
62	2	97,663			2	97,663
63	2	44,342			2	44,342
64	1	34,909			1	34,909
66	1	19,368			1	19,368
67	2	60,879			2	60,879
68	2	65,693			2	65,693
70	1	28,534			1	28,534
71	1	23,168			1	23,168
73	4	110,555			4	110,555
74			1	$ 5,415	1	5,415
75	3	105,643			3	105,643
76	2	103,344			2	103,344
79	2	44,229			2	44,229
80	2	88,887			2	88,887
82	2	31,311			2	31,311
83	1	27,638			1	27,638
85	1	23,810			1	23,810
Totals	**42**	**$1,434,665**	**1**	**$5,415**	**43**	**$1,440,080**

Vested Terminated Members as of October 1, 2022
by Attained Ages

Attained Ages	No.	Annual Benefits
45	1	$ 24,002
50	2	74,764
52	1	25,339
Totals	**4**	**$124,105**

Active and Vested Terminated Members

Valuation Date	Active Members	Vested Terminated Members	Valuation Payroll	Average Age	Average Service	Average Pay
10/1/2013	56	3	$ 3,559,498	39.8 yrs.	8.8 yrs.	$ 63,562
10/1/2014	62	2	3,945,943	38.8	8.7	63,644
10/1/2015	63	3	4,006,158	39.1	8.9	63,590
10/1/2016	62	4	4,254,054	40.9	9.8	68,614
10/1/2017	64	3	4,430,567	41.1	10.3	69,228
10/1/2018	61	4	4,451,301	42.1	11.4	72,972
10/1/2019	66	4	4,755,784	41.2	10.0	72,057
10/1/2020	67	4	5,093,224	41.9	10.6	76,018
10/1/2021	66	4	5,177,955	42.0	11.0	78,454
10/1/2022	**65**	**4**	**5,157,516**	**41.9**	**11.1**	**79,346**

Number Added to and Removed from Active Membership

Year Ended September 30	Number Added During Year		Terminations During Year										Active Members End of Year
			Normal Retirement		Disability Retirement		Died-in-Service		Withdrawal				
									Vested	Other	Total		
	A	E	A	E	A	E	A	E	A	A	A	E	
2013	6	7	2	0.2	0	0.1	0	0.0	1	4	5	2.9	56
2014	10	4	0	0.2	0	0.1	0	0.0	0	4	4	2.9	62
2015	9	8	1	0.5	0	0.1	0	0.0	1	6	7	3.4	63
2016	5	6	0	0.9	0	0.1	0	0.0	1	5	6	3.4	62
2017	8	6	0	0.6	0	0.2	0	0.1	0	6	6	4.3	64
2018	4	7	0	0.6	0	0.2	0	0.1	1	6	7	4.3	61
2019	9	4	2	1.8	0	0.2	1	0.1	1	0	1	3.7	66
2020	6	5	1	1.9	0	0.2	0	0.1	0	4	4	4.5	67
2021	3	4	2	2.1	0	0.2	1	0.1	0	1	1	4.5	66
2022	**5**	**6**	**3**	**3.4**	**0**	**0.2**	**0**	**0.1**	**0**	**3**	**3**	**4.2**	**65**
5-yr. Totals 2018 - 2022	27	26	8	9.8	0	0.9	2	0.5	2	14	16	21.1	
Expected for 2023				3.3		0.1		0.1				4.0	

A: Represents actual number.
E: Represents expected number.

Active Members as of October 1, 2022
by Near Age and Years of Service

Near Age	Years of Service to Valuation Date 0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	Totals No.	Valuation Payroll
20-24	1							1	$ 47,278
25-29	2							2	88,803
30-34	4	5	1					10	643,971
35-39	8	7	5					20	1,441,090
40-44	3	1	3	1				8	667,966
45-49			1	3	2			6	549,659
50-54		2		1	4	4		11	1,045,551
55-59	2			2	1	2		7	673,198
Totals	**20**	**15**	**10**	**7**	**7**	**6**		**65**	**$5,157,516**

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Age: 41.9 years

Service: 11.1 years

Annual Pay: $79,346

SECTION C

ACTUARIAL COST METHOD, ACTUARIAL ASSUMPTIONS, AND DEFINITIONS OF TECHNICAL TERMS

Actuarial Cost Method

The actuarial cost method is a procedure for allocating the actuarial present value of benefits and expenses to time periods. The method used for your valuation is known as the individual entry-age actuarial cost method, and has the following characteristics:

(i) The annual normal cost for each individual active member is sufficient to accumulate the value of the member's pension at time of retirement or BackDROP.

(ii) Each annual normal cost is a constant percentage of the member's year by year projected pensionable compensation.

The entry-age actuarial cost method allocates the actuarial present value of each member's projected benefits on a level basis over the member's pensionable compensation between the entry age of the member and the estimated active status exit ages. This is based on our understanding of the approach preferred by the Florida Division of Retirement.

The portion of the actuarial present value allocated to the valuation year is called the normal cost. The portion of the actuarial present value not provided for by the actuarial present value of future normal costs is called the actuarial accrued liability. Deducting accrued assets from the actuarial accrued liability determines the unfunded actuarial accrued liability. The unfunded actuarial accrued liability was financed as a level percent of member payroll. Please refer to page A-13 for a schedule of financing periods.

The characteristics of this method of financing the unfunded actuarial accrued liability are shown on page C-2.

Active member payroll was assumed to increase 2.5% a year for the purpose of determining the level percent contributions, except to the extent needed for FS 112.64(5) compliance. This assumption is consistent with the base rate of increase in salaries used to calculate actuarial present values.

Level Percent of Active Member Payroll Amortization of Unfunded Actuarial Accrued Liability* (Amortization Schedule $ Amounts in Thousands)

	Payroll		Unfunded		Contribution	
Year Ended September 30	Inflated Dollars	Constant Value	Inflated Dollars	Constant Value	Inflated Dollars	Constant Value
2022	$5,158	$5,158	$895	$895	$ 460	$ 460
2023	5,286	5,158	479	468	395	385
2024	5,419	5,158	101	96	405	385
2025	5,554	5,158	(316)	(294)	396	367
2026	5,693	5,158	(755)	(684)	406	367
2031	6,441	5,158	(2,009)	(1,608)	(88)	(71)
2036	7,287	5,158	(1,556)	(1,101)	(533)	(377)
2041	8,245	5,158	(356)	(222)	(67)	(42)
2045	9,101	5,158	59	33	(23)	(13)
2046	9,329	5,158	88	49	90	50
2047	9,562	5,158	0	0	0	0

*	$ 727,417	over 25 years	$	238,954	over 12 years
	(901,053)	over 24 years		1,590,260	over 11 years
	(1,326,949)	over 23 years		(223,641)	over 10 years
	538,612	over 22 years		(298,468)	over 9 years
	104,128	over 21 years		905,540	over 8 years
	243,583	over 20 years		535,488	over 7 years
	314,921	over 19 years		473,284	over 6 years
	169,322	over 18 years		720,444	over 5 years
	(3,093,705)	over 17 years		0	over 4 years
	(643,965)	over 16 years		49,654	over 3 years
	(553,475)	over 15 years		0	over 2 years
	1,140,561	over 14 years		73,270	over 1 year
	$111,242	over 13 years	**$**	**895,424**	**TOTAL**

Level percent-of-payroll financing of unfunded actuarial accrued liability treats each generation of taxpayers equally during the financing period. The alternative, level dollar financing, produces declining percent-of-payroll contributions and places a greater relative burden on current taxpayers.

The annual rate of increase in participant payroll used to compute the level percent-of-payroll contribution is the same rate of payroll growth used to compute actuarial liability and costs. It reflects across-the-board salary increases, not group size increases.

If future payroll growth is less than the assumed rate due to smaller than projected salary increases, the percent-of-payroll contribution rate for unfunded actuarial accrued liability will tend to decline.

If future payroll growth is less than the assumed rate due to decreases in the number of participants, the percent-of-payroll contribution rate for unfunded actuarial accrued liability will tend to increase but dollar contributions will be less than indicated in the preceding schedule.

Actuarial Assumptions Used for the Valuation

Funding objective contribution requirements and actuarial present values are calculated by applying estimates of future plan activities (actuarial assumptions) to the benefit provisions and people information of the System, using the actuarial cost method described on page C-1. All actuarial assumptions used in this report are estimates of future experience.

The principal areas of risk which require estimates of future plan activities are:

(i) Long-term rates of investment return to be generated by the assets of the System
(ii) Patterns of pay increases to active members
(iii) Rates of mortality among active members, retired members and beneficiaries
(iv) Rates of withdrawal of active members
(v) Rates of disability among active members
(vi) The age patterns of actual retirements

In making a valuation, the monetary effect of each activity is calculated for as long as a present covered person survives - - a period of time which can be as long as a century.

Actual activities of the system will not coincide exactly with estimated activities, due to their nature. Each valuation provides a complete recalculation of estimated future activities and takes into account the effect of differences between estimated and actual activity to date. The result is a continual series of adjustments (usually small) to the computed contribution rate. From time-to-time one or more of the assumptions are modified to reflect experience trends (but not random or temporary year-to-year fluctuations).

In accordance with Chapter 112, Florida Statutes, 112.661(9), the Board of Trustees adopts the assumed rate of return assumption used for actuarial valuation purposes. The actuarial assumptions are set by the Board. The rationale for certain actuarial assumptions is described in the October 1, 1995 through September 30, 2000 experience study report. The reasonableness of economic assumptions was based upon capital market expectations provided by various investment consultants (including the System's) and other sources such as the Social Security Trustees report. All actuarial assumptions are estimates of future experience.

The actuarial assumptions regarding the INVESTMENT RETURN, the INFLATION rate, the SALARY INCREASE rates, and REAL INVESTMENT RETURN were effective October 1, 2020. These actuarial assumptions are used, in combination with the other actuarial assumptions, to: (i) determine the present value of amounts expected to be paid in the future; and (ii) establish rates of contribution which are expected to remain relatively level as a percent of covered payroll.

The annual interest rate used in making this valuation was 7.50%. It is composed of inflation and real investment return.

PRICE INFLATION. 2.5% per annum, compounded annually. This is the rate at which growth in the supply of money and credit is estimated to exceed growth in the supply of goods and services. It may be thought of as the rate of depreciation of the purchasing power of the dollar. There are a number of indices for measuring the inflation rate. The recent inflation rate, as measured by the Consumer Price Index, has been:

	Year Ended September 30					Average	
	2022	**2021**	**2020**	**2019**	**2018**	**3-Year**	**5-Year**
Actual	**8.2%**	5.4%	1.4%	1.7%	2.3%	5.0%	3.8%
Assumed	**2.5%**	2.5%	2.5%	2.5%	2.5 %	2.5%	2.5%

REAL INVESTMENT RETURN. 5.0% per annum, compounded annually. This is the rate of return estimated to be produced by investing a pool of assets in an inflation-free environment. Recent real investment return for the Retirement System has been:

	Year Ended September 30					Average	
	2022	**2021**	**2020**	**2019**	**2018**	**3-Year**	**5-Year**
Net Rate	**3.9%**	10.6%	8.7%	8.3%	7.3%	7.7%	7.8%
Less Inflation Rate	**8.2%**	5.4%	1.4%	1.7%	2.3%	5.0%	3.8%
Net Real Rate	**(4.3)%**	5.2%	7.4%	6.6%	5.0%	2.7%	4.0%
Target Real Rate	**5.0%**	5.0%	5.1%	5.25%	5.4%	5.0%	5.1%

The total investment return rate was computed using the approximate formula i = I divided by 1/2 (A + B - I), where I is actual realized investment income plus market value adjustments, A is the beginning of year funding asset value and B is the end of year funding value of assets.

The preceding investment return rates reflect the particular characteristics of this Retirement System and should not be used to measure an investment advisor's performance or for comparison with other retirement systems. Such use will usually mislead.

SALARY INCREASES. Employee salaries are estimated to increase between the date of hire and date of retirement. Salary increases occur in recognition of (i) individual merit and seniority; (ii) inflation-related depreciation of the purchasing power of salaries; and (iii) competition from other employers for personnel.

A schedule of estimated rates of increases in individual salaries for sample ages follows:

	Annual Rates for Salary Increase for Sample Ages				
Attributable to:	**20**	**30**	**40**	**50**	**60**
Merit & Seniority	3.8 %	2.7 %	2.1 %	1.1 %	0.2 %
General Increase in Wage Level Due to:					
Price Inflation	2.5	2.5	2.5	2.5	2.5
Other Factors	0.0	0.0	0.0	0.0	0.0
Total	6.3 %	5.2 %	4.6 %	3.6 %	2.7 %

The valuation is based on a constant group size and total payroll increasing at the rate of the general increase in wage levels due to inflation and other causes, which in this case is 2.5% a year.

A schedule of recent salary change experience, as measured by average reported pay, follows:

	Year Ended September 30					Average		
	2022	**2021**	**2020**	**2019**	**2018**	**3-Year**	**5-Year**	**10-Year**
% Change:								
Actual [1]	4.5%	13.5%	7.0%	8.1%	4.5%	8.3%	7.5%	5.9%
Assumed	4.2%	4.2%	4.2%	4.3%	4.2%	4.2%	4.2%	4.9%
% Change in Total Payroll	(0.4)%	8.9%	7.1%	6.8%	0.5%	5.1%	4.5%	4.0%

[1] *Excluding terminations and new members.*

In order to achieve the funding objective of a contribution rate which remains level as a percent-of-payroll, the total rate of investment return must exceed the rate of average increase in salaries by an amount equal to the estimated real investment return rate. The schedule on the following page illustrates the recent history of the relationship between total investment return and average pay changes.

	Year Ended September 30					Average	
	2022	2021	2020	2019	2018	3-Year	5-Year
Net Investment Return Rate	3.9%	10.6%	8.7%	8.3%	7.3%	7.7%	7.8%
Rate of Change in Average Pay	4.5%	13.5%	7.0%	8.1%	4.5%	8.3%	7.5%
Difference: Actual	(0.6)%	(2.9)%	1.8%	0.2%	2.8%	(0.5)%	0.3%
Target	5.0%	5.0%	5.1%	5.3%	5.4%	5.0%	5.1%

MORTALITY TABLE. The mortality tables used to measure retired life mortality were the Florida Retirement System (FRS) Mortality Tables, as described below:

- **Male Non-Disabled Retiree Mortality**: fully generational mortality. PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Mortality Table, set-forward 1 year, projected with scale MP-2018.
- **Female Non-Disabled Retiree Mortality**: fully generational mortality. PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table, set-forward 1 year, projected with scale MP-2018.
- **Male Employee Mortality**: fully generational mortality. PUB-2010 Headcount Weighted Safety Below Median Employee Male Mortality Table, set forward 1 year, projected with scale MP-2018.
- **Female Employee Mortality**: fully generational mortality. PUB-2010 Headcount Weighted Safety Employee Female Mortality Table, set forward 1 year, projected with scale MP-2018.
- **Male Disabled Mortality**: 80% PUB-2010 Headcount Weighted General Disabled Retiree Male Mortality Table and 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Male Mortality Table.
- **Female Disabled Mortality**: 80% PUB-2010 Headcount Weighted General Disabled Retiree Female Mortality Table and 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Female Mortality Table.

PUB-2010 Fully Generational Mortality Tables

Sample Ages in 2022	Value of $1 Monthly for Life		Future Life Expectancy		Future Life Expectancy (Years)	
	Men	Women	Men	Women	Men	Women
50	$142.19	$147.60	35.70	39.61	32.55	36.38
55	134.79	141.01	30.62	34.47	27.78	31.35
60	125.31	132.85	25.66	29.40	23.18	26.55
65	114.01	122.88	20.89	24.38	18.91	22.03
70	100.11	110.64	16.36	19.47	14.89	17.77
75	84.31	96.09	12.12	14.77	11.28	13.84
80	67.48	79.91	8.19	10.37	8.19	10.37

Applicable to calendar year 2022. Values for future years are determined using the MP-2018 projection scale. The above values are for healthy participants.

The margin for future mortality improvements is included in projection scales. 75% of pre-retirement deaths were assumed to be duty related.

RATES OF WITHDRAWAL FROM ACTIVE MEMBERSHIP. The rates do not apply to members eligible to retire and do not include separation on account of death or disability. This assumption measures the probabilities of members remaining in employment.

Sample Ages	Years of Service	% of Active Members Separating During Next Year
	0	20.00%
	1	15.00%
	2	12.00%
	3	10.00%
	4	7.00%
25	5 & Over	9.90%
30		9.68%
35		7.81%
40		4.84%
45		2.53%
50		2.09%
55		2.09%
60		2.09%

These rates were first used for the October 1, 2016 valuation.

RATES OF DISABILITY. These estimates represent the probabilities of active members becoming disabled.

Sample Ages	% of Active Members Becoming Disabled During Next Year
20	0.07%
25	0.09%
30	0.10%
35	0.14%
40	0.21%
45	0.32%
50	0.52%
55	0.92%
60	1.53%
65	1.65%

The rates assume 75% of disabilities will be duty related.

These rates were first used for the October 1, 1995 valuation.

RATES OF RETIREMENT. These rates are used to measure the probabilities of an eligible member retiring during the next year.

Retirement Ages	Age Based	Yrs. of Service	Service Based	Early Retirement Ages	Early Retirement Rates
52	50%	30	100%	45	5%
53	30%			46	5%
54	30%			47	5%
55	30%			48	5%
56	30%			49	5%
57	20%			50	5%
58	20%			51	5%
59	20%			52	5%
60	20%			53	5%
61	20%			54	5%
62	100%				

A Police member is eligible for normal retirement after 30 years of service, or after attaining age 52 with 25 years of service, or after attaining age 55 with 5 or more years of service (10 years if less than 10 years of service as of June 23, 2014).

A Police member is eligible for early retirement after 20 years of service or after attaining age 50 with 10 years of service, if eligible for early retirement by June 23, 2014.

These rates were first used for the October 1, 2002 valuation.

ADMINISTRATIVE EXPENSES. Administrative expenses are projected to continue at the same percent-of-payroll as experienced during the preceding fiscal year.

INVESTMENT EXPENSES. Investment expenses are offset against gross investment income.

ACTIVE MEMBER GROUP SIZE. The valuation was based on a constant active member group size. This is unchanged from previous valuations.

VESTED MEMBERS who terminate with a benefit worth less than 100% of their own accumulated contributions were assumed to forfeit their vested benefit.

COMPENSATION reported for the actuarial valuation includes all amounts included in final average compensation for benefit purposes with the exception of lump sums for accumulated sick and vacation time.

Summary of Assumptions Used
September 30, 2022

Pensions in an Inflationary Environment

Value of $1,000/Month Retirement Benefit to an Individual Who Retires at Age 52 in an Environment of 2.5% Inflation

Age	Value
52	$1,000
53	976
54	952
55	929
60	820
65	724
70	640
75	566
80	500
85	442

The life expectancy of a 55-year-old male retiree is age 83. The life expectancy for a 55-year-old female retiree is age 86. Half of the people will outlive their life expectancy. The effects of even moderate amounts of inflation can be significant for those who live to an advanced age.

Summary of Assumptions Used
Miscellaneous and Technical Assumptions

Marriage Assumption. 100% of males and 100% of females are assumed to be married for purposes of death-in-service benefits.

Pay Increase Timing. Beginning of (Fiscal) year. This is equivalent to assuming that reported pays represent amounts paid to members during the year ended on the valuation date.

Decrement Timing. Decrements of all types are assumed to occur mid-year.

Eligibility Testing. Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.

Benefit Service. Exact fractional service is used to determine the amount of benefit payable.

Decrement Relativity. Decrement rates are used without adjustment for multiple decrement table effects.

Decrement Operation. Disability and mortality decrements do not operate during the first five years of service. Disability and withdrawal do not operate during retirement eligibility.

Normal Form of Benefit. The normal form of benefit is a benefit payable for the life of the retired member with the first 10 years guaranteed. Optional benefit forms are available on an actuarial equivalent basis.

Loads. None.

Incidence of Contributions. Contributions are assumed to be received continuously throughout the year based upon the computed percent-of-payroll shown in this report, and the actual payroll payable at the time contributions are made. New entrant normal cost contributions are applied to the funding of new entrant benefits.

Definitions of Technical Terms

Accrued Service. Service credited under the system which was rendered before the date of the actuarial valuation.

Actuarial Accrued Liability. The difference between the actuarial present value of future benefit payments and the actuarial present value of future normal costs. Also referred to as "accrued liability" or "past service liability."

Actuarial Assumptions. Estimates of expected future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement estimates (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic estimates (salary increases and investment income) consist of the underlying rates in an inflation-free environment plus a provision for a long-term average rate of inflation.

Actuarial Cost Method. A mathematical budgeting procedure for allocating the dollar amount of the "actuarial present value of future benefit payments" between future normal costs and actuarial accrued liabilities. Sometimes referred to as the "actuarial valuation cost method."

Actuarial Equivalent. A single amount or series of amounts of equal actuarial present value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.

Actuarial Present Value. The amount of funds currently required to provide a payment or series of payments in the future. It is determined by discounting future payments at predetermined rates of interest, and by probabilities of payment. Also referred to as "present value."

Amortization. Paying off an interest-discounted amount with periodic payments of interest and principal - as opposed to paying off with a lump sum payment.

Experience Gain (Loss). The difference between actual actuarial costs and assumed actuarial costs - during the period between two valuation dates.

Funding Value of Assets. Also referred to as actuarial value of assets, smoothed market value of assets, or valuation assets.

Valuation assets recognize assumed investment return fully each year. Differences between actual and assumed investment return are phased-in over a closed four-year period. During periods when investment performance exceeds the assumed rate, valuation assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, valuation assets will tend to be greater than market value. If assumed rates are exactly realized for three consecutive years, valuation assets will become equal to market value.

Definitions of Technical Terms (Concluded)

Normal Cost. The actuarial cost allocated to the current year by the actuarial cost method. Sometimes referred to as "current service cost."

Pension Benefit Obligation. A standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The PBO is independent of the actuarial funding method used to determine contributions.

Unfunded Actuarial Accrued Liability. The difference between actuarial accrued liability and the funding value of system assets. Sometimes referred to as "unfunded past service liability," "unfunded accrued liability" or "unfunded supplemental present value."

Most retirement systems have unfunded actuarial accrued liability. An amount arises each time new benefits are added and each time an experience loss occurs.

The existence of unfunded actuarial accrued liability is not in itself bad, any more than a mortgage on a house is bad. Unfunded actuarial accrued liability does not represent a debt that is payable today. What is important is the ability to control the amount of unfunded actuarial accrued liability and the trend in the amount (after due allowance for devaluation of the dollar).

SECTION D

ADDITIONAL DISCLOSURE INFORMATION

GASB Statements No. 67 and No. 68 are the accounting standards which replaced GASB Statements No. 25 and No. 27. GASB Statement No. 67 was first effective for fiscal year 2014 and GASB Statement No. 68 was first effective for fiscal year 2015. A separate GASB Statements No. 67 and No. 68 report has been issued outside of this report. This section contains historical GASB Statements No. 25 and No. 27 reporting information for prior fiscal years and illustrative information for fiscal year 2015 and after.

Contributions Required and Contributions Made

The City's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. The normal cost and actuarial accrued liability are determined using an entry-age actuarial funding method. Unfunded actuarial accrued liability is being amortized as a level percent-of-payroll over periods of 1 to 25 years.

During the year ended September 30, 2022, contributions totaling $1,102,757 - $653,851 employer and $448,906 employee - were made in accordance with contribution requirements determined by an actuarial valuation of the plan as of October 1, 2020. The employer contributions consisted of $424,979 for normal cost and administrative expenses and $182,713 for amortization of the unfunded actuarial accrued liability and $0 for additional premium tax revenue. Employer contributions represented 12.7% of covered payroll.

Significant actuarial assumptions used to compute contribution requirements were the same as those used to compute the standardized measure of the actuarial accrued liability.

Computed Employer Contribution Comparative Schedule

Fiscal Year Beginning October 1	Valuation Date	Contribution Rates As Percents of Valuation Payroll	Valuation Payroll	Dollar Contribution For Fiscal Year: Computed	Dollar Contribution For Fiscal Year: Actual
2010	10/01/2009	18.8 %	$3,873,001	$ 777,408	$777,408
2011	10/01/2010	19.7	3,896,087	818,251	818,251
2012	10/01/2011	23.0	3,785,736	930,958	930,958
2013	10/01/2012 *	12.3	3,743,405	490,666	530,453
2014	10/01/2013 *	13.4	3,559,498	511,049	562,835
2015	10/01/2014 *	15.0	3,945,943	630,183	662,694
2016	10/01/2015 *	16.1	4,006,158	678,304	726,314 **
2017	10/01/2016 *	15.7	4,254,054	691,323	705,552 **
2018	10/01/2017 *	16.8	4,430,567	770,582	802,241 **
2019	10/01/2018 *	18.3	4,451,301	844,401	909,449 **
2020	10/01/2019 *	18.6	4,755,784	917,954	1,024,101 **
2021	10/01/2020 *	16.2	5,093,224	653,851	653,851 **
2022	10/01/2021	14.8	5,177,955	742,170	
2023	**10/01/2022**	**16.9**	**5,157,516**	**906,115**	

* *After changes in benefit provisions and/or actuarial assumptions.*
** *Includes amount released from prepaid employer reserve and/or additional premium tax revenue.*

Actuarial Accrued Liability

The actuarial accrued liability is a measure intended to help users assess (i) a pension fund's funded status on a going-concern basis, and (ii) progress being made toward accumulating the assets needed to pay benefits as due. Allocation of the actuarial present value of projected benefits between past and future service was based on service using the individual entry-age actuarial cost method. Assumptions, including projected pay increases, were the same as used to determine the Fund's level percent-of-payroll annual required contribution between entry-age and assumed exit age. Entry-age was established by subtracting credited service from current age on the valuation date.

The preceding methods comply with the financial reporting standards established by the Governmental Accounting Standards Board.

The entry age actuarial accrued liability was determined as part of an actuarial valuation of the plan as of October 1, 2022. Significant actuarial assumptions used in determining the entry age actuarial accrued liability include (a) a rate of return on the investment of present and future assets of 7.50% per year compounded annually, (b) projected salary increases of 2.5% per year compounded annually, 2.5% attributable to inflation and 0.0% attributable to other causes, (c) additional projected salary increases of 3.8% to 0.0% per year, depending on age, attributable to seniority/merit, and (d) the assumption that benefits will not increase after retirement.

As of October 1, 2022, the unfunded actuarial accrued liability was $895,424, determined as follows:

Actuarial Accrued Liability:	
Active participants (30 vested and 35 non-vested)	$ 16,015,423
Retired participants and beneficiaries currently receiving benefits (43 vested)	13,995,049
Vested terminated participants not yet receiving benefits (4 vested)	971,869
Prepaid Employer Reserve	0
Total Actuarial Accrued Liability	$ 30,982,341
Actuarial Value of Assets (market value was $26,288,054)	30,086,917
Unfunded Actuarial Accrued Liability	$ 895,424

During the year ended September 30, 2022 the plan experienced a net change of $1,014,099 in the Actuarial Accrued Liability. There were no changes in actuarial assumptions, benefit provisions or methods.

Supplementary Information
Schedule of Funding Progress

Actuarial Valuation Date October 1	Actuarial Value of Assets# (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (b)-(a)	Funded Ratio (a)/(b)	Active Participant Covered Payroll (c)	Unfunded AAL as a Percentage of Active Member Covered Payroll ((b-a)/c)
1998	$43,678	$39,897	$ (3,781)	109.5 %	$ 10,536	(35.9) %
1999 @	12,142	11,171	(971)	108.7	2,268	(42.8)
2000 *	13,280	12,005	(1,275)	110.6	2,419	(52.7)
2001	13,634	12,607	(1,026)	108.1	2,280	(45.0)
2002	13,350	13,415	64	99.5	2,535	2.5
2003	13,162	14,023	861	93.9	3,028	28.4
2004 *	12,833	14,497	1,664	88.5	2,820	59.0
2005	13,021	15,867	2,846	82.1	3,231	88.1
2006	13,707	16,513	2,806	83.0	3,181	88.2
2007	14,694	17,434	2,740	84.3	3,572	76.7
2008 *	15,104	19,480	4,376	77.5	3,931	111.3
2009	15,342	20,083	4,741	76.4	3,873	122.4
2010	15,646	20,688	5,042	75.6	3,896	129.4
2011	15,458	21,630	6,172	71.5	3,786	163.0
2012	16,365	22,171	5,806	73.8	3,743	155.1
2013	17,469	22,653	5,184	77.1	3,559	145.6
2014 *	18,367	20,779	2,412	88.4	3,946	61.1
2015 *	19,489	22,018	2,529	88.5	4,006	63.1
2016 *	20,651	23,397	2,746	88.3	4,254	64.6
2017 *	21,889	24,750	2,861	88.4	4,431	64.6
2018 *	23,213	26,047	2,834	89.1	4,451	63.7
2019 *	24,523	27,732	3,210	88.4	4,756	67.5
2020 *	26,598	28,245	1,647	94.2	5,093	32.3
2021	29,586	29,968	383	98.7	5,178	7.4
2022	**30,087**	**30,982**	**895**	**97.1**	**5,158**	**17.4**

Dollar amounts are in thousands.

* *After changes in benefits and/or actuarial assumptions and/or actuarial cost methods.*
\# *The Actuarial Value of Assets is four-year smoothed market value.*
@ *Prior to the 1999 valuation, results include General, Police and Fire.*

Analysis of the dollar amounts of the actuarial value of assets, actuarial accrued liability, or unfunded actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the System's funded status on a going-concern basis. Analysis of this percentage over time indicates whether the System is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan. The unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of covered payroll approximately adjusts for the effects of inflation and aids analysis of the progress being made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the plan.

SECTION E

SUMMARY OF VALUATION RESULTS IN STATE FORMAT

Summary of Valuation Results in State Format
($ Amounts in Thousands)

		October 1, 2022	October 1, 2021
(a) Participant Data			
(i) Active members	- number	65	66
	- annual payroll	$ 5,158	$ 5,178
(ii) Retired members & beneficiaries (excl. disability)			
	- number	38	37
	- annualized benefit payroll	$ 1,298	$ 1,218
(iii) Disabled members & beneficiaries			
	- number	5	5
	- annualized benefit payroll	$ 142	$ 142
(iv) Terminated vested members			
	- number	4	4
	- annualized deferred benefit payroll	$ 124	$ 124
(b) Assets			
(i) Actuarial value for funding		30,087	29,586
(ii) Market value		26,288	31,983
(c) Actuarial Liability			
(i) Actuarial present value of active member benefits:			
service retirement		$18,038	$18,248
termination benefits - pension		1,857	1,802
disability retirement		792	778
survivor benefits (pre-retirement)		359	348
termination benefits - refunds		219	236
extra benefit reserve		0	0
prepaid employer reserve		0	53
Total		$21,265	$21,465
(ii) Actuarial present value of terminated vested member benefits		972	900
(iii) Actuarial present value of retired member benefits:			
service retirement & survivors		$12,748	$11,496
Additional reserve		0	0
disability retirement & survivors		1,247	1,272
Total		$13,995	$12,768
(iv) Total actuarial present value of future benefit payments		36,232	35,133
(v) Payables		0	0
(vi) Actuarial accrued liability		30,982	29,968
(vii) Unfunded actuarial accrued liability [1]		895	383

[1] *Please refer to page A-13 for requested detail.*

Summary of Valuation Results in State Format
($ Amounts in Thousands)

		October 1, 2022	October 1, 2021
(d)	Actuarial Present Value of Accrued Benefits (calculated in accordance with FASB Statement No. 35)		
	(i) Vested accrued benefits		
	Retired members and beneficiaries	$ 13,995	$ 12,820
	Terminated members	972	900
	Active members (includes non-forfeitable accum. member contributions of $4,840 for 2022 and $4,753 for 2021)	12,802	12,763
	Total	$ 27,768	$ 26,484
	(ii) Non-vested accrued benefits	1,027	1,166
	(iii) Total actuarial p.v. of accrued benefits	28,795	27,650
	(iv) Actuarial p.v. of accrued benefits at begin. of year	27,650	25,883
	(v) Changes attributable to:		
	Amendments	0	0
	Assumption change	0	0
	Operation of decrements	2,818	3,049
	Benefit payments and refunds	(1,673)	(1,282)
	Other	none	none
	(vi) Net change	1,145	1,767
	(vii) Actuarial p.v. of accr. benefits at end of year	$ 28,795	$ 27,650
(e)	Plan costs for fiscal year beginning October 1, 2023 and October 1, 2022 (EANC)		
	(i) Normal costs		
	Service pensions	9.14%	9.24%
	Disability pensions	1.07%	1.07%
	Survivor pensions (pre-retirement)	0.36%	0.37%
	Deferred service pensions	2.56%	2.54%
	Refunds of member contributions	1.25%	1.24%
	Total normal cost	14.38%	14.46%
	(ii) Payment to amortize unf'd. act. accr. liab.	8.91%	6.66%
	(iii) FS112.64(5) Compliance	0.00%	0.00%
	(iv) Administrative expenses	1.59%	1.62%
	(v) Amount to be paid by members	7.95%	7.95%
	(vi) Expected plan sponsor/Chapter 185 contribution	16.93%	14.79%
	- dollars	906	795

Summary of Valuation Results in State Format
($ Amounts in Thousands)

			October 1, 2022	October 1, 2021
(f)	Past Contributions (fiscal year ending 9/30/2022 & 2021)			
	(i) Required minimum:			
		Plan sponsor/Chapter 185 monies	$ 654	$ 918
		Members	420	392
		Accumulated Prepaid Contributions	201	0
		Total	$ 1,275	$ 1,310
	(ii) Actual:			
		Plan sponsor/Chapter 185 monies	$ 654	$ 918
		Prepaid contribution reserve	201	0
		Members	449	493
		Total	$ 1,304	$ 1,411
(g)	Net Experience Gain (Loss)		(727)	878
(h)	Other Disclosures			
	(i) Present value of active member future salaries			
		from attained age	$37,401	$36,686
		from entry age	not applicable to individual EANC method	
	(ii) Present value of active member future contribs.			
		from attained age	$ 2,973	$ 2,917
		from entry age	not applicable to individual EANC method	

Reconciliation of Membership
for the Plan Year Ended September 30, 2022

	Active Members	Vested Terminated Members	Pension Recipients		
			Service Retired	Disability Retired	All Beneficiaries
No. at Start of Year	**66**	**4**	**30**	**5**	**7**
Increase (Decrease) from					
Service Retirement	(3)		3		
Disability Retirement					
Deaths			(2)		1
Other Pension Terminations					(1)
Vested Terminations					
Non-Vested Terminations	(3)				
Refund					
New Entrants/Rehires	5				
No. at End of Year	**65**	**4**	**31**	**5**	**7**

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April 15, 2023

Mr. Duston Scott
Pension Administrator
City of Jacksonville Beach
11 North Third Street
Jacksonville Beach, Florida 32250

Dear Duston:

Enclosed are 15 copies of the report of the Seventy-second Annual Valuation of the City of Jacksonville Beach Police Officers' Retirement System. As directed, copies have been sent directly to:

Attention: Mr. Ryan Tucker
Purvis, Gray and Company
P.O. Box 23999
222 N.E. 1st Street
Gainesville, Florida 32602

Attention: Ms. Steven Bardin, Benefits Administrator
Division of Retirement
Municipal Police Officers' & Firefighters'
Retirement Trust Funds Office
P.O. Box 3010
Tallahassee, Florida 32315-3010

Attention: Mr. Douglas E. Beckendorf, Actuary
Local Retirement Section
Division of Retirement
P.O. Box 9000
Tallahassee, Florida 32315-9000

Sincerely,
Gabriel, Roeder, Smith & Company

Brad Lee Armstrong, ASA, EA, FCA, MAAA

BLA:rmn
Enclosures

One Towne Square | Suite 800 | Southfield, Michigan 48076-3723

City of Jacksonville Beach
Firefighters' Retirement System

Seventy-Second Annual Actuarial Valuation
October 1, 2022

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Report of October 1, 2022 Actuarial Valuation

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April 15, 2023

Board of Trustees
City of Jacksonville Beach
Firefighters' Retirement System
Jacksonville Beach, Florida

The results of the October 1, 2022 Annual Actuarial Valuation of the City of Jacksonville Beach Firefighters' Retirement System are presented in this report. The purpose of the annual valuation is to measure the System's funding progress and to determine the Local Employers' contribution rate for the fiscal year ending September 30, 2024 in accordance with established funding policies. The results of the valuation may not be applicable for other purposes. Disclosures under the Governmental Accounting Board (GASB) Statements No. 67 and No. 68 were issued in a separate report.

This report should not be relied on for any purpose other than those described above. It was prepared at the request of the Board and is intended for use by the Retirement System and those designated or approved by the Board. This report may be provided to parties other than the System only in its entirety and only with the permission of the Board. GRS is not responsible for unauthorized use of this report. The signing actuaries are independent of the plan sponsor.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. We did not perform an analysis of the potential range of such future measurements under the scope of this assignment.

Valuation results, comments, recommendations (if any) and our certification are contained in Section A.

The valuation was based upon information compiled during the fiscal year ending September 30, 2022, furnished by the City of Jacksonville Beach, concerning pension fund benefits, financial transactions, and individual members, terminated members, retired members and beneficiaries. Data was checked for reasonableness and missing information, but was not audited. GRS is not responsible for the accuracy or completeness of the data provided to us. This information is summarized in Section B.

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This report does not fully reflect the recent and still developing impact of COVID-19, which is likely to influence demographic and investment experience, at least in the short term. We will continue to monitor these developments and their impact on the plan.

This report was prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

A description of the actuarial valuation process, actuarial assumptions and definitions of technical terms are contained in Section C. Additional Disclosure information is contained in Section D and a summary of valuation results in the State format is contained in Section E.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. We certify that the information contained in this report is accurate and fairly presents the actuarial position of the City of Jacksonville Beach Firefighters' Retirement System as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board. It is our opinion that the actuarial assumptions used for the valuation produce results which are reasonable.

Brad Lee Armstrong and Jeffrey T. Tebeau are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Respectfully submitted,
Gabriel, Roeder, Smith & Company

Brad Lee Armstrong

Brad Lee Armstrong, ASA, EA, FCA, MAAA

Jeffrey T. Tebeau

Jeffrey T. Tebeau, FSA, EA, FCA, MAAA

BLA/JTT:sc

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SECTION A

VALUATION RESULTS, COMMENTS, CONCLUSION, RECOMMENDATIONS (IF ANY) AND STATEMENT BY ENROLLED ACTUARY

Funding Objective

The funding objective of the Retirement System is to establish and receive contributions, expressed as dollars, which will achieve progress towards 100% funded status and will remain approximately level from year-to-year and will not have to be increased for future generations of citizens in the absence of benefit improvements. This objective is stated in the Ordinance and meets the requirements of Part VII, Chapter 112, Florida Statutes.

Contribution Rates

The Retirement System is supported by member contributions, property insurance premium tax monies received from the State pursuant to Chapter 175 Florida Statutes (through the fiscal year ending September 20, 2020), Local Employers' contributions (from the cities of Jacksonville and Jacksonville Beach), and investment income from Retirement System assets.

Contributions which satisfy the funding objective are determined by the actuarial valuation and are sufficient to:

(1) Cover the actuarial costs allocated to the current year (the normal cost) by the actuarial cost methods described in Section C; and

(2) Finance over a period of future years the actuarial costs not covered by present assets and anticipated future normal costs (Unfunded Actuarial Accrued Liability).

Contribution requirements for the Plan and fiscal year ending September 30, 2024 are shown on pages A-2 and A-3.

Contributions to Finance Benefits of the Retirement System for the Plan Year Ending September 30, 2024 to be Contributed During the Fiscal Year Ending September 30, 2024

Contributions for	Dollars	As a Percent of Active Member Payroll
Normal Cost		
Service pensions	$ 234,367	11.35 %
Disability pensions	51,472	2.49
Survivor pensions		
Pre-retirement	9,579	0.46
Termination benefits		
Deferred service pensions	83,809	4.06
Refunds of member contributions	17,293	0.84
Total Normal Cost	$ 396,520	19.21
Unfunded Actuarial Accrued Liability		
Retired members and beneficiaries	0	0.00
Active and vested terminated members	776,068	37.59
Total unfunded actuarial accrued liability	$ 776,068	37.59
Administrative Expenses	77,576	3.76
Total Calculated Contribution Requirement	$ 1,250,164	60.56
Adjustments to Calculated Contribution Requirement		
Temporary full funding credit	0	0.00
FS 112.64(5) compliance	0	0.00
Total adjustments	0	0.00
Total Adjusted Contribution Requirement	$ 1,250,164	60.56 %
Member portion	153,138	7.42 %
Estimated Chapter 175 and Additional Premium Tax Revenue monies	0	0.00 %
Estimated Local Employers' portion#	$ 1,097,026	53.14 %

#Estimated Local Employers' portion is prior to use of accumulated excess of Chapter money and employee contribution "True Up."

FS 112.64 requires that Local Employers' contributions be deposited not less frequently than quarterly. FS 175.131 requires that Chapter 175 monies be deposited within five days of receipt from the State. Member contributions, which are in addition to the Local Employers'/Chapter contributions, must be deposited immediately after each pay period.

Procedures for determining dollar contributions are shown on page A-3.
Comparative contribution amounts for prior fiscal years are shown on page A-14.

Determining Dollar Contributions

The Local Employers/Chapter should contribute $1,097,026 during the fiscal year ending September 30, 2023. The member contribution amounts may be used as projected dollar contributions for purposes of the Comprehensive Annual Financial Report, but should not be used to reconcile actual member contributions.

Fiscal Year Ending September 30,	**2024**	**2023**
Preliminary Contribution Requirement	$ 1,250,164	$ 1,135,315
Plus Employee Contribution "True Up"	0 ^	0 @
Total Contribution Requirement	$ 1,250,164	$ 1,135,315
Less Member Contributions	153,138	138,197
Less Accumulated Prepaid Contributions	0	0
Total Employer Contribution Requirement	1,097,026	997,118
Less Estimated Chapter 175 and Additional Premium		
Tax Revenue Monies	0	0
Estimated Base Local Employers' Contribution	**$ 1,097,026**	**$ 997,118**

^ The 2023 employee contribution were reported to us after making adjustments for true up contributions or credits, therefore no true up calculation was done in this report.

@ The ''True Up'' amount applied to FY 2023 would have been the difference between the expected employee contributions of $150,803 and the actual employee contributions of $158,581 in 2021. Instead the City of Jacksonville took this as a credit against their 2021 contribution.

The fiscal year ending September 30, 2023 and 2024 Local Employers'/Chapter contribution amounts are estimated to be contributed at the beginning of the fiscal year. If contributions are made on a later schedule, interest should be added at the rate of .53% (.0053) for each month of delay.

Since the UAAL on a market value basis became the financial responsibility of the City of Jacksonville Beach as of November 22, 2019, we have split the Local Employers' contribution below into the portion that the City of Jacksonville will pay and the portion that the City of Jacksonville Beach will pay during the fiscal year ending September 30, 2023 and 2024:

Fire Contribution Requirement

Fiscal Year Ending September 30,	2024	2023
City of Jacksonville Beach[#]	$ 707,653	$ 707,653
City of Jacksonville	389,373	289,465

[#] *The required contribution by the City of Jacksonville Beach is fixed to be the amount of the amortization of the unfunded liability as of the date of the interlocal agreement less any credits due to the City of Jacksonville Beach.*

Funding Progress Achievement Indicators

There is no single all-encompassing measure of a retirement system's funding progress and current funded status.

A traditional measure has been the relationship of valuation assets to Unfunded Actuarial Accrued Liability - a measure that is influenced by the choice of actuarial cost method. This relationship is shown on page A-12.

We believe a better understanding of funding progress and status can be achieved using the following indicators.

Indicator (1) ***The actuarial present value of gains or losses realized in the operation of the retirement system.*** Gains and losses are expected to cancel each other over an economic cycle but sizable year-to-year fluctuations are common. An experience gain can result from assets increasing in value by more than anticipated, or by the system's obligation increasing by less than anticipated, or by other favorable combinations or deviation from expected asset and liability changes. Further details on the derivation of the gain (loss) are shown on page A-11.

Indicator (2) ***The ratio of valuation assets to the actuarial present value of credited projected benefits*** allocated in the proportion credited service is to projected total service. The ratio is expected to increase over time, but the basic trend may be interrupted by benefit improvements. This ratio is the most appropriate of the three described here for assessing the need for future contributions above the amounts needed to fund the normal cost.

Indicator (3) ***The ratio of the unfunded actuarial present value of credited projected benefits to member payroll.*** The unfunded actuarial present value of credited projected benefits is controlled by the funding program. The ratio to payroll is a relative index of condition where inflation is present in both components. The ratio is expected to decrease over time, but the basic trend may be interrupted by benefit improvements.

Funding Progress Indicators* - Historical Development
($ Amounts in Thousands)

Valuation Date	Indicator (1) Gain/(Loss) Amount	Indicator (1) Gain/(Loss) % of AAL	Indicator (2) Funding Value of Assets	Indicator (2) APVCPB^	Indicator (2) Funded Ratio	Indicator (3) Unfunded APVCPB^	Indicator (3) Member Payroll	Indicator (3) Ratio to Payroll
10/1/1995 (a)	$ 1,315	4.5 %	$ 30,791	$ 28,889	106.6 %	$ (1,902)	$ 10,601	(17.90) %
10/1/2000 (aa)	321	4.4	8,055	7,792	103.4	(263)	1,408	(18.69)
10/1/2005	(592)	(6.5)	7,483	8,998	83.2	1,515	1,651	91.74
10/1/2007 (a)	289	3.0	8,044	9,356	86.0	1,312	1,726	76.00
10/1/2008	(248)	(2.5)	8,366	9,711	86.2	1,345	1,928	69.76
10/1/2009 (a)	(229)	(2.1)	8,468	10,588	80.0	2,120	1,985	106.80
10/1/2010	(457)	(4.0)	8,434	10,960	77.0	2,526	2,079	121.50
10/1/2011	(507)	(4.2)	8,363	11,421	73.2	3,058	2,120	144.26
10/1/2012	303	2.4	8,888	11,679	76.1	2,791	2,066	135.11
10/1/2013	242	1.9	9,701	12,119	80.1	2,418	1,836	131.67
10/1/2014 (a)	99	0.7	10,438	12,223	85.4	1,785	1,868	95.58
10/1/2015 (a)	35	0.3	11,135	13,520	82.4	2,386	1,848	129.07
10/1/2016 (a)	(267)	(1.8)	11,526	14,796	77.9	3,270	2,052	159.35
10/1/2017 (a)	(233)	(1.5)	12,223	15,748	77.6	3,524	2,162	163.04
10/1/2018 (a)	(151)	(0.9)	13,028	16,888	77.1	3,860	2,153	179.27
10/1/2019 (a)	128	0.7	13,901	19,204	72.4	5,303	2,089	253.80
10/1/2020 (a)	851	4.6	15,069	18,602	81.0	3,533	1,797	196.58
10/1/2021 (a)	522	2.6	16,717	20,081	83.2	3,364	1,871	179.80
10/1/2022 (a)	**(1,798)**	**(8.0)**	**17,630**	**22,591**	**78.0**	**4,960**	**2,064**	**240.27**

(a) After changes in benefit provisions and/or actuarial assumptions and actuarial cost methods.
(aa) After Minimum Benefit changes.
^ AAL starting with 2014.
** None of these funding progress indicators are appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations.*

Comments and Conclusion

Comment A: For the fiscal year ended September 30, 2022, the Firefighters' System had a $1,797,843 experience loss. The loss was primarily attributed to lower-than-expected recognized investment return on the funding value of assets (3.6% recognized vs. 6.625%% assumed) due to having larger investment losses than gains over the last four years. Additional experience information is reported on pages B-7, B-13, C-4, C-5, and C-6. The funded ratio decreased from 83.2% to 79.3% from 2021 to 2022 on a Funding Value of Assets basis and decreased from 90.6% to 70.3% on a market value of assets basis before assumption changes.

Comment B: The assumed interest rate was lowered from 6.625% to 6.500%. This change increased the City of Jacksonville's contribution by $57,950 (due to the increase in normal cost; an increase of $88,083 due to the increase in actuarial accrued liabilities was offset by experience gains since consolidation) and decreased the funded ratio from 79.3% to 78.0%. The funded ratio on a market value basis is 69.2%.

Looking Forward: Due to the Board's use of a four-year smoothed market asset valuation method, greater-than-expected market returns during 2020, and 2021, and lower-than-expected market returns during 2022 have only been partially recognized in developing the Funding Value of Assets as of September 30, 2022. The Funding Value of Assets currently exceeds the Market Value of Assets by $2,003,554. If gains from investment returns above the 6.50% assumed or gains from other sources do not emerge, this will create upward pressure on contribution requirements and a deceleration of funding progress in subsequent valuation years. An additional risk factor to the level of the contribution rate is the 10-year average payroll growth, which was 0.0% for the 10 years ending September 30, 2022. If the average payroll growth is lower than the wage inflation assumption of 2.5%, this will increase the City's contribution requirement pursuant to compliance with Florida Statute 112.64(5).

Risks to Future Employer Contribution Requirements: There are ongoing risks to future employer contribution requirements to which the Retirement System is exposed, such as:

- Actual and Assumed Investment Rate of Return;
- Actual and Assumed Mortality Rates;
- Amortization Policy;
- F.S. 112.64(5) Compliance Regarding Payroll Growth; and
- F.S. 112.63(1)(f) Updated FRS Mortality Assumptions.

Conclusion: It is the actuary's opinion that the required contribution rates determined by the most recent actuarial valuation are sufficient to meet the Retirement System's funding objective, presuming continued timely receipt of required contributions.

Other Observations

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Contributions and Funded Status

Given the System's contribution allocation procedure, if all actuarial assumptions are met and do not change (including the assumption of the Retirement System earning 6.500% on the Market Value of Assets), it is expected that:

1. The City of Jacksonville will contribute the employer normal cost to cover the cost of benefits accruing each year;
2. The City of Jacksonville Beach's portion of the Unfunded Actuarial Accrued Liability (UAAL) is scheduled to be paid off in the first week of October, 2028 (see complete schedule on page C-2); and
3. The City of Jacksonville's portion of the Unfunded Actuarial Accrued Liability (UAAL) is expected to be paid off in 2033.

Limitations of Funded Status Measurements

Unless otherwise indicated, a funded status measurement presented in this report is based upon the Actuarial Accrued Liability (AAL) and the Funding Value of Assets (FVA). Unless otherwise indicated, with regard to any funded status measurements presented in this report:

1. The measurement is inappropriate for assessing the sufficiency of Retirement System assets to cover the estimated cost of settling the Retirement System's benefit obligations, for example: transferring the liability to an unrelated third party in a market value type transaction.
2. The measurement is dependent upon the Actuarial Cost Method which, in combination with the Retirement System's amortization policy, affects the timing and amounts of future contributions. The amounts of future contributions will most certainly differ from those assumed in this report due to future actual experience differing from assumed experience based upon the actuarial assumptions. A funded status measurement in this report of 100% is not synonymous with no required future contributions. Even though the funded status is over 100%, the Retirement System would still require future normal cost contributions (i.e., contributions to cover the cost of active membership accruing an additional year of service credit).
3. The measurement would produce a different result if the Market Value of Assets (MVA) were used instead of the FVA, unless the MVA is used in the measurement.

Limitations of Project Scope

Actuarial standards do not require the actuary to evaluate the ability of the plan sponsor or other contributing entities to make required contributions to the plan when due. Such an evaluation was not within the scope of this project and is not within the actuary's domain of expertise. Consequently, the actuary performed no such evaluation.

Statement by Enrolled Actuary

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."

Brad Lee Armstrong

4/15/2022	
Date	Brad Lee Armstrong, ASA, EA, FCA, MAAA [23-5614]

Risk Measures - Risks Associated with Measuring the Accrued Liability and Actuarially Determined Contribution

The determination of the accrued liability and the actuarially determined contribution requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in the accrued liability and the actuarially determined contribution that result from the differences between actual experience and the actuarial assumptions.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions due to changing conditions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period, or additional cost or contribution requirements based on the System's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Examples of risk that may reasonably be anticipated to significantly affect the plan's future financial condition include:

1. **Investment Risk** – actual investment returns may differ from the expected returns;
2. **Asset/Liability Mismatch** – changes in asset values may not match changes in liabilities, thereby altering the gap between the accrued liability and assets and consequently altering the funded status and contribution requirements;
3. **Contribution Risk** – actual contributions may differ from expected future contributions. For example, actual contributions may not be made in accordance with the plan's funding policy or material changes may occur in the anticipated number of covered employees, covered payroll, or other relevant contribution base;
4. **Salary and Payroll Risk** – actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and contributions differing from expected;
5. **Longevity Risk** – members may live longer or shorter than expected and receive pensions for a period of time other than assumed; and
6. **Other Demographic Risks** – members may terminate, retire or become disabled at times or with benefits other than assumed resulting in actual future accrued liability and contributions differing from expected.

The effects of certain trends in experience can generally be anticipated. For example, if the investment return since the most recent actuarial valuation is less (or more) than the assumed rate, the cost of the plan can be expected to increase (or decrease). Likewise, if longevity is improving (or worsening), increases (or decreases) in cost can be anticipated.

The computed contribution shown on page A-2 may be considered as a minimum contribution rate that complies with the Board's funding policy. The timely receipt of the actuarially determined contributions is critical to support the financial health of the plan. Users of this report should be aware that contributions made at the actuarially determined rate do not necessarily guarantee benefit security.

Risk Measures

($ in Thousands)

Actuarial Valuation Date (10/1)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Payroll	(5) Funded Ratio (1) / (2)	(6) Retiree Liabilities (Ret Liab)	(7) Ret Liab / AAL (6)/(2)	(8) AAL / Payroll (2) / (4)	(9) Assets / Payroll (1) / (4)	(10) UAAL / Payroll (3) / (4)	(11) Non-Invest. Cash Flow (NICF)	(12) NICF / Assets (11)/(1)	(13) Market Rate of Return	(14) 5-year Trailing Average
2018 *	$ 12,223	$ 15,748	$ 3,525	$ 2,162	77.6%	$ 7,145	45.4%	728.5%	565.4%	163.1%	$ (151)	(1.2)%	11.9%	N/A
2019 *	13,028	16,888	3,860	2,153	77.1%	7,630	45.2%	784.3%	605.0%	179.3%	(80)	(0.6)%	9.1%	N/A
2020 *	13,901	19,204	5,303	2,089	72.4%	8,721	45.4%	919.1%	665.3%	253.8%	(202)	(1.4)%	5.6%	6.8%
2021 *	15,069	18,602	3,533	1,797	81.0%	9,173	49.3%	1,035.1%	838.5%	196.6%	18	0.1%	9.9%	8.9%
2021 *	16,717	20,099	3,382	1,871	83.2%	9,185	45.7%	1,074.3%	893.5%	180.8%	85	0.5%	18.5%	9.0%
2022 *	17,630	22,591	4,960	2,064	78.0%	9,875	43.7%	1,094.3%	854.0%	240.3%	312	1.8%	(15.7)%	4.8%

** Revised actuarial assumptions.*

(5). The funded ratio is the most widely known measure of a plan's financial strength, but the trend in the funded ratio is much more important than the absolute ratio. The funded ratio should trend to 100%. As it approaches 100%, it is important to re-evaluate the level of investment risk in the portfolio and potentially to re-evaluate the assumed rate of return.

(6) and (7). The ratio of retiree liabilities to total accrued liabilities gives an indication of the maturity of the system. As the ratio increases, cash flow needs increase, and the liquidity needs of the portfolio change. A ratio on the order of 50% indicates a maturing system.

(8) and (9). The ratio of liabilities and assets to payroll gives an indication of both maturity and volatility. Many systems have ratios between 500% and 700%. Ratios significantly above that range may indicate difficulty in supporting the benefit level as a level % of payroll.

(10). The ratio of unfunded liability to payroll gives an indication of the plan sponsor's ability to actually pay off the unfunded liability. A ratio above approximately 300% or 400% may indicate difficulty in discharging the unfunded liability within a reasonable time frame.

(11) and (12). The ratio of Non-Investment Cash Flow to assets is an important measure of sustainability. Negative ratios are common and expected for a maturing system. In the longer term, this ratio should be on the order of approximately (4)%. A ratio that is significantly more negative than that for an extended period could be a leading indicator of potential exhaustion of assets.

(13) and (14). Investment return is probably the largest single risk that most systems face. The year-by-year return and the five-year geometric average both give an indication of the reasonableness of the system’s assumed return. Of course, past performance is not a guarantee of future results. Market rate shown is based on an actuarial estimation method and will differ modestly from figures reported by the investment consultant.

Experience Gain (Loss)
Year Ended October 1, 2022

DERIVATION

(1)	UAAL* at start of year	$ 3,363,956
(2)	Normal cost for year (ER normal cost & expenses from the prior corresponding valuation x current valuation pay)	341,463
(3)	Actual City of Jacksonville, City of Jacksonville Beach, and Chapter contribution	1,090,782
(4)	Interest accrual .06625 x [(1) + 1/2 [(2)-(3)]]	198,041
(5)	Expected UAAL before changes	2,812,678
(6)	Effect of timing/accounting	0
(7)	Effect of assumption/cost method changes	349,798
(8)	Effect of benefit changes	0
(9)	Expected UAAL after changes	3,162,476
(10)	Actual UAAL at end of year	4,960,319
(11)	Gain (loss): (9) - (10)	$ (1,797,843)
(12)	% of AAL at start of year	(9.0)%

**UAAL represents Unfunded Actuarial Accrued Liability.*

Valuation Date September 30	Actuarial Gain (Loss) As % of Beginning Accrued Liabilities
2013	1.9 %
2014	0.7
2015	0.3
2016	(2.0)
2017	(1.6)
2018	(1.0)
2019	0.8
2020	4.4
2021	2.8
2022	**(9.0)**

Sources and Financing of
Unfunded Actuarial Accrued Liability

Unfunded Actuarial Accrued Liability				Remaining Financing		Contribution[1]	
Source of Unfunded Act. Accrued Liab.	Initial Amount	Fin. Per.	Current Amount	Period 9/30/2022	Amort. Factor	Dollar	% of Payroll
Initial unfunded actuarial accrued liability City of Jacksonville							
			$ (386,903)	7 yrs.	5.841014	$ (66,239)	(3.21)%
Initial unfunded actuarial accrued liability City of Jacksonville Beach[2]							
		10	4,133,411	7	5.841014	707,653	34.28%
Changes from experience deviations.							
9/30/2020	$ (850,683)	10	(721,945)	8	6.484520	(111,334)	(5.39)%
9/30/2021	(521,715)	10	(483,265)	9	7.088751	(68,174)	(3.30)%
9/30/2022	1,797,843	10	1,797,843	10	7.656104	234,825	11.37%
Changes from actuarial assumption and actuarial cost method revisions.							
9/30/2020	(415,533)	10	(352,648)	8	6.484520	(54,383)	(2.63)%
9/30/2021	673,678	10	624,028	9	7.088751	88,031	4.26%
9/30/2022	349,798	10	349,798	10	7.656104	45,689	2.21%
Totals			**$4,960,319**			**$776,068**	**37.59%**

Weighted average remaining financing period: 8.1 yrs.

[1] *The minimum UAAL contribution for the City of Jacksonville is $0.*

[2] *The current amount represents the Present Value of the City of Jacksonville Beach's contributions according to their fixed contribution schedule. The City of Jacksonville Beach is actually only responsible for $4,080,706 of UAAL, which is calculated using the initial interest rate of 7.00%.*

Unfunded Actuarial Accrued Liability

		October 1, 2022	October 1, 2021
A.	Actuarial present value of future benefits	**$25,230,320**	$22,599,715
B.	Actuarial present value of future normal costs	**2,639,745**	2,518,610
C.	Actuarial accrued liability	**22,590,575**	20,081,105
D.	Funding value of assets	**17,630,256**	16,717,149
E.	Unfunded actuarial accrued liability	**$ 4,960,319**	$ 3,363,956

The Unfunded Actuarial Accrued Liability (UAAL) is not a good measure of the System's funded status because the amount is dependent upon the actuarial cost method (please refer to page C-1). The funding progress indicators (2) and (3) on pages A-4 and A-5 are less dependent of the actuarial cost method and are a better guide to funded status and funding progress. The funded status and the funding progress indicators would be different if based on the market value of assets instead of the funding value of assets.

Recommended and Actual Contributions
Comparative Statement

Fiscal Year	Valuation Date	Local Employers/Chapter Dollar Contributions[#] Recommended	Actual	Recommended Local Employers/Chapter % of Payroll Contributions
99/00	10/1/1998	$ 157,388	$ 200,849	12.17 %
00/01	10/1/1999	140,765	154,219	9.93
01/02	10/1/2000 (aa)	188,644	188,644	12.45
02/03	10/1/2001	181,171	210,934	14.34
03/04	10/1/2002 (a)	187,031	200,796	14.64
04/05	10/1/2003 (a)	201,242	195,785	14.01
05/06	10/1/2004	289,937	313,076	18.49
06/07	10/1/2005	345,883	518,567	19.61
07/08	10/1/2006	347,184	584,172	18.38
08/09	10/1/2007 (a)	329,117	425,843	17.85
09/10	10/1/2008	373,810	423,928	18.15
10/11	10/1/2009 (a)	501,859	533,544	23.67
11/12	10/1/2010	573,563	573,563	25.83
12/13	10/1/2011	639,810	639,810	28.25
13/14	10/1/2012 (a)	408,279	457,932	18.50
14/15	10/1/2013 (a)	368,361	389,997	18.78
15/16	10/1/2014 (a)	422,041	422,041	21.15
16/17	10/1/2015 (a)	501,375	501,375	25.76
17/18	10/1/2016 (a)	608,384	608,384	28.57
18/19	10/1/2017	657,730	657,730	29.32
19/20	10/1/2019 &	1,067,242	1,101,580	51.08
20/21	10/1/2019	982,885	841,792	47.04
21/22	10/1/2020 (a)	978,204	1,090,782	54.43
22/23	10/1/2021 (a)	997,118		53.29
23/24	**10/1/2022** (b)	**1,039,075**		**50.33**
23/24	**10/1/2022** (a)	**1,097,026**		**53.14**

(a) After changes in benefit provisions and/or actuarial assumptions and/or actuarial cost methods.
(aa) After Minimum Benefit changes.
& Recalculated recommended contribution per adopted interlocal agreement.
(b) Before changes in actuarial assumptions.
 # Prior to the fiscal year ending 9/30/99, results include General, Police and Fire.

Actuarial Balance Sheet - October 1, 2022

Present Resources and Expected Future Resources

A.	Funding value of system assets:	
	1. Net assets from system financial statements (market value)	$ 15,626,702
	2. Funding value adjustment	2,003,554
	3. Funding value of assets	17,630,256
B.	Actuarial present value of expected future employer contributions:	
	1. For normal costs	1,575,980
	2. For unfunded actuarial accrued liability	4,960,319
	3. Totals	6,536,299
C.	Actuarial present value of expected future member contributions	1,063,765
D.	Total Present and Expected Future Resources	$25,230,320

Actuarial Present Value of Expected Future Benefit Payments and Reserves

A.	To retired members and beneficiaries	$ 9,874,554
B.	To vested terminated members	340,247
C.	To present active members:	
	1. Allocated to service rendered prior to valuation date	12,359,203
	2. Allocated to service likely to be rendered after valuation date	2,639,745
	3. Totals	14,998,948
D.	City of Jacksonville Beach Prepaid Contribution Reserve*	300
E.	City of Jacksonville Prepaid Contribution Reserve#	16,271
F.	Total Actuarial Present Value of Expected Future Benefit Payments	$25,230,320

* *A portion of the contribution requirement for the City of Jacksonville Beach can be paid from this reserve.*

\# *Composed of $7,861 from excess chapter contributions and $8,410 due to excess employer contributions.*

A portion of the contribution requirement for City of Jacksonville can be paid from this reserve.

5-Year Projections of Future Funded Ratios and Future Employer Contributions

Valuation Date 10/1	Active Count	Payroll	Benefit Payments	Actuarial Accrued Liability	Actuarial Value of Assets	Funded Ratio	Fiscal Year	Total Employer Contribution % of Payroll	Total Employer Contribution Dollar Amount	Less Estimated Chapter 175	Estimated Local Employers' Contributions City of Jacksonville Beach	Estimated Local Employers' Contributions City of Jacksonville	Estimated Local Employers' Contributions Total
2022	25	$2,064,466	$ 832,604	##########	##########	78.0%	2024	53.26%	#########	$ -	$ 707,653	$ 391,962	**$ 1,099,615**
2023	23	1,953,878	907,840	23,560,857	18,504,507	78.5%	2025	55.47%	1,083,820	-	707,653	376,167	**1,083,820**
2024	22	1,941,710	942,076	24,541,254	19,360,823	78.9%	2026	54.46%	1,057,440	-	707,653	349,787	**1,057,440**
2025	19	1,706,557	1,033,085	25,464,668	19,673,901	77.3%	2027	60.91%	1,039,416	-	707,653	331,763	**1,039,416**
2026	17	1,558,952	1,175,208	26,257,075	20,822,728	79.3%	2028	65.87%	1,026,906	-	707,653	319,253	**1,026,906**
2027	15	1,459,475	1,266,286	26,977,361	21,959,835	81.4%	2029	69.40%	1,012,853	-	707,653	305,200	**1,012,853**

Chapter 175 monies are assumed to stay level in future years.
Actuarial assumptions were those used for the 10/1/2022 valuation.
Future experience was assumed to be consistent with the actuarial assumptions. If experience differs from the actuarial assumptions, future results could be significantly different from the projected results above.
Existing schedule of unrecognized investment gains and losses are reflected in this projection.

SECTION B

SUMMARY OF BENEFIT PROVISIONS AND VALUATION DATA SUBMITTED BY THE RETIREMENT SYSTEM

Summary of Benefit Provisions
(as of October 1, 2022)

Normal Retirement (no reduction factor for age):

Eligibility

Members with 10 or more years of service as of July 21, 2014: 30 years of service regardless of age, or age 52 with 25 or more years of service, or age 55 with 5 or more years of service.

Members with less than 10 years of service as of July 21, 2014: 30 years of service regardless of age, or age 52 with 25 or more years of service, or age 55 with 10 or more years of service.

Mandatory Retirement Age - None.

Pension Amount
Members Not Eligible for Normal Retirement as of July 21, 2014: Total credited service times 3.0% of final average compensation. Maximum pension is 90% of final average compensation or $90,000, whichever is less. Accrued benefits as of July 21, 2014 in excess of the maximum amount are retained.

The normal form of benefit is a benefit payable for the life of the retired member with the first 10 years guaranteed. Optional benefit forms are available on an actuarial equivalent basis. Assumptions used to calculate optional forms of payment are those in effect at the member's commencement date.

Final Average Compensation - Highest 5 years out of last 10. Compensation includes base pay plus longevity and incentive pay. Excludes overtime and all other forms of compensation.

Early Retirement:

Eligibility - 20 years of service or age 50 with 10 years of service as of July 21, 2014. Members that do not meet these conditions are not eligible for Early Retirement.

Pension Amount - Computed as regular retirement, but reduced to take into account earlier commencement of retirement income payments, as follows:

3.0% per year reduction prior to Normal Retirement

Deferred Retirement (vested benefit):

Eligibility - 10 or more years of service for members with less than 5 years of service and new hires as of July 21, 2014. Benefit begins at the earlier of: age 55 with 10 years of service, age 52 with 25 years of service, and age 65 with 5 years of service.

Members with 5 or more years of service as of July 21, 2014: 5 or more years of service. Benefit begins at regular retirement age of 55.

Pension Amount - Computed as a normal retirement but based upon service and final average compensation at time of termination.

Summary of Benefit Provisions
(Continued)

Duty Disability Retirement:

Eligibility - No age or service requirements.

Pension Amount - Computed as a normal retirement to regular retirement age. Minimum benefit is not less than 50% of final average compensation. At regular retirement age, the participant has the option to have the benefit re-computed as a normal retirement with additional service credit granted from date of retirement to the later of normal retirement age or five years after date of disability. Minimum benefit is not less than 42% of final average compensation.

Non-Duty Disability Retirement:

Eligibility - 10 or more years of service.

Pension Amount - Computed as a normal retirement. Minimum benefit is not less than 25% of final average compensation.

Duty Death Before Retirement:

Eligibility - No age or service requirements.

Pension Amount - To spouse: 100% of the normal retirement benefit. Minimum benefit is not less than 35% of final average compensation.

Non-Duty Death Before Retirement:

Eligibility - 5 or more years of service for members with more than 5 years of service as of July 21, 2014. 10 or more years of service for members with less than 5 years of service and new hires as of July 21, 2014.

Pension Amount - To spouse: 100% of the normal retirement benefit.

Member Contributions: 7.95% of pay.

Cost-of-Living Adjustments: A one-time, permanent benefit increase of 2% was granted to retirees who retired before January 1, 2009. Retirees who retire after January 1, 2009 and before July 21, 2014 will receive on the 2nd anniversary of retirement, a 2% benefit increase and an additional 2% compounded annually, inclusive of certain periods and/or survivor benefits. Members who were employed on and retire after July 21, 2014 receive a 2% benefit increase for service earned before July 21, 2014 and a 1% increase for service earned after July 21, 2014, compounded annually beginning two years after retirement. Members hired after July 21, 2014 are not eligible for a COLA.

Premium Tax Monies: A distribution of property insurance premium tax monies collected by the State pursuant to Chapter 175, Florida Statutes.

Summary of Benefit Provisions
(Concluded)

City Contributions: Actuarially determined amounts which together with member contributions and premium tax monies are sufficient to at least cover the requirements of the funding objective.

Forfeiture of Retirement Benefits: Retirement benefits granted by the Retirement System are subject to forfeiture if an employee is convicted of an offense specified in Sections 112.3173 and 175.195, Florida Statutes, pursuant to the procedures set forth in the cited statute.

Prior Service Purchases: A former member with credited service who wishes to return to city employment may restore the forfeited credited service to receive credit for prior service within ninety (90) days after return to city employment.

Backwards Deferred Retirement Option Program (BackDROP):

> ***Eligibility*** – Same as normal retirement. Member must not be participating in the DROP on July 21, 2014 and must continue employment beyond the normal retirement date. The member may elect a BackDROP period for the number of months worked beyond their normal retirement date, up to a maximum of 36 months.
>
> ***Amount of Pension*** – Computed as if the member had chosen to terminate on a day chosen by the member but not before the member's normal retirement date, using credited service and final average salary at the BackDROP date. In addition to the pension, there will be a lump sum payment equal to the pension benefits the member would have received had he/she retired on the BackDROP date with interest at the rate of 3.0% per year.

Claims Procedure: Claims for benefits should be filed with the Human Resources Department. If a claim is denied, you will be notified and informed of the procedure to request a hearing before the Board of Trustees. An applicant for benefits must appeal said denial within 20 days of being informed of the denial by filing an appeal with the Board Secretary. If no appeal is filed within the time period then the denial shall be final.

Disclaimer: The preceding summary briefly describes the principle benefits of the Retirement System. Detailed benefit conditions and limitations are contained in the City of Jacksonville Beach Firefighters' Retirement System Ordinance as amended, which establishes the System. The Internal Revenue Code, Florida Statutes, and the Ordinance all govern the operation of the System, and should be consulted before you take any action concerning your membership or benefits. In case of any conflict between this Summary and the Ordinance or other applicable law, the Ordinance or other applicable law will prevail. Copies of the Ordinance are available at the office of the City Clerk.

Accounting Information Submitted for Valuation

Revenues and Expenditures

	Year Ended September 30, 2022	Year Ended September 30, 2021
Revenues:		
a. Member contributions	**$ 135,185**	$ 158,581
b. City of Jacksonville Beach and City of Jacksonville contributions	**1,090,782**	841,792
c. Premium taxes from State	**0**	0
d. Total contributions to System	**$ 1,225,967**	$ 1,000,373
e. Investment income:		
1. Interest and dividends	**497,901**	373,079
2. Realized gain on investments	**(66,010)**	871,219
3. Unrealized gain on investments	**(3,283,249)**	1,622,953
4. Investment expense	**(30,067)**	(32,053)
f. Total investment income	**$(2,881,425)**	$ 2,835,198
g. Total revenues	**$(1,655,458)**	$ 3,835,571
Expenditures:		
a. Refunds of member contributions	**0**	0
b. Benefits paid	**836,482**	839,948
c. Administrative expenses	**77,576**	75,574
d. Total expenditures	**$ 914,058**	$ 915,522
Adjustments to MVA:	**$ 0**	0
Reserve Increase:		
Total revenues minus total expenditures	**$(2,569,516)**	$ 2,920,049

Summary of Assets (Market Value)

	Year Ended September 30, 2022	Year Ended September 30, 2021
Cash and Short-term Investments	**$ 1,050,756**	$ 1,348,969
Due from Other Government Units	**0**	90,000
Receivables less payables	**18,491**	10,112
Real Estate	**1,033,520**	860,041
U.S. Government Securities	**2,389,626**	2,947,972
Bonds - government	**none**	none
- corporate	**1,179,961**	994,303
Stocks - common	**none**	none
- preferred	**none**	none
Other (equity mutual funds)	**9,954,348**	11,944,821
Total assets	**$ 15,626,702**	$ 18,196,218

Derivation of Funding Value of Retirement System Assets

	2020	2021	2022	2023	2024	2025
Beginning of Year Values						
(1) Market Value	$13,886,114	$15,276,169	$18,196,218			
(2) Funding Value	13,900,598	15,068,979	16,717,149			
End of Year						
(3) Market Value	15,276,169	18,196,218	15,626,702			
(4) Net Addition to Assets Excluding Investment Income#	17,824	84,851	311,909			
(5) Total Net Investment Income# = (3)-(1)-(4)	1,372,231	2,835,198	(2,881,425)			
(6) Projected Net Rate of Return#	7.000%	6.900%	6.625%	6.500%		
(7) Projected Investment Income = (6) x [(2)+0.5 x (4)]	973,666	1,042,687	1,117,843			
(8) Investment Income in Excess of Projected	398,565	1,792,511	(3,999,268)			
Excess Investment Income Recognized						
(9a) From Current Year = .25 x (8)	99,641	448,128	(999,817)			
(9b) From One Year Prior	(64,599)	99,641	448,128	$ (999,817)		
(9c) From Two Years Prior	37,462	(64,599)	99,641	448,128	$ (999,817)	
(9d) From Three Years Prior	104,387	37,462	(64,597)	99,642	448,127	$ (999,817)
(9e) Total Cap. Val. Change Recogn. = (9a)+(9b)+(9c)+(9d)	176,891	520,632	(516,645)	(452,047)	(551,690)	(999,817)
(10) Increase(Decr.) in Funding Value = (4) + (7) + (9e)	1,168,381	1,648,170	913,107			
End of Year						
(11) Market Value	$15,276,169	$18,196,218	$15,626,702			
(12) Funding Value = (2)+(10)	15,068,979	16,717,149	17,630,256			
(13) Market Value Rate of Return	9.9%	18.5%	(15.7)%			
(14) Funding Value Rate of Return	8.3%	10.3%	3.6%			
(15) Ratio of Market to Funding Value	101.4%	108.8%	88.6%			

 # Net of expenses paid from investment income.

Retired Member and Beneficiary Data
Historical Schedule

	Added		Removed		Net Increase		End of Year		Expected Removals	
Year Ended	No.	Annual Pensions	No.	Annual Pensions	No.	Annual Pensions	No.	Annual Pensions	No.	Pensions
9/30/1975			3	$ 5,238	(3)	$ (5,238)	38	$ 96,998		
9/30/1980	4	$ 12,535	2	6,322	2	6,213	43	126,043		
9/30/1985	6	38,897	3	9,338	3	29,559	54	206,265	1.7	$ 4,085
9/30/1990	6	63,868	5	14,043	1	49,825	63	346,855	1.9	6,447
9/30/1995	8	184,693	6	24,617	2	160,076	85	1,015,250	2.3	14,657
9/30/1996	14	247,257	7	33,348	7	213,909	92	1,229,159	1.9	14,218
9/30/1997	5	65,068	4	22,208	1	42,860	93	1,272,018	2	16,685
9/30/1998 #							14	289,524	2	16,685
9/30/1999							14	289,524	0.2	3,497
9/30/2000	1	32,824			1	32,824	15	322,348	0.2	3,883
9/30/2001	3	136,130			3	136,130	18	458,478	0.2	4,487
9/30/2002	3	147,176 *			3	147,176	21	605,654	0.3	5,710
9/30/2003	1	54,211	2	55,764	(1)	(1,553)	20	604,101	0.3	7,094
9/30/2004	1	60,277			1	60,277	21	664,378	0.3	7,970
9/30/2005	4	70,107	1	15,608	3	54,499	24	718,877	0.4	8,984
9/30/2006					0	0	24	718,877	0.4	9,685
9/30/2007					0	0	24	718,877	0.4	10,710
9/30/2008					0	0	24	718,877	0.5	11,858
9/30/2009	1	42,517	1	28,994	0	13,523	24	732,400	0.5	13,143
9/30/2010			1	24,355	(1)	(24,355)	23	708,045	0.6	14,312
9/30/2011			2	48,190	(2)	(48,190)	21	659,855	0.6	14,354
9/30/2012					0	0	21	659,855	0.6	15,813
9/30/2013	3	82,016	1	14,397	2	67,619	23	727,474	0.7	17,445
9/30/2014	1	25,134	0	0	1	25,134	24	752,608	0.7	18,427
9/30/2015	0	1,386	0	0	0	1,386	24	753,994	0.8	20,452
9/30/2016	1	17,077	1	17,077	0	1,413	24	755,407	0.9	22,569
9/30/2017	0	1,442	1	8,585	(1)	(7,143)	23	748,264	0.8	20,245
9/30/2018	3	73,674	2	49,453	1	24,221	24	772,485	0.7	21,083
9/30/2019	1	66,133	1	44,416	0	21,717	24	794,202	0.7	19,912
9/30/2020	2	108,566	2	64,185	0	44,381	24	838,583	0.8	20,813
9/30/2021	0	5,212	1	16,506	(1)	(11,293)	23	827,290	0.8	20,902
9/30/2022	**0**	**5,314**	**0**	**-**	**0**	**5,314**	**23**	**832,604**	**0.8**	**22,262**
Expected for **9/30/2023**									**0.9**	**24,494**

 # Prior to 1998 valuation, results include General, Police and Fire.
** Includes changes in benefits due to minimum benefit requirement.*

Normal (Age and Service) Retirements

Valuation Year	No.	Average Attained Age	Average Retirement Age	Average Annual Pensions	Newly Retired During Year No.	Averages Retirement Age	Averages Service	Averages Annual Pensions
2008	16	66.1	55.0	$30,772				
2009	16	67.1	55.3	31,340				
2010	16	68.1	55.3	31,299				
2011	14	69.1	55.3	34,180				
2012	14	70.1	55.3	34,180				
2013	16	67.7	55.5	34,134	3	56.6	22.2	$27,338
2014	17	68.7	54.2	33,604	1	55.0	21.7	25,134
2015	17	69.7	54.2	33,686				
2016	16	68.9	55.2	34,812				
2017	16	69.9	55.2	34,902				
2018	14	69.2	54.9	36,461				
2019	14	69.1	54.7	38,012	1	57.0	25.3	64,633
2020	14	67.8	54.6	42,669	1	60.3	30.7	83,761
2021	14	68.8	54.6	42,991				
2022	**14**	**69.8**	**54.6**	**43,318**				

Retired Members and Beneficiaries Historical Comparison

Valuation Date	% Incr. in Annual Pensions#	No. of Active Per Retired	Pension Payroll as % of Active Payroll	Average Pension#
10/1/1990 *	16.8 %			$ 5,506
10/1/1995	18.7	2.7 %	16.7 %	11,944
10/1/2000	11.3	2.2	22.9	21,490
10/1/2005	8.2	1.2	43.5	29,953
10/1/2010	(3.3)	1.3	34.1	30,785
10/1/2011	(6.8)	1.4	31.1	31,422
10/1/2012	0.0	1.4	31.9	31,422
10/1/2013	10.2	1.2	39.6	31,629
10/1/2014	3.5	1.2	40.3	31,359
10/1/2015	0.2	1.2	40.8	31,416
10/1/2016	0.2	1.3	36.8	31,475
10/1/2017	(0.9)	1.3	34.6	32,533
10/1/2018	2.7	1.3	35.9	32,187
10/1/2019	2.8	1.1	38.0	33,092
10/1/2020	5.6	1.0	46.7	34,941
10/1/2021	(1.0)	1.1	44.2	35,969
10/1/2022	**0.6**	**1.1**	**40.3**	**36,200**

 # Prior to 1999 valuation, results include General, Police and Fire.
** For the 5 years ending with the valuation date.*

Retired Members and Beneficiaries as of October 1, 2022 by Type of Pension Being Paid*

New Plan Pensions

Type of Pension Being Paid*	No.	Annual Pension	Average Benefit	Actuarial Liabilities
Age and Service Pensions				
Regular	3	$ 42,651	$14,217	$ 421,093
Option I	2	124,067	62,034	1,078,994
Option II	5	216,961	43,392	2,706,297
Option III	4	222,779	55,695	3,004,593
Survivor Beneficiaries	6	132,926	22,154	1,970,162
Total Age and Service Pensions	20	739,384	36,969	9,181,139
Disability Pension				
Regular	1	25,414	25,414	165,499
Option I	1	34,326	34,326	260,545
Option III	1	33,480	33,480	267,372
Total Disability Pension	3	93,220	31,073	693,416
Total New Plan Pensions	**23**	**$832,604**	**$36,200**	**$9,874,555**

* *Regular - benefit terminating upon death of retired member.*
Option I - 10-year certain.
Option II - 100% joint and survivor benefit.
Option III - 50%, 66⅔% and 75% joint and survivor benefit.
Surviving Beneficiaries - benefit terminating upon death of beneficiary.

Retired Members and Beneficiaries as of October 1, 2022
by Type of Pension Being Paid*

Old Plan Pensions

Type of Pension Being Paid	No.	Annual Pension	Average Pension	Actuarial Liability
Age and Service Pensions				
Survivor Beneficiaries	0	$ -	N/A	$ -
Total Age and Service Pensions	0	$ -	N/A	$ -
Total Old Plan Pensions	**0**	**$ -**	**N/A**	**$ -**
Total New & Old Plan				
Pensions Being Paid	**23**	**$ 832,604**	**$36,200**	**$ 9,874,555**

* *Regular - benefit terminating upon death of retired member.*
Automatic Spouse Benefit - 75% joint and survivor benefit.
Surviving Beneficiaries - benefit terminating upon death of beneficiary.

Retired Member and Beneficiary Data as of October 1, 2022
by Attained Ages

Attained Ages	New Plan No.	New Plan Annual Benefits	Old Plan No.	Old Plan Annual Benefits	Totals No.	Totals Annual Benefits
44	1	$ 41,362			1	$ 41,362
59	1	68,424			1	68,424
63	2	112,279			2	112,279
64	2	60,307			2	60,307
69	2	95,089			2	95,089
70	1	34,326			1	34,326
72	4	174,895			4	174,895
74	1	45,013			1	45,013
75	3	104,545			3	104,545
80	1	28,719			1	28,719
81	1	7,960			1	7,960
83	1	4,800			1	4,800
86	1	17,077			1	17,077
87	1	21,334			1	21,334
88	1	16,474			1	16,474
Totals	**23**	**$ 832,604**	**0**	**$ 0**	**23**	**$ 832,604**

Vested Terminated Members as of October 1, 2022
by Attained Ages

Attained Ages	No.	Annual Benefits
47	1	$39,307
Totals	**1**	**$39,307**

Active and Vested Terminated Members Included in Valuation

Valuation Date	Active Members	Vested Terminated Members	Valuation Payroll	Average Age	Average Service	Average Pay
10/1/2011	30	2	$ 2,120,109	38.1 yrs.	8.8 yrs.	$ 70,670
10/1/2012	30	2	2,065,908	38.5	9.5	68,864
10/1/2013	28	1	1,836,131	38.2	10.2	65,576
10/1/2014	28	0	1,867,968	39.2	11.3	66,713
10/1/2015	28	0	1,848,443	40.2	12.3	66,016
10/1/2016	30	0	2,052,021	40.3	12.4	68,401
10/1/2017	30	0	2,161,712	41.3	13.4	72,057
10/1/2018	30	0	2,153,226	41.6	13.8	71,774
10/1/2019	27	1	2,089,398	42.4	14.4	77,385
10/1/2020	25	1	1,797,055	43.1	14.9	71,882
10/1/2021	25	1	1,870,976	44.1	15.9	74,839
10/1/2022	**25**	**1**	**2,064,466**	**45.1**	**16.9**	**82,579**

Number Added to and Removed from Active Membership

Year Ended September 30	Number Added During Year		Terminations During Year: Normal Retirement		Disability Retirement		Died-in-Service		Withdrawal: Vested	Withdrawal: Other	Withdrawal: Total		Active Members End of Year
	A	E	A	E	A	E	A	E	A	A	A	E	
2011	1	1	0	0.8	0	0.1	0	0.0	0	1	1	2.2	30
2012	1	1	0	0.8	0	0.1	0	0.0	0	1	1	2.2	30
2013	0	2	2	1.7	0	0.1	0	0.0	0	0	0	2.1	28
2014	0	0	0	0.4	0	0.1	0	0.0	0	0	0	1.9	28
2015	0	0	0	0.3	0	0.1	0	0.0	0	0	0	1.9	28
2016	2	0	0	0.7	0	0.1	0	0.0	0	0	0	1.8	30
2017	0	0	0	0.8	0	0.1	0	0.0	0	0	0	1.5	30
2018	2	2	0	0.7	0	0.2	1	0.0	0	1	1	1.4	30
2019	0	3	1	1.4	0	0.1	0	0.0	1	1	2	1.5	27
2020	1	0	1	1.2	0	0.1	0	0.0	0	2	2	1.2	25
2021	0	0	0	0.2	0	0.1	0	0.0	0	0	0	1.1	25
2022	**0**	**0**	**0**	**1.0**	**0**	**0.2**	**0**	**0.0**	**0**	**0**	**0**	**0.9**	**25**
5-yr. Totals 2018 - 2022	3	5	2	4.5	0	0.7	1	0.0	1	4	5	6.1	
Expected for 2023				1.0		0.2		0.0				0.9	

A Represents actual number.
E Represents expected number.

Active Members as of October 1, 2022
By Near Age and Years of Service

Near Age	Years of Service to Valuation Date							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Valuation Payroll
30-34	2		2					4	$ 300,486
35-39				1				1	78,713
40-44			1	2				3	251,829
45-49				5	4	1		10	852,393
50-54			2	3	1			6	483,646
55-59								0	0
60					1			1	97,399
Totals	**2**		**5**	**11**	**6**	**1**		**25**	**$2,064,466**

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Age: 45.1 years

Service: 16.9 years

Annual Pay: $82,579

SECTION C

ACTUARIAL COST METHOD, ACTUARIAL ASSUMPTIONS AND DEFINITIONS OF TECHNICAL TERMS

Actuarial Cost Method

The actuarial cost method is a procedure for allocating the actuarial present value of benefits and expenses to time periods. The method used for your valuation is known as the individual entry-age actuarial cost method, and has the following characteristics:

(i) The annual normal costs for each individual active member is sufficient to accumulate the value of the member's pension at time of retirement or BackDROP.

(ii) Each annual normal cost is a constant percentage of the member's year-by-year projected pensionable compensation.

The entry-age actuarial cost method allocates the actuarial present value of each member's projected benefits on a level basis over the member's pensionable compensation between the entry age of the member and the estimated exit ages. This is based on our understanding of the approach preferred by the Florida Division of Retirement.

The portion of the actuarial present value allocated to the valuation year is called the normal cost. The portion of the actuarial present value not provided for by the actuarial present value of future normal costs is called the Actuarial Accrued Liability (AAL). Deducting accrued assets from the AAL determines the Unfunded Actuarial Accrued Liability (UAAL). The UAAL was financed as a level dollar amount.

The characteristics of this method of financing the UAAL are shown on page C-2.

Level Dollar Amortization of Unfunded Actuarial Accrued Liability

Fiscal Year Ending	UAAL Beginning of Year[&]	Contribution*
2023	$4,080,706	$707,653
2024	3,609,167	707,653
2025	3,104,620	707,653
2026	2,564,755	707,653
2027	1,987,099	707,653
2028	1,369,007	707,653
2029	707,653	707,653
2030	0	0

& *Unfunded represents the remaining UAAL that the City of Jacksonville Beach is responsible for when valued at a 7% interest rate. The City of Jacksonville is responsible for the contributions to the UAAL calculated on page A-12 in excess of the City of Jacksonville Beach's contribution, in fiscal year ending 2024 this amount is $68,415.*

* *Contribution is expected to be paid within 1 week of the beginning of the fiscal year.*

Actuarial Assumptions Used for the Valuation

Funding objective contribution requirements and actuarial present values are calculated by applying estimates of future plan activities (actuarial assumptions) to the benefit provisions and people information of the system, using the actuarial cost method described on page C-1. All actuarial assumptions used in this report are estimates of future experience.

The principal areas of risk which require estimates of future plan activities are:

(i) Long-term rates of investment return to be generated by the assets of the system
(ii) Patterns of pay increases to active members
(iii) Rates of mortality among active members, retired members and beneficiaries
(iv) Rates of withdrawal of active members
(v) Rates of disability among active members
(vi) The age patterns of actual retirements

In making a valuation, the monetary effect of each activity is calculated for as long as a present covered person survives - - a period of time which can be as long as a century.

Actual activities of the system will not coincide exactly with estimated activities, due to their nature. Each valuation provides a complete recalculation of estimated future activities and takes into account the effect of differences between estimated and actual activity to date. The result is a continual series of adjustments (usually small) to the computed contribution rate. From time-to-time one or more of the assumptions are modified to reflect experience trends (but not random or temporary year-to-year fluctuations).

The actuarial assumptions are adopted by the Board of Trustees after consultation with the actuary. In general, the actuarial assumptions were based on the System's experience, as well as experience of plans similar in nature where the System's experience was insufficient. The reasonableness of the economic assumptions was based upon capital market expectations provided by various investment consultants (including the System's) and other sources such as the Social Security Trustees report. All actuarial assumptions are based on future expectations, not market measures.

Actuarial Assumptions Used for the Valuation

The actuarial assumptions regarding the INFLATION rate, the SALARY INCREASE rates, were effective October 1, 2020. The REAL INVESTMENT RETURN was effective October 1, 2022. These actuarial assumptions are used, in combination with the other actuarial assumptions, to determine the present value of amounts expected to be paid in the future.

The annual interest rate used in making this valuation was 6.500%. It is composed of inflation and real investment return.

Price Inflation. 2.50% per annum, compounded annually. This is the rate at which growth in the supply of money and credit is estimated to exceed growth in the supply of goods and services. It may be thought of as the rate of depreciation of the purchasing power of the dollar. There are a number of indices for measuring the inflation rate. The recent inflation rate, as measured by the Consumer Price Index, has been:

	Year Ended September 30					**Average**	
	2022	**2021**	**2020**	**2019**	**2018**	**3-Year**	**5-Year**
Actual	**8.2%**	5.4%	1.4%	1.7%	2.3%	5.0%	3.8%
Assumed	**2.5%**	2.5%	2.5%	2.5 %	2.5%	2.5%	2.5%

Real Investment Return. 4.000% per annum, compounded annually. This is the rate of return estimated to be produced by investing a pool of assets in an inflation-free environment. Recent real investment return for the Retirement System has been:

	Year Ended September 30					**Average**	
	2022	**2021**	**2020**	**2019**	**2018**	**3-Year**	**5-Year**
Net Rate	**3.6%**	10.3%	8.3 %	8.3%	7.3%	7.4%	7.5%
Less Inflation Rate	**8.2%**	5.4%	1.4%	1.7%	2.3%	5.0%	3.8%
Net Real Rate	**(4.6)%**	4.9%	6.9 %	6.6%	5.0%	2.4%	3.7%
Target Real Rate	**4.13%**	4.40%	4.50%	5.25%	5.40%	4.3%	4.7%

The total investment return rate was computed using the approximate formula i = I divided by 1/2 (A + B - I), where I is actual realized investment income plus market value adjustments, A is the beginning of year funding asset value and B is the end of year funding value of assets.

The preceding investment return rates reflect the particular characteristics of this Retirement System and should not be used to measure an investment advisor's performance or for comparison with other retirement systems. Such use will usually mislead.

Actuarial Assumptions Used for the Valuation

Salary Increases. Employee salaries are estimated to increase between the date of hire and date of retirement. Salary increases occur in recognition of (i) individual merit and seniority, (ii) inflation-related depreciation of the purchasing power of salaries, and (iii) competition from other employers for personnel.

A schedule of estimated rates of increases in individual salaries for sample ages follows:

	Annual Rates of Salary Increase for Sample Ages				
Attributable to:	**20**	**30**	**40**	**50**	**60**
Merit & Seniority	3.8%	2.7%	2.1%	1.1%	0.2%
General Increase in Wage Level Due to:					
Price Inflation	2.5%	2.5%	2.5%	2.5%	2.5%
Other Factors	0.0%	0.0%	0.0%	0.0%	0.0%
Total	6.3%	5.2%	4.6%	3.6%	2.7%

The valuation is based on a constant group size and total payroll increasing at the rate of the general increase in wage levels due to inflation and other causes, which in this case is 2.50% a year.

A schedule of recent salary change experience, as measured by average reported pay, follows:

	Year Ended September 30					Average		
	2022	**2021**	**2020**	**2019**	**2018**	**3-Year**	**5-Year**	**10-Year**
% Change:								
Actual [1]	10.3%	4.1%	(7.1)%	8.9%	(0.4)%	2.2%	3.0%	2.6%
Assumed	4.1%	4.2%	4.3%	4.3%	4.3%	4.2%	4.2%	5.0%
% Change in Total Payroll [2]	10.3%	4.1%	(14.0)%	(3.0)%	(0.4)%	(0.4)%	(0.9)%	0.0%

(1) Excluding terminations and new members.
(2) Including pays of members electing DROP participation but still working at the time of the respective valuation.

Actuarial Assumptions Used for the Valuation

	Year Ended September 30					Average	
	2022	2021	2020	2019	2018	3-Year	5-Year
Net Investment Return Rate	3.6%	10.3%	8.3%	8.3%	7.3%	7.4%	7.5%
Rate of Change in Average Pay	10.3%	4.1%	(7.1)%	8.9%	(0.4)%	2.2%	3.0%
Difference: Actual	(6.7)%	6.2%	15.4%	(0.6)%	7.7%	5.2%	4.6%
Target	4.40%	4.40%	4.50%	5.25%	5.40%	4.4%	4.8%

Mortality Table. The mortality tables used to measure retired life mortality were the Florida Retirement System (FRS) Mortality Tables, as described below:

- **Male non-disabled retiree mortality**: fully generational mortality. PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Mortality Table, set-forward 1 year, projected with scale MP-2018.
- **Female non-disabled retiree mortality**: fully generational mortality. PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table, set-forward 1 year, projected with scale MP-2018.
- **Male employee mortality**: fully generational mortality. PUB-2010 Headcount Weighted Safety Below Median Employee Male Mortality Table, set forward 1 year, projected with scale MP-2018.
- **Female employee mortality**: fully generational mortality. PUB-2010 Headcount Weighted Safety Employee Female Mortality Table, set forward 1 year, projected with scale MP-2018.
- **Male disabled mortality**: 80% PUB-2010 Headcount Weighted General Disabled Retiree Male Mortality Table and 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Male Mortality Table.
- **Female disabled mortality**: 80% PUB-2010 Headcount Weighted General Disabled Retiree Female Mortality Table and 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Female Mortality Table.

PUB-2010 Fully Generational Mortality Tables

Sample Ages in 2022	Value of $1 Monthly for Life		Future Life Expectancy (Years)	
	Men	Women	Men	Women
50	$157.16	$163.99	32.55	36.38
55	147.83	155.56	27.78	31.35
60	136.25	145.39	23.18	26.55
65	122.79	133.28	18.91	22.03
70	106.73	118.84	14.89	17.77
75	88.95	102.15	11.28	13.84
80	70.48	84.06	8.19	10.37

Applicable to calendar year 2022. Values for future years are determined using the MP-2018 projection scale. The above values are for healthy participants.

The margin for future mortality improvements is included in projection scales. 75% of pre-retirement deaths were assumed to be duty related.

Actuarial Assumptions Used for the Valuation

Rates of withdrawal from active membership. The rates do not apply to members eligible to retire and do not include separation on account of death or disability. This assumption measures the probabilities of members remaining in employment.

Sample Ages	Years of Service	% of Active Members Separating During Next Year
	0	20.00%
	1	15.00%
	2	12.00%
	3	10.00%
	4	7.00%
25	5 & Over	9.90%
30		9.68%
35		7.81%
40		4.84%
45		2.53%
50		2.09%
55		2.09%
60		2.09%

These rates were first used for the October 1, 2016 valuation.

Rates of Disability. These estimates represent the probabilities of active members becoming disabled.

Sample Ages	% of Active Members Becoming Disabled During Next Year
20	0.14%
25	0.18%
30	0.20%
35	0.28%
40	0.42%
45	0.64%
50	1.04%
55	1.84%
60	3.06%

The mortality table was set-forward 10 years from the age at disability for projecting disability costs. The rates assume 75% of disabilities will be duty related. These rates were first used for the October 1, 1995 valuation.

Actuarial Assumptions Used for the Valuation

Rates of Retirement. These rates are used to measure the probabilities of an eligible member retiring during the next year.

Retirement Ages	Age Based	Yrs. of Service	Service Based	Early Retirement Ages	Early Retirement Rates
52	50%	30	100%	40	5%
53	40%			41	5%
54	30%			42	5%
55	30%			43	5%
56	20%			44	5%
57	20%			45	5%
58	20%			46	5%
59	20%			47	5%
60	100%			48	5%
				49	5%
				50-54	5%

A Fire member is eligible for normal retirement after 30 years of service, or after attaining age 52 with 25 years of service, or after attaining age 55 with 5 (10 years if less than 10 years of service as of July 21, 2014) or more years of service.

A Fire member is eligible for early retirement after 20 years of service or after attaining age 50 with 10 years of service if eligible for early retirement by July 21, 2014.

These rates were first used for the October 1, 2002 valuation.

Administrative Expenses. Administrative expenses are projected to continue at the same percent-of-payroll as experienced during the preceding fiscal year.

Investment Expenses. Investment expenses are offset against gross investment income.

Active Member Group Size. The valuation was based on a closed active member group size. This is different from previous valuations.

Vested members who terminate with a benefit worth less than 100% of their own accumulated contributions were assumed to forfeit their vested benefit.

Compensation reported for the actuarial valuation includes all amounts included in the final average compensation for benefit purposes.

Summary of Assumptions Used
September 30, 2022

Pensions in an Inflationary Environment

Value of $1,000/month Retirement Benefit to an Individual Who Retires at Age 52 in an Environment of 2.50% Inflation

Age	Value
52	$1,000
53	976
54	952
55	929
60	820
65	724
70	640
75	566
80	500
85	442

The life expectancy of a 55-year-old male retiree is age 83. The life expectancy for a 55-year-old female retiree is age 86. Half of the people will outlive their life expectancy. The effects of even moderate amounts of inflation can be significant for those who live to an advanced age.

Summary of Assumptions Used
Miscellaneous and Technical Assumptions

Marriage Assumption. 100% of males and 100% of females are assumed to be married for purposes of death-in-service benefits.

Pay Increase Timing. Beginning of (Fiscal) year. This is equivalent to assuming that reported pays represent amounts paid to members during the year ended on the valuation date.

Decrement Timing. Decrements of all types are assumed to occur mid-year.

Eligibility Testing. Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.

Benefit Service. Exact fractional service is used to determine the amount of benefit payable.

Decrement Relativity. Decrement rates are used without adjustment for multiple decrement table effects.

Decrement Operation. Disability and mortality decrements do not operate during the first 5 years of service. Disability and withdrawal do not operate during retirement eligibility.

Normal Form of Benefit. The normal form of benefit is a benefit payable for the life of the retired member with the first 10 years guaranteed. Optional benefit forms are available on an actuarial equivalent basis.

Loads. None.

Incidence of Contributions. Contributions are assumed to be received continuously throughout the year based upon the computed percent-of-payroll shown in this report, and the actual payroll payable at the time contributions are made. New entrant normal cost contributions are applied to the funding of new entrant benefits.

Definitions of Technical Terms

Accrued Service. Service credited under the system which was rendered before the date of the actuarial valuation.

Actuarial Accrued Liability. The difference between the actuarial present value of future benefit payments and the actuarial present value of future normal costs. Also referred to as "accrued liability" or "past service liability."

Actuarial Assumptions. Estimates of expected future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement estimates (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic estimates (salary increases and investment income) consist of the underlying rates in an inflation-free environment plus a provision for a long-term average rate of inflation.

Actuarial Cost Method. A mathematical budgeting procedure for allocating the dollar amount of the "actuarial present value of future benefit payments" between future normal costs and actuarial accrued liabilities. Sometimes referred to as the "actuarial valuation cost method."

Actuarial Equivalent. A single amount or series of amounts of equal actuarial present value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.

Actuarial Present Value. The amount of funds currently required to provide a payment or series of payments in the future. It is determined by discounting future payments at predetermined rates of interest, and by probabilities of payment. Also referred to as "present value."

Amortization. Paying off an interest-discounted amount with periodic payments of interest and principal -- as opposed to paying off with a lump sum payment.

Experience Gain (Loss). The difference between actual actuarial costs and assumed actuarial costs -- during the period between two valuation dates.

Funding Value of Assets. Also referred to as actuarial value of assets, smoothed market value of assets, or valuation assets.

Valuation assets recognize assumed investment return fully each year. Differences between actual and assumed investment return are phased-in over a closed 4-year period. During periods when investment performance exceeds the assumed rate, valuation assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, valuation assets will tend to be greater than market value. If assumed rates are exactly realized for 3 consecutive years, valuation assets will become equal to market value.

Normal Cost. The actuarial cost allocated to the current year by the actuarial cost method. Sometimes referred to as "current service cost."

Definitions of Technical Terms

Pension Benefit Obligation. A standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The PBO is independent of the actuarial funding method used to determine contributions.

Unfunded Actuarial Accrued Liability. The difference between Actuarial Accrued Liability and the funding value of system assets. Sometimes referred to as "unfunded past service liability," "unfunded accrued liability" or "unfunded supplemental present value."

Most retirement systems have Unfunded Actuarial Accrued Liability. An amount arises each time new benefits are added and each time an experience loss occurs.

The existence of Unfunded Actuarial Accrued Liability is not in itself bad, any more than a mortgage on a house is bad. Unfunded Actuarial Accrued Liability does not represent a debt that is payable today. What is important is the ability to control the amount of Unfunded Actuarial Accrued Liability and the trend in the amount (after due allowance for devaluation of the dollar).

SECTION D

ADDITIONAL DISCLOSURE INFORMATION

GASB Statements No. 67 and No. 68 are the accounting standards which replaced GASB Statements No. 25 and No. 27. GASB Statement No. 67 was first effective for fiscal year 2014 and GASB Statement No. 68 was first effective for fiscal year 2015. A separate GASB Statements No. 67 and No. 68 report has been issued outside of this report. This section contains historical GASB Statements No. 25 and No. 27 reporting information for prior fiscal years and illustrative information for fiscal year 2015 and after.

Contributions Required and Contributions Made

The City's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. The normal cost and Actuarial Accrued Liability (AAL) are determined using an entry-age actuarial funding method. Unfunded Actuarial Accrued Liability (UAAL) is being amortized as a level dollar over a period of 10 years starting with the October 1, 2019 valuation (7 years remaining).

During the year ended September 30, 2022 contributions totaling $1,225,967 -- $1,090,782 employer and $135,185 employee -- were made in accordance with contribution requirements determined by an actuarial valuation of the plan as of October 1, 2020. The total employer contributions consisted of $341,463 for normal cost and administrative expenses and $749,319 for amortization of the UAAL and $0 for additional premium tax revenue. Employer contributions represented 52.84% of covered payroll.

Significant actuarial assumptions used to compute contribution requirements were the same as those used to compute the standardized measure of the AAL.

Computed Employer Contribution Comparative Schedule

Fiscal Year Ending September 30	Valuation Date	Contribution Rates as Percents of Valuation Payroll	Valuation Payroll	Dollar Contribution For Fiscal Year	
				Computed	Actual
2014	10/01/2012 *	18.50 %	$ 2,065,908	$ 408,279	$ 457,932
2015	10/01/2013 *	18.78	1,836,131	368,361	389,997
2016	10/01/2014 *	21.15	1,867,968	422,041	422,041
2017	10/01/2015 *	25.76	1,848,443	501,375	501,375
2018	10/01/2016 *	28.57	2,052,021	608,384	608,384
2019	10/01/2017 *	29.32	2,161,712	657,730	657,730
2020	10/01/2019 *	51.08	2,089,398	1,108,435	1,101,580
2021	10/01/2019 *	47.04	2,089,398	982,885	841,792
2022	10/01/2020 *	54.43	1,797,055	968,663	1,090,782
2023	10/01/2021 *	53.29	1,870,976	997,118	
2024	**10/01/2022 ***	**53.14**	**2,064,466**	**1,097,026**	

** After changes in benefit provisions and/or actuarial assumptions.*

Actuarial Accrued Liability

The Actuarial Accrued Liability (AAL) is a measure intended to help users assess (i) a pension fund's funded status on a going-concern basis, and (ii) progress being made toward accumulating the assets needed to pay benefits as due. Allocation of the actuarial present value of projected benefits between past and future service was based on service using the individual entry-age actuarial cost method. Assumptions, including projected pay increases, were the same as used to determine the Fund's level dollar annual required contribution between entry-age and assumed exit age. Entry-age was established by subtracting credited service from current age on the valuation date.

The preceding methods comply with the financial reporting standards established by the Governmental Accounting Standards Board (GASB).

The entry age AAL was determined as part of an actuarial valuation of the plan as of October 1, 2022. Significant actuarial assumptions used in determining the entry age AAL include (a) a rate of return on the investment of present and future assets of 6.500% per year compounded annually, (b) projected salary increases of 2.50% per year compounded annually, 2.50% attributable to inflation and 0.00% attributable to other causes, (c) additional projected salary increases of 3.8% to 0.0% per year, depending on age, attributable to seniority/merit, and (d) the assumption that benefits will not increase after retirement.

As of October 1, 2022, the Unfunded Actuarial Accrued Liability (UAAL) was $4,960,319 determined as follows:

Actuarial Accrued Liability:	
Active participants (23 vested and 2 non-vested)	$ 12,359,203
Retired participants and beneficiaries currently receiving benefits (23 vested)	9,874,554
Vested terminated participants not yet receiving benefits (1 vested)	340,247
Prepaid Contribution Reserve	16,571
Total Actuarial Accrued Liability	22,590,575
Actuarial Value of Assets (market value was $15,626,702)	17,630,256
Unfunded Actuarial Accrued Liability	$ 4,960,319

During the year ended September 30, 2022 the Plan experienced a net change of $2,509,470 in the AAL. The AAL increased by $349,798 due to the assumed rate of interest being updated from 6.675% to 6.50%. There were no changes in benefit provisions or methods.

Supplementary Information
Schedule of Funding Progress

Actuarial Valuation Date October 1	Actuarial Value of Assets# (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (b)-(a)	Funded Ratio (a)/(b)	Active Participant Covered Payroll (c)	Unfunded AAL as a Percentage of Active Member Covered Payroll ((b-a)/c)
2002	$ 8,242	$ 9,001	$ 759	91.6	$1,196	63.5 %
2003	8,049	8,816	767	91.3	1,345	57.0
2004	7,549	9,058	1,509	83.3	1,468	102.8
2005	7,483	9,707	2,224	77.1	1,651	134.7
2006	7,502	9,662	2,160	77.6	1,768	122.2
2007 *	8,044	10,099	2,055	79.7	1,726	119.1
2008 *	8,366	10,726	2,360	78.0	1,928	122.4
2009 *	8,468	11,472	3,004	73.8	1,985	151.4
2010	8,434	11,987	3,553	70.4	2,079	170.9
2011	8,363	12,512	4,149	66.8	2,120	195.7
2012	8,888	12,779	3,891	69.6	2,066	188.3
2013	9,701	13,271	3,570	73.1	1,836	194.4
2014 *	10,438	12,223	1,785	85.4	1,868	95.6
2015 *	11,135	13,520	2,385	82.4	1,848	129.0
2016 *	11,526	14,796	3,270	77.9	2,052	159.4
2017 *	12,223	15,748	3,525	77.6	2,162	163.1
2018 *	13,028	16,888	3,860	77.1	2,153	179.3
2019 *	13,901	19,204	5,303	72.4	2,089	253.8
2020 *	15,069	18,602	3,533	81.0	1,797	196.6
2021 *	16,717	20,081	3,364	83.2	1,871	179.8
2022 *	**17,630**	**22,591**	**4,961**	**78.0**	**2,064**	**240.3**

Dollar amounts are in thousands.

* *After changes in benefits and/or actuarial assumptions and/or actuarial cost methods.*
\# *The Actuarial Value of Assets is a four-year smoothed market value.*

Analysis of the dollar amounts of Actuarial Value of Assets (AVA), Actuarial Accrued Liability (AAL), or Unfunded Actuarial Accrued Liability (UAAL) in isolation can be misleading. Expressing the AVA as a percentage of the AAL provides one indication of the System's funded status on a going-concern basis. Analysis of this percentage over time indicates whether the System is becoming financially stronger or weaker. Generally, the greater this percentage the stronger the plan. The UAAL and annual covered payroll are both affected by inflation. Expressing the UAAL as a percentage of covered payroll approximately adjusts for the effects of inflation and aids analysis of the progress being made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage the stronger the plan.

SECTION E

SUMMARY OF VALUATION RESULTS IN STATE FORMAT

Summary of Valuation Results in State Format
($ Amounts in Thousands)

	October 1, 2022		October 1, 2021
	After	**Before**	
(a) Participant Data			
(i) Active members - number	25	25	25
- annual payroll	$ 2,064	$ 2,064	$ 1,871
(ii) Retired members & beneficiaries (excl. disability)			
- number	20	20	20
- annualized benefit payroll	739	739	734
(iii) Disabled members & beneficiaries			
- number	3	3	3
- annualized benefit payroll	93	93	93
(iv) Terminated vested members			
- number	1	1	1
- annualized deferred benefit payroll	39	39	39
(b) Assets			
(i) Actuarial value for funding	17,630	17,630	16,717
(ii) Market value	15,627	15,627	18,196
(c) Actuarial Liability			
(i) Actuarial present value of active member benefits:			
service retirement	12,514	12,247	10,703
termination benefits - pension	1,286	1,251	1,225
disability retirement	966	948	918
survivor benefits (pre-retirement)	213	208	195
termination benefits - refunds	20	20	19
City of Jacksonville Beach Prepaid Contribution Reserve	0	0	28
City of Jacksonville Prepaid Contribution Reserve	16	16	16
Total	15,015	14,690	13,104
(ii) Actuarial present value of terminated vested member benefits	340	333	311
(iii) Actuarial present value of retired member benefits:			
service retirement & survivors	9,182	9,074	8,475
disability retirement & survivors	693	689	710
Total	9,875	9,763	9,185
(iv) Total actuarial present value of future benefit payments	25,230	24,785	22,600
(v) Payables	0	0	0
(vi) Actuarial accrued liability	22,591	22,241	20,081
(vii) Unfunded actuarial accrued liability[1]	$ 4,960	$ 4,611	$ 3,364

[1] *Please refer to page A-13 for requested detail.*

Summary of Valuation Results in State Format
($ Amounts in Thousands)

		October 1, 2022		October 1, 2021
		After	Before	
(d)	Actuarial Present Value of Accrued Benefits (calculated in accordance with FASB Statement No. 35)			
	(i) Vested accrued benefits			
	Retired members and beneficiaries	$ 9,875	$ 9,763	$ 9,185
	Terminated members	340	333	311
	Active members (includes non-forfeitable accum. member contributions of $2,702 for 2022)	9,326	9,326	8,279
	Total	19,541	19,422	17,775
	(ii) Non-vested accrued benefits	70	70	60
	(iii) Total actuarial p.v. of accrued benefits	19,611	19,492	17,835
	(iv) Actuarial p.v. of accrued benefits at begin. of year	17,835	17,835	16,514
	(v) Changes attributable to:			
	Amendments	0	0	0
	Assumption change	119	0	606
	Operation of decrements	2,493	2,493	1,555
	Benefit payments	(836)	(836)	(840)
	Other	none	none	none
	(vi) Net change	1,776	1,657	1,321
	(vii) Actuarial p.v. of accr. benefits at end of year	19,611	19,492	17,835
(e)	Plan costs for fiscal year Ending September 30, 2024 (EANC)			
	(i) Normal costs			
	Service pensions	$ 234	$ 226	$ 209
	Disability pensions	51	50	45
	Survivor pensions (pre-retirement)	10	9	8
	Deferred service pensions	84	81	73
	Refunds of member contributions	17	17	16
	Total normal cost	397	384	352
	(ii) Payment to amortize unf'd. act. accr. liab.	776	730	708
	(iii) FS112.64(5) Compliance	-	-	-
	(iv) Administrative expenses	78	78	76
	(v) Amount to be paid by members	153	153	138
	(vi) Expected plan sponsor/Chapter 175 contribution - dollars	$ 1,097	$ 1,039	$ 997

Summary of Valuation Results in State Format
($ Amounts in Thousands)

		October 1, 2022		October 1, 2021
		After	Before	
(f)	Past Contributions (fiscal year ending 9/30/2022)			
	(i) Required minimum:			
	Plan sponsor / Chapter 175 monies	$ 978	$ 978	$ 983
	Members	135	135	151
	Total	1,113	1,113	1,134
	(ii) Actual:			
	Plan sponsor / Chapter 175 monies	1,091	1,091	842
	Members	135	135	159
	Total	1,226	1,226	1,001
(g)	Net Experience Gain (Loss)	(1,798)	(1,798)	522
(h)	Other Disclosures			
	(i) Present value of active member future salaries			
	from attained age	$13,381	$13,302	$12,810
	from entry age	not applicable to individual EANC method		
	(ii) Present value of active member future contribs.			
	from attained age	$ 1,064	$ 1,057	$ 1,018
	from entry age	not applicable to individual EANC method		

Reconciliation of Membership
for the Plan Year Ended September 30, 2022

	Active Members	Vested Terminated Members	Service Retired	Disability Retired	All Beneficiaries
No. at Start of Year	**25**	**1**	**14**	**3**	**6**
Increase (Decrease) From					
Service Retirement					
Disability Retirement					
Deaths					
Other Pension Terminations					
Vested Terminations					
Non-Vested Terminations					
New Entrants/Rehires					
No. at End of Year	**25**	**1**	**14**	**3**	**6**

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April 15, 2023

Mr. Duston Scott
Payroll/Benefits Administrator
City of Jacksonville Beach
11 North Third Street
Jacksonville Beach, FL 32250

Dear Mr. Scott:

Enclosed are 15 copies of the report of the Seventy-Second Annual Valuation of the City of Jacksonville Beach Firefighters' Retirement System. As directed, copies have been sent directly to:

Attention: Mr. Ryan Tucker
Purvis, Gray and Company
222 N.E. 1st Street
Gainesville, FL 32602

Attention: Mr. Steve Bardin, Benefits Administrator
Municipal Police Officers' & Firefighters'
Retirement Trust Funds Office
Division of Retirement
P.O. Box 3010
Tallahassee, FL 32315-3010

Attention: Mr. Douglas E. Beckendorf, Actuary
Local Retirement Section
Division of Retirement
P.O. Box 9000
Tallahassee, FL 32315-9000

Sincerely,
Gabriel, Roeder, Smith & Company

Brad Lee Armstrong

Brad Lee Armstrong, ASA, EA, FCA, MAAA

BLA:sc
Enclosures

Purvis, Gray and Company
Attention: Mr. Ryan Tucker
P.O. Box 23999
222 N. E. 1st Street
Gainesville, FL 32602

Attention: Steve Bardin, Benefits Administrator
Municipal Police Officers' & Firefighters'
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Mr. Douglas E. Beckendorf, Actuary
Local Retirement Section
Division of Retirement
P.O. Box 9000
Tallahassee, Florida 32315-9000

City of Jacksonville Beach Retirement Systems

Required Auditor Communications
Fiscal Year Ended September 30, 2022

Presented by:
Barbara Boyd, CPA
Partner

Meagan Camp, CPA
Senior Manager

PURVIS GRAY

Required Communications

- Unmodified Opinion on the Financial Statements
- Other Required Communications:
  - Accounting Practices, Policies and Estimates
    - Significant accounting practices and policies: no changes from prior years
    - Sensitive Disclosures – Note 5:
      - Detail of Total and Net Pension Liability and Fiduciary Net Position
      - Description of Actuarial Assumptions
    - Significant accounting estimates:
      - Fair Value of Investments
      - Actuarial assumptions used in estimating Annual Pension Cost and the Total Pension Liability
    - Difficulties Encountered During the audit – none noted
    - Corrected and Uncorrected Misstatements – none noted
    - Disagreements with Management – none noted

PURVIS GRAY

Financial Statements

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements and Notes
- Required Supplementary Information (RSI)

PURVIS GRAY

Statement of Fiduciary Net Position

- Reports on a pension plan's financial position as of the end of the fiscal year.

PURVIS GRAY

General Employees' Statement of Fiduciary Net Position

Fiduciary Net Position Restricted for Pension Benefits as of September 30

	2022	2021	2020	2019	2018
Cash and Short-term Investments	$ 3,416,130	$ 3,528,525	$ 1,045,476	$ 851,883	$ 1,121,251
Due From Other Governmental Units	130,000	-	-	-	-
Interest Receivable	65,808	41,864	72,338	76,653	89,570
Investments	53,493,799	66,411,168	59,464,531	56,175,653	54,437,578
Total Assets	57,105,737	69,981,557	60,582,345	57,104,189	55,648,399
Accounts Payable	3,485	-	3,283	1,819	850
Other Accrued Liabilities	1,196	1,030	1,048	742	633
Due to Firefighters' Retirement System	-	90,000	-	-	-
Total Liabilities	4,681	91,030	4,331	2,561	1,483
Net Position Restricted	57,101,056	69,890,527	60,578,014	57,101,628	55,646,916
Percentage Change	-18.3%	15.4%	6.1%	2.6%	

PURVIS GRAY

Police Officers' Statement of Fiduciary Net Position

Fiduciary Net Position Restricted for Pension Benefits as of September 30

	2022	2021	2020	2019	2018
Cash and Short-term Investments	$ 1,433,996	$ 2,531,331	$ 354,084	$ 181,289	$ 770,906
Due From Other Governments	243,584		251,023	228,825	
Interest Receivable	29,743	18,194	30,952	32,755	37,423
Miscellaneous Receivable	2,775				
Investments	24,708,381	29,433,806	26,216,115	24,060,385	22,971,678
Total Assets	26,418,479	31,983,331	26,852,174	24,503,254	23,780,007
Accounts Payable			3,283	1,819	850
Due to Other Governmental Units	130,000				
Other Accrued Liabilities	425	366	372	263	225
Total Liabilities	130,425	366	3,655	2,082	1,075
Net Position Restricted for Pension Benefits	$ 26,288,054	$ 31,982,965	$ 26,848,519	$ 24,501,172	$ 23,778,932
Percentage Change	-17.8%	19.1%	9.6%	3.0%	

PURVIS GRAY

Fire Fighters' Statement of Fiduciary Net Position

Fiduciary Net Position Restricted for Pension Benefits as of September 30

	2022	2021	2020	2019	2018
Cash and Short-term Investments	$ 1,050,756	$ 1,348,969	$ 540,740	$ 95,751	$ 479,335
Due From Other Governments				141,392	4,136
Due From General Employee Retirement System		90,000			
Interest Receivable	16,922	10,352	17,542	18,382	20,898
Miscellaneous Receivable	1,848				
Investments	14,557,455	16,747,137	14,721,414	13,632,581	12,840,682
Total Assets	15,626,981	18,196,458	15,279,696	13,888,106	13,345,051
Accounts Payable			3,283	1,819	850
Other Accrued Liabilities	279	240	244	173	148
Total Liabilities	279	240	3,527	1,992	998
Net Position Restricted for Pension Benefits	$ 15,626,702	$ 18,196,218	$ 15,276,169	$ 13,886,114	$ 13,344,053
Percentage Change	-14.1%	19.1%	10.0%	4.1%	

PURVIS GRAY

Statement of Changes in Fiduciary Net Position as of September 30

- Provides a view of current year inflows and outflows of resources that increased and decreased plan net position.

PURVIS GRAY

General Employees' Statement of Changes in Fiduciary Net Position

Changes in Fiduciary Net Position for the Year Ended September 30

	2022	2021	2020	2019	2018
Additions:					
Contributions:					
Employee	$ 1,173,445	$ 1,147,477	$ 1,110,267	$ 1,036,998	$ 1,029,762
Employer	2,405,223	2,443,559	2,324,624	2,100,105	1,898,689
Net Investment Income (Loss)	(10,994,068)	11,245,803	5,610,039	3,062,326	4,761,584
Transfers					
Total Additions, Net	(7,415,400)	14,836,839	9,044,930	6,199,429	7,690,035
Deductions:					
Benefits and Refunds	5,272,459	5,422,910	5,465,840	4,648,241	4,714,545
Administrative Expenses	101,612	101,416	102,704	96,476	100,429
Transfers					
Total Deductions	5,374,071	5,524,326	5,568,544	4,744,717	4,814,974
Change in Net Position	(12,789,471)	9,312,513	3,476,386	1,454,712	2,875,061
Beginning of Year Net Position	69,890,527	60,578,014	57,101,628	2,875,061	-
End of Year Net Position	$ 57,101,056	$ 69,890,527	$ 60,578,014	$ 4,329,773	$ 2,875,061

Police Officers' Statement of Changes in Fiduciary Net Position

Changes in Fiduciary Net Position for the Year Ended September 30

	2022	2021	2020	2019	2018
Additions:					
Contributions:					
Employee	$ 448,906	$ 493,053	$ 399,342	$ 383,822	$ 362,140
Employer	410,267	720,532	658,426	573,416	479,669
State of Florida	243,584	303,569	251,023	228,825	211,654
Net Investment Income (Loss)	(5,042,780)	4,983,666	2,411,239	1,316,052	1,991,673
Total Additions, Net	(3,940,023)	6,500,820	3,720,030	2,502,115	3,045,136
Deductions:					
Benefits and Refunds	1,672,918	1,282,380	1,291,775	1,702,415	1,226,041
Administrative Expenses	81,970	83,994	80,908	77,460	88,504
Total Deductions	1,754,888	1,366,374	1,372,683	1,779,875	1,314,545
Change in Net Position	(5,694,911)	5,134,446	2,347,347	722,240	1,730,591
Beginning of Year Net Position	31,982,965	26,848,519	24,501,172	23,778,932	22,048,341
End of Year Net Position	$ 26,288,054	$ 31,982,965	$ 26,848,519	$ 24,501,172	$ 23,778,932

Fire Fighters' Statement of Changes in Fiduciary Net Position

Changes in Fiduciary Net Position for the Year Ended September 30

	2022	2021	2020	2019	2018
Additions:					
Contributions:					
Employee	$ 135,185	$ 158,581	$ 145,645	$ 178,437	$ 161,383
Employer:					
City of Jacksonville Beach	680,345	707,653	773,195	516,338	465,628
City of Jacksonville	410,437	134,139	161,065		
State of Florida			167,320	141,392	142,756
Net Investment Income (Loss)	(2,881,425)	2,835,198	1,372,231	743,303	1,112,333
Total Additions, Net	(1,655,458)	3,835,571	2,619,456	1,579,470	1,882,100
Deductions:					
Benefits and Refunds	836,482	839,948	1,149,398	967,917	774,227
Administrative Expenses	77,576	75,574	80,003	69,492	75,928
Total Deductions	914,058	915,522	1,229,401	1,037,409	850,155
Change in Net Position	(2,569,516)	2,920,049	1,390,055	542,061	1,031,945
Beginning of Year Net Position	18,196,218	15,276,169	13,886,114	13,344,053	12,312,108
End of Year Net Position	$ 15,626,702	$ 18,196,218	$ 15,276,169	$ 13,886,114	$ 13,344,053

Required Supplementary Information (RSI)

- Schedule of Changes in Net Pension Liability and Related Ratios Multi-year
- Schedule of Net Pension Liability Multi-year
- Schedule of Contributions
- Schedule of Investment Returns

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General Employees' Schedule of Changes in Net Position Liability and Related Ratios Multi-Year

Fiscal year ended September 30,	2022	2021	2020	2019	2018
Total Pension Liability					
Service Cost	$ 1,660,426	$ 1,669,578	$ 1,598,849	$ 1,503,973	$ 1,376,902
Interest on the Total Pension Liability	5,454,290	5,420,774	5,349,162	5,292,226	5,106,511
Difference Between Expected and Actual Experience	1,303,615	218,907	(533,465)	(1,027,446)	1,126,397
Assumption Changes		(1,459,419)			2,931,687
Benefit Payments	(5,042,246)	(5,422,910)	(4,908,805)	(4,346,876)	(4,555,656)
Refunds	(230,213)	(101,416)	(557,035)	(301,365)	(158,889)
Net Change in Total Pension Liability	3,145,872	325,514	948,706	1,120,512	5,826,952
Total Pension Liability-Beginning	74,529,881	74,204,367	73,255,661	72,135,149	66,308,197
Total Pension Liability-Ending (a)	$ 77,675,753	$ 74,529,881	$ 74,204,367	$ 73,255,661	$ 72,135,149
Plan Fiduciary Net Position					
Employer and State Contributions	$ 2,405,223	$ 2,443,559	$ 2,324,624	$ 2,100,105	$ 1,898,689
Employee Contributions	1,173,445	1,147,477	1,110,267	1,036,998	1,029,762
Pension Plan Net Investment Income	(10,994,068)	11,245,803	5,610,039	3,062,326	4,761,584
Benefit Payments	(5,042,246)	(5,422,910)	(4,908,805)	(4,346,876)	(4,555,656)
Refunds	(230,213)	(101,416)	(557,035)	(301,365)	(158,889)
Pension Plan Administrative Expenses	(101,612)		(102,704)	(96,476)	(100,429)
Net Change in Plan Fiduciary Net Position	(12,789,471)	9,312,513	3,476,386	1,454,712	2,875,061
Plan Fiduciary Net Position-Beginning	69,890,527	60,578,014	57,101,628	55,646,916	52,771,855
Plan Fiduciary Net Position-Ending (b)	$ 57,101,056	$ 69,890,527	$ 60,578,014	$ 57,101,628	$ 55,646,916
Net Pension Liability-Ending (a) – (b)	$ 20,574,697	$ 4,639,354	$ 13,626,353	$ 16,154,033	$ 16,488,233
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	73.51%	93.78%	81.64%	77.95%	77.14%
Covered Employee Payroll	$ 14,746,238	$ 14,294,336	$ 13,915,132	$ 13,044,000	$ 12,952,981
Net Pension Liability as a Percentage of Covered Employee Payroll	139.53%	32.46%	97.92%	123.84%	127.29%

Police Officers' Schedule of Changes in Net Position Liability and Related Ratios Multi-Year

Fiscal year ended September 30,

	2022	2021	2020	2019	2018
Total Pension Liability					
Service Cost	$ 815,805	$ 787,675	$ 750,964	$ 724,675	$ 625,887
Interest on the Total Pension Liability	2,206,627	2,200,335	2,063,471	2,008,899	1,916,453
Benefit Changes					
Difference Between Expected and Actual Experience	126,843	(533,542)	279,135	(521,988)	177,596
Assumption Changes		(906,992)			1,221,310
Benefit Payments	(1,672,918)	(1,282,380)	(1,276,474)	(1,670,519)	(1,161,010)
Refunds			(15,301)	(31,896)	(65,031)
Net Change in Total Pension Liability	1,476,357	265,096	1,801,795	509,171	2,715,205
Total Pension Liability-Beginning	29,850,249	29,585,153	27,783,358	27,274,187	24,558,982
Total Pension Liability-Ending (a)	$ 31,326,606	$ 29,850,249	$ 29,585,153	$ 27,783,358	$ 27,274,187
Plan Fiduciary Net Position					
Employer and State Contributions	$ 653,851	$ 1,024,101	$ 909,449	$ 802,241	$ 691,323
Employee Contributions	448,906	493,053	399,342	383,822	362,140
Pension Plan Net Investment Income	(5,042,780)	4,983,666	2,411,239	1,316,052	1,991,673
Benefit Payments	(1,646,393)	(1,265,219)	(1,276,474)	(1,670,519)	(1,161,010)
Refunds	(26,525)	(17,161)	(15,301)	(31,896)	(65,031)
Pension Plan Administrative Expenses	(81,970)	(83,994)	(80,908)	(77,460)	(88,504)
Net Change in Plan Fiduciary Net Position	(5,694,911)	5,134,446	2,347,347	722,240	1,730,591
Plan Fiduciary Net Position-Beginning	31,982,965	26,848,519	24,501,172	23,778,932	22,048,341
Plan Fiduciary Net Position-Ending (b)	$ 26,288,054	$ 31,982,965	$ 26,848,519	$ 24,501,172	$ 23,778,932
Net Pension Liability-Ending (a) – (b)	$ 5,038,552	$ (2,132,716)	$ 2,736,634	$ 3,282,186	$ 3,495,255
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	83.92%	107.14%	90.75%	88.19%	87.18%
Covered Employee Payroll	$ 5,641,806	$ 5,395,032	$ 5,023,170	$ 4,827,950	$ 4,555,220
Net Pension Liability as a Percentage of Covered Employee Payroll	89.31%	-39.53%	54.48%	67.98%	76.73%

Fire Fighters' Schedule of Changes in Net Position Liability and Related Ratios Multi-Year

Fiscal year ended September 30,

	2022	2021	2020	2019	2018
Total Pension Liability					
Service Cost	$ 394,314	$ 360,724	$ 345,520	$ 377,972	$ 306,120
Interest on the Total Pension Liability	1,322,682	1,363,333	1,320,214	1,277,049	1,207,186
Benefit Changes					
Difference Between Expected and Actual Experience	18,221	(747,511)	(62,673)	92,116	188,875
Assumption Changes	694,340	(462,014)		1,160,627	879,444
Benefit Payments	(836,482)	(839,948)	(1,116,417)	(967,917)	(774,227)
Refunds			(32,981)		
Net Change in Total Pension Liability	1,593,075	(325,416)	453,663	1,939,847	1,807,398
Total Pension Liability-Beginning	19,390,382	19,715,798	19,262,135	17,322,288	15,514,890
Total Pension Liability-Ending (a)	$ 20,983,457	$ 19,390,382	$ 19,715,798	$ 19,262,135	$ 17,322,288
Plan Fiduciary Net Position					
Employer and State Contributions	$ 1,090,782	$ 841,792	$ 1,101,580	$ 657,730	$ 608,384
Employee Contributions	135,185	158,581	145,645	178,437	161,383
Pension Plan Net Investment Income	(2,881,425)	2,835,198	1,372,231	743,303	1,112,333
Benefit Payments	(836,482)	(839,948)	(1,116,417)	(967,917)	(774,227)
Refunds			(32,981)		
Pension Plan Administrative Expenses	(77,576)	(75,574)	(80,003)	(69,492)	(75,928)
Net Change in Plan Fiduciary Net Position	(2,569,516)	2,920,049	1,390,055	542,061	1,031,945
Plan Fiduciary Net Position-Beginning	18,196,218	15,276,169	13,886,114	13,344,053	12,312,108
Plan Fiduciary Net Position-Ending (b)	$ 15,626,702	$ 18,196,218	$ 15,276,169	$ 13,886,114	$ 13,344,053
Net Pension Liability-Ending (a) – (b)	$ 5,356,755	$ 1,194,164	$ 4,439,629	$ 5,376,021	$ 3,978,235
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	74.47%	93.84%	77.48%	72.09%	77.03%
Covered Employee Payroll	$ 2,064,469	$ 1,870,977	$ 1,832,026	$ 2,244,491	$ 2,029,975
Net Pension Liability as a Percentage of Covered Employee Payroll	259.47%	63.83%	242.33%	239.52%	195.97%

General Employees'
Sensitivity of Net Pension Liability to the Single Discount Rate Assumption

1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
$ 28,959,707	$ 20,574,697	$ 13,470,852

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Police Officers'
Sensitivity of Net Pension Liability to the Single Discount Rate Assumption

1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
$ 8,746,124	$ 5,038,552	$1,920,663

PURVIS GRAY

Fire Fighters'
Sensitivity of Net Pension Liability to the Single Discount Rate Assumption

1% Decrease 5.625%	Current Discount Rate 6.625%	1% Increase 7.625%
$ 8,211,020	$ 5,356,755	$ 2,994,035

Purvis Gray

Questions?

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2022

City of Jacksonville Beach, Florida
General Employees' Retirement System

Financial Statements, Required Supplementary Information, and Independent Auditor's Report

September 30, 2022

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF JACKSONVILLE BEACH, FLORIDA

GENERAL EMPLOYEES' RETIREMENT SYSTEM

FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2022

AND INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Trustees of
The City of Jacksonville Beach, Florida
General Employees' Retirement System
Honorable Mayor and Members of the City Council
Jacksonville Beach, Florida

Opinion

We have audited the accompanying statement of fiduciary net position of the City of Jacksonville Beach, Florida, General Employees' Retirement System (the GERS), a fiduciary component unit of the City of Jacksonville Beach, Florida, as of September 30, 2022, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, which collectively comprise the GERS's basic financial statements, as listed in the table of contents.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the GERS's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

To the Trustees of
The City of Jacksonville Beach, Florida
General Employees' Retirement System
Honorable Mayor and Members of the City Council
Jacksonville Beach, Florida

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the GERS's internal control. Accordingly, no such opinion is expressed.

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

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

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

To the Trustees of
The City of Jacksonville Beach, Florida
General Employees' Retirement System
Honorable Mayor and Members of the City Council
Jacksonville Beach, Florida

INDEPENDENT AUDITOR'S REPORT

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Purvis Gray

April 3, 2023
Tallahassee, Florida

MANAGEMENT’S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The discussion and analysis of the City of Jacksonville Beach, Florida (the City) General Employees' Retirement System (the Plan) provides an overview of the financial activities and funding conditions for the fiscal year ended September 30, 2022.

Financial Highlights

- The Plan's total net position held in trust for the payment of benefits and to meet the Plan's future obligations to its members and their beneficiaries was $57,101,056. The Plan's net position decreased by $-12,789,471, a -18.30% decrease for the year.

- Employer contributions to the Plan decreased $38,336 over the previous year. The actual employer contributions were $2,405,223 for 2022, and $2,443,559 for 2021. The decrease is attributable to an decrease in the actuarially calculated contribution requirement.

- Employee contributions to the Plan increased by $25,968 over the previous year. The actual employee contributions were $1,173,445 for 2022, and $1,147,477 for 2021. The increase in employee contributions is attributable to an increase in covered payroll dollars.

- The net investment income decreased by $22,239,871 compared to 2021. The actual results were $-10,994,068 for 2022, and $11,245,803 for 2021. Investment income decrease was due to a decrease in performance compared to the previous year.

- Benefit payments and refund of contributions decreased by $150,451 compared to 2021. The benefit payments and refund of contributions were $5,272,459 for 2022, and $5,422,910 for 2021. The decrease is attributable to lower benefit payments and fewer employees receiving refunds compared to the previous year.

Pension Plan provisions for the General Employees' Retirement System were modified significantly in fiscal year 2014 to improve the Plan's financial sustainability. The modifications included increasing the employee's contribution rate, changing the vesting periods, modifying pensionable pay exclusions, and modifying the Deferred Retirement Option Program. Details of the changes can be found in the Notes to the Financial Statements beginning on page 13. The funding objective of the Plan is to meet its long-term pension benefit obligations through employer and employee contributions and investment returns. The Plan fiduciary net position as a percentage of total pension liability was 73.51% as of September 30, 2022.

Financial Analysis

The following discussion and analysis are intended to serve as an introduction to the Plan financial statements, which are comprised of the Statement of Fiduciary Net Position, the Statement of Changes in Fiduciary Net Position, Notes to Financial Statements, and certain required supplementary information.

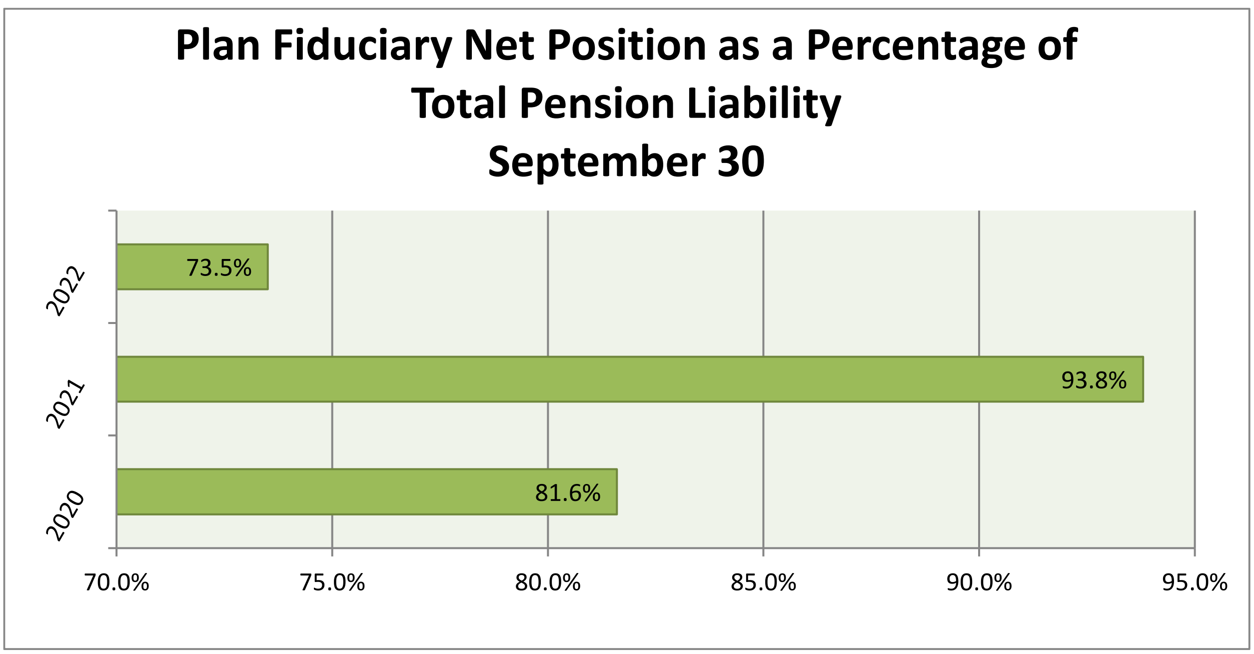
The financial statements reflect the activities of the Plan and are reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. These statements are presented on a full accrual basis and reflect all trust activities as incurred.

MANAGEMENT'S DISCUSSION AND ANALYSIS

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

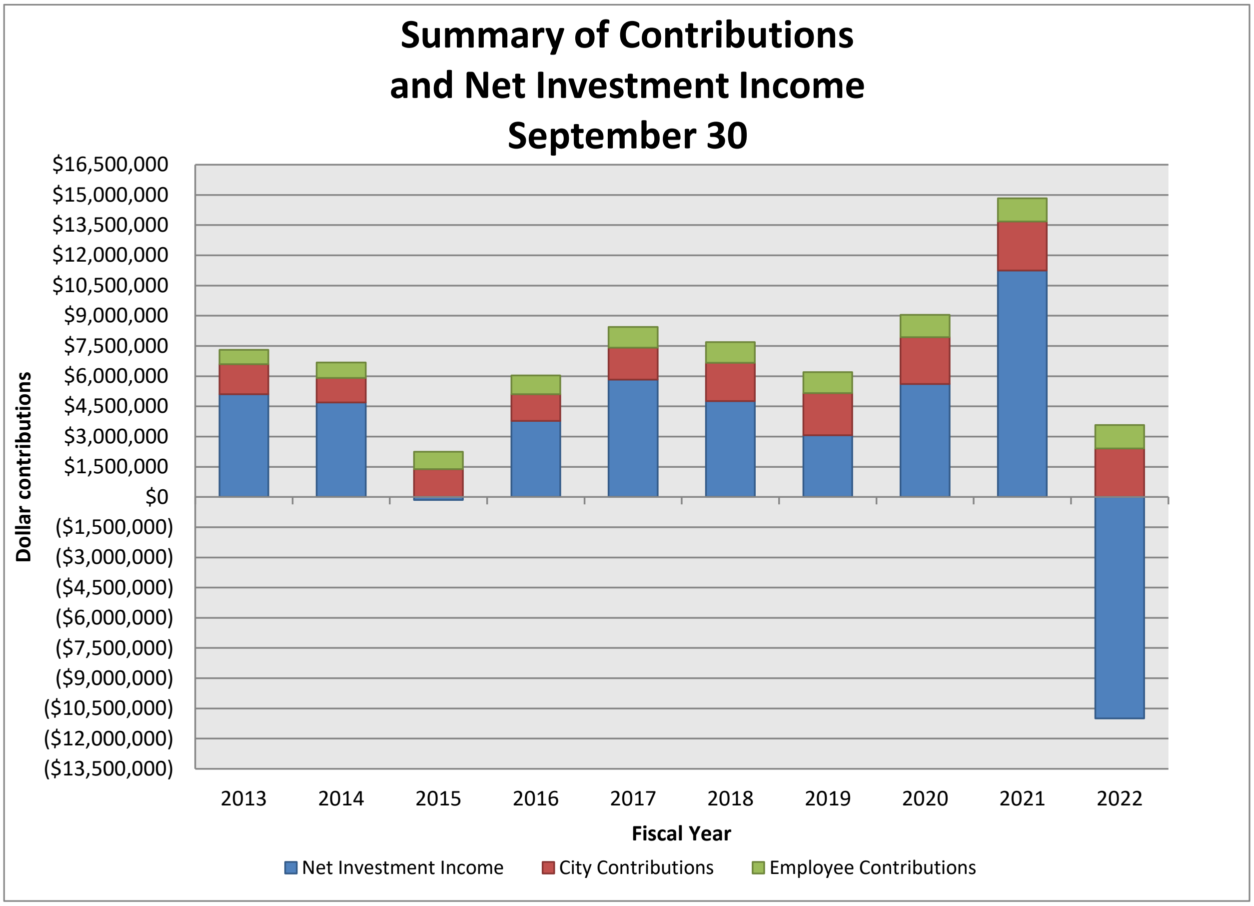
In 2014, the City implemented Governmental Accounting Standards Board Statement (GASB) No. 67 as required for the Plan. This statement requires additional disclosures in the Plan's financial statements. The statement also requires the net pension liability to be measured as of the Plan's most recent fiscal year-end using methods prescribed by GASB that differ significantly from previous methods. The required disclosures for the Plan can be found in the Notes to the financial statements beginning on page 13 and the Required Supplementary Information beginning on page 23.

There are several ways to measure the Plan's financial status. One means is to determine the Plan's net position available to pay benefits. This is the difference between total assets and total liabilities. Another way is to refer to the Plan's Net Pension Liability, which takes into account the total pension liability and the Plan fiduciary net position. The chart below displays the Plan fiduciary net position as a percentage of total pension liability for the past three years.



MANAGEMENT'S DISCUSSION AND ANALYSIS

The funding objective of the Retirement System is to establish and receive contributions (expressed as a percent of active member payroll), which should remain level from year-to-year and not have to be increased for future generations of citizens in the absence of benefit improvements. The Retirement System is supported by member contributions, City contributions, and investment income from the Retirement System assets as displayed on the chart below.



Actuarial differences between actual and assumed investment return are phased-in over a closed four-year period. Therefore, during periods when investment performance exceeds the assumed rate, asset values will tend to be less than market value. Conversely, during periods when investment performance is less than the assumed rate, valuation assets will tend to be greater than market value. As of October 1, 2021, the date of the last actuarial valuation, the Plan had a market value of $69,890,527 and a funding value of $64,364,953 as shown in the chart below.

Market/Funding Value of Assets

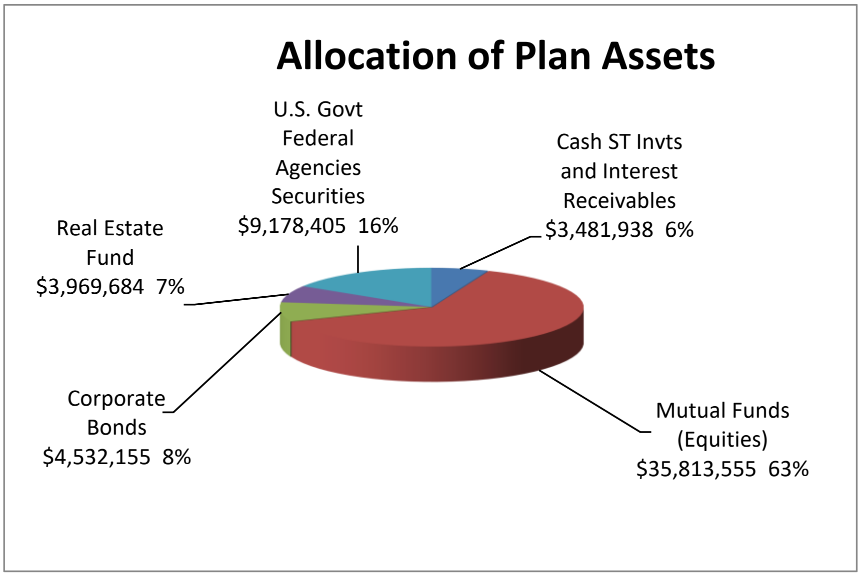
Plan Year Ended 9-30	Market Value	Funding Value
2012	$ 42,759,671	$ 42,287,997
2013	47,023,784	45,066,035
2014	49,635,814	47,137,601
2015	47,301,861	49,152,702
2016	49,137,471	50,816,076
2017	52,771,855	52,342,244
2018	55,646,916	54,189,183
2019	57,101,628	57,082,442
2020	60,578,014	59,925,630
2021	69,890,527	64,364,953

The Statement of Fiduciary Net Position is a snapshot of account balances at year-end. It indicates the assets available for future payments to retirees and any current liabilities that are owed at this time.

Fiduciary Net Position Restricted for Pension Benefits as of September 30

	2022	2021	Increase/ (Decrease)
Cash and Short-Term Investments	$ 3,416,130	$ 3,528,525	$ (112,395)
Due from Other Governmental Units	130,000		130,000
Interest Receivable	65,808	41,864	23,944
Investments	53,493,799	66,411,168	(12,917,369)
Total Assets	57,105,737	69,981,557	(12,875,820)
Accounts Payable	3,485		3,485
Other Accrued Liabilities	1,196	1,030	166
Due to Firefighters'		90,000	(90,000)
Total Liabilities	4,681	91,030	(86,349)
Net Position Restricted for Pension Benefits	$ 57,101,056	$ 69,890,527	$ (12,789,471)

The total net position of the Plan as of September 30, 2022, was $57,101,056. The allocation of the Plan's total assets as of September 30, 2022, is shown on the pie chart on the following page.



Revenues essential to funding the Plan are obtained from member contributions, City contributions, and investment income from the retirement system assets. For the Plan year ended September 30, 2022, Plan participants were required to pay 7.95% of their annual pensionable salary to the Plan. The City makes periodic contributions totaling 100% of the annual actuarially determined amount to the Plan.

The Statement of Changes in Fiduciary Net Position provides a view of current year additions to and deductions from the Plan's net position. The sum of net investment earnings and contributions were lower than deductions resulting in an overall -18.30% decrease in plan net position for the year. Earnings or losses on investments are reported net of investment expenses. The following table shows a comparative summary of the changes in net position and reflects the Plan's activities for the fiscal years ended September 30:

Changes in Fiduciary Net Position for the Year Ended September 30

	2022	2021	Increase/ (Decrease)	Percentage Change
Additions:				
Contributions	$ 3,578,668	$ 3,591,036	$ (12,368)	-0.34%
Net Investment Income (Loss)	(10,994,068)	11,245,803	(22,239,871)	-197.76%
Total Additions, Net	(7,415,400)	14,836,839	(22,252,239)	-149.98%
Deductions:				
Benefits and Refunds	5,272,459	5,422,910	(150,451)	-2.77%
Administrative Expenses	101,612	101,416	196	0.19%
Total Deductions	5,374,071	5,524,326	(150,255)	-2.72%
Change in Net Position	(12,789,471)	9,312,513	(22,101,984)	-237.34%
Beginning of Year Net Position	69,890,527	60,578,014	9,312,513	15.37%
End of Year Net Position	$ 57,101,056	$ 69,890,527	$ (12,789,471)	-18.30%

The Plan's investment earnings result from market gains and losses on investments during the year as well as dividend and interest earnings.

Additions to the Plan Net Position

The monies to pay benefits are accumulated from the contributions made from employers, employees, and income generated from the Plan's investments. Earnings or losses on investments are reported net of investment expenses.

	2022	2021	Increase/ (Decrease)
Additions:			
Employee Contributions	$ 1,173,445	$ 1,147,477	$ 25,968
Employer Contributions	2,405,223	2,443,559	(38,336)
Net Investment Income (Loss)	(10,994,068)	11,245,803	(22,239,871)
Total Additions	$ (7,415,400)	$ 14,836,839	$ (22,252,239)

Deductions from the Plan Net Position

The Plan provides a lifetime pension benefit to its retired members, as well as survivor, and disability benefits. Annual expenses to the Plan include retirement benefits, refunds of employee contributions, and administrative expenses.

	2022	2021	Increase/ (Decrease)
Deductions:			
Benefits	$ 5,042,246	$ 5,149,912	$ (107,666)
Refunds of Contributions	230,213	272,998	(42,785)
Administrative Expenses	101,612	101,416	196
Total Deductions	$ 5,374,071	$ 5,524,326	$ (150,255)

The benefit payments are payments to retirees, or their beneficiaries (if the retiree is deceased). The refund of contribution amounts are refunds of employee contributions plus interest distributed to terminated employees who are not vested or who are vested but elect to not receive plan benefits. Administrative expenses include all expenses necessary to administer the retirement plan.

Notes to Financial Statements and Required Supplementary Information

Notes to financial statements provide additional information that is essential to a full understanding of the data provided. They begin on page 13 of this report.

GASB Statement No. 67 requires several schedules of historical trend information to be presented as required supplementary information immediately after the notes to the financial statements. The required schedules are: (a) a schedule of changes in the net pension liability and related ratios multi-year that presents the beginning and ending balances of the total pension liability, the pension plan's fiduciary net position, the net pension liability and the effects on those items; (b) a schedule of net pension liability multi-year; (c) a schedule of the City's contributions; and (d) a schedule of investment returns that provides information about the annual money-weighted rate of return on pension plan investments.

These schedules contain information pertaining to the City of Jacksonville Beach, Florida, General Employees' Retirement System's actuarial methods and assumptions, including data on the investment returns of the Plan. They can be found on pages 23-26.

Plan Membership

The table below reflects the Plan membership as of September 30 for active participants, retirees, beneficiaries, disabled members, and terminated vested members:

	September 30, 2022	September 30, 2021	Change
Vested	77	83	(6)
Non-Vested	168	159	9
Total Active Participants	245	242	3
Retirees Receiving Benefits	162	162	
Beneficiaries Receiving Benefits	28	29	(1)
Disability Benefits	7	7	
Total Receiving Benefits	197	198	(1)
Terminated Vested Members	11	11	
Total Members Currently Receiving Benefits and Terminated Employees Entitled to Benefits, But Not Yet Receiving Them	208	209	(1)

Funding Status

Of primary concern to most pension plan participants is the amount of money available to pay benefits. Historically, defined benefit pension plans have been under-funded when the employer failed to make annual actuarially required contributions to the Plan. The City's defined benefit pension plan has been subject to the minimum funding standards since the adoption of the *Florida Protection of Public Employee Retirement Benefits Act* (Part VII of Chapter 112, Florida Statutes) in 1980. Accordingly, the City has funded the actuarially determined contribution for each year as required.

Requests for Information

The financial report is designed to provide users with an overview of the Plan's finances and the prudent exercise of the Board of Trustees' oversight. Questions concerning this report should be addressed to the City's Finance Officer, 11 North Third Street, Jacksonville Beach, Florida 32250.

BASIC FINANCIAL STATEMENTS

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
GENERAL EMPLOYEES' RETIREMENT SYSTEM

Assets		
Cash and Short-Term Investments	$	3,416,130
Due from Other Governmental Units		130,000
Interest Receivable		65,808
Investments:		
Mutual Funds (Equities)		35,813,555
Corporate Bonds		4,532,155
U.S. Government Obligations/Agencies		9,178,405
Real Estate Fund		3,969,684
Total Investments		53,493,799
Total Assets		57,105,737
Liabilities		
Accounts Payable		3,485
Other Accrued Liabilities		1,196
Total Liabilities		4,681
Net Position Restricted for Pensions	$	57,101,056

See accompanying notes.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
GENERAL EMPLOYEES' RETIREMENT SYSTEM

Additions	
Contributions:	
Employee	$ 1,173,445
Employer	2,405,223
Investment Income:	
Net Decrease in Fair Value of Investments	(12,610,751)
Interest	1,978,258
Realized (Losses)	(253,539)
Gross Investment (Loss)	(10,886,032)
(Investment Expense)	(108,036)
Net Investment (Loss)	(10,994,068)
Total Additions	(7,415,400)
Deductions	
Benefits and Refunds	5,272,459
Administrative Expense	101,612
(Total Deductions)	(5,374,071)
Change in Net Position	(12,789,471)
Net Position, Beginning of Year	69,890,527
Net Position, End of Year	$ 57,101,056

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
GENERAL EMPLOYEES' RETIREMENT SYSTEM

Note 1 - Description of Plan

Reporting Entity

The City of Jacksonville Beach, Florida General Employees' Retirement System (the GERS) was formed on April 1, 2000, as a result of amendments to the Florida Statutes. Chapter 175.061 governing firefighters' pensions and Chapter 185.05 governing police officers' pensions were amended to require separate pension plans for each of these groups of employees. On March 31, 2000, the predecessor pension plan (the Public Employees' Retirement System) ceased operations and its assets, liabilities, and fund balance were divided among three distinct pension plans:

- General Employees' Retirement System
- Police Officers' Retirement System
- Firefighters' Retirement System

Plan Description

Substantially, all full-time employees of the City of Jacksonville Beach, Florida, (the City) not covered by the Police Officers' Retirement System or the Firefighters' Retirement System are covered by the City's GERS.

The GERS is a single-employer, defined benefit pension plan and, as it relates to general employees, is the successor entity for the Plan that was established by the City on November 1, 1951, in accordance with a State of Florida legislative act which amended Chapter 27-643, Laws of Florida, 1951. Although the GERS presents separate financial statements, it is a fiduciary component unit (reported as a pension trust fund) of the City. The GERS is administered by a Board of Trustees comprised of two members of City Council, two members of the GERS elected by the membership, and a fifth member elected by the other four Board Members.

Membership

As of October 1, 2021 (date of the latest annual actuarial valuation), employee membership data related to the Pension Plan were:

Inactive Plan Members or their Beneficiaries Currently Receiving Benefits	199
Inactive Plan Members Entitled to Benefits, But Not Yet Receiving Them	11
Active Plan Members	240
Total	450

Benefits

The Pension Plan provides retirement benefits, deferred vested benefits, and death and disability benefits. The Plan assets are available to pay the general employees. The Plan was amended by Ordinance 2005-7906 to exclude from membership in the GERS, those part-time employees receiving a normal retirement pension from the City of Jacksonville Beach General Employees' Retirement System, and to permit continued payment of said pension benefits while employed.

Pension plan provisions for the GERS were modified significantly in fiscal year 2014. The modifications included increasing the employee's contribution rate, changing the vesting periods, modifying pensionable pay exclusions, and modifying the Deferred Retirement Option Program. The chart below provides a comparison of the pension plan provisions that occurred in fiscal year 2014. In addition, the paragraphs following the chart provide a detailed description of the changes.

SUMMARY COMPARISON OF PENSION PROVISIONS

<table>
<tr><th colspan="5">CITY OF JACKSONVILLE BEACH GENERAL EMPLOYEES' PENSION PLAN</th></tr>
<tr><th>Provision</th><th>Employees with Less Than 5 Years of Service on November 25, 2013</th><th>Employees with at Least 5 Years of Service but Less Than 10 Years of Service on November 25, 2013</th><th>Employees with 10 or More Years of Service on November 25, 2013</th><th>Employees with 30 Years of Service or Age 60 with 5 Years of Service on November 25, 2013</th></tr>
<tr><td>Benefit Formula</td><td colspan="3">2.5% for all years of service
($90,000 or 75% maximum)</td><td>2.5% for all years of service
(75% maximum)</td></tr>
<tr><td>Normal Retirement Date</td><td>Age 55 with 30 years of service; or
Age 62 with 10 years of service</td><td>Age 55 with 30 years of service; or
Age 62 with 10 years of service; or
Age 65 with 5 years of service</td><td colspan="2">Age 60 with 5 years of service; or
30 years of service regardless of age</td></tr>
<tr><td>Pensionable Pay</td><td colspan="3">Base pay + longevity pay; excluding overtime, shift differential, leave payouts, and all other compensation</td><td>Base pay, longevity, overtime, shift differential, and incentive pay</td></tr>
</table>

- **Normal Retirement**—Plan participants who retired prior to October 1, 1990, are entitled to pension payments for the remainder of their lives equal to 2% of their final average compensation times the number of years they were employed by the City and were a member of the Retirement System. The final average compensation is the highest five out of the last ten years of employment.

  Compensation includes base pay, longevity pay, overtime, and cost-of-living allowances. The maximum annual pension payment to these participants is 60% of their final five-year average compensation.

  Plan participants who retired after September 30, 1990 but before November 25, 2013, are entitled to pension payments for the remainder of their lives equal to 2.5% of their final average compensation times the number of years they were employed by the City and were a member of the Retirement System. The maximum annual pension benefit to these employees is 75% of their final average compensation.

  Plan participants who retire on or after November 25, 2013, are entitled to payments for the remainder of their lives equal to 2.5% of their final average compensation times the number of years they were employed by the City and were a member of the Retirement System up to a maximum of $90,000 or 75%, whichever is less. Accrued benefits in excess of the maximum amount are retained by the Plan. Compensation includes base pay and longevity pay. Compensation excludes overtime, shift differentials, incentive pay, leave payouts, and all other compensation.

Eligibility requirements for normal retirement are as follows for participants with ten years of service on November 25, 2013: 30 years of service regardless of age, or age 60 with five or more years of service.

Eligibility requirements for normal retirement are as follows for participants with less than ten years of service on November 25, 2013: Age 55 with 30 or more years of service, or age 62 with ten or more years of service. There is no mandatory retirement age.

The normal form of benefit is a benefit payable for the life of the retired member. Optional benefit forms are available on an actuarial equivalent basis.

- **Early Retirement**—Early retirement is available to all plan participants after 20 years of service with a reduced benefit.

- **Non-Duty Disability Retirement**—Disability retirement is available to plan participants that have attained at least ten years of service. Until the Plan participant reaches normal retirement age, the minimum non-duty disability is 25% of the participant's final average compensation.

- **Duty Disability Retirement**—The ten-year service requirement is waived if the retirement is caused by a duty-related disability. The amount of a duty disability pension is the larger of the member's accrued pension and 50% of member's final average compensation. At regular retirement age, the participant may elect to continue to be covered by duty disability or have the benefit recomputed as a normal retirement with additional service credit granted from the date of retirement to the later of normal retirement age or five years after date of disability. The minimum benefit shall not be less than 42% of the participant's final average compensation.

- **Non-Duty Death Before Retirement**—Non-duty death benefits are available at 100% of the Plan participant's normal retirement benefit provided the Plan participant attained ten or more years of service.

- **Duty Death Before Retirement**—The ten-year service requirement is waived if the death is duty-related. The surviving spouse is entitled to receive 100% of the participant's normal retirement benefit. The minimum benefit to the spouse shall not be less than 35% of the participant's final average compensation.

- **Backwards Deferred Retirement Option Program (BackDROP)**—A participant of the retirement system who meets the normal retirement requirements on or after November 25, 2013, is eligible for BackDROP. The participant may elect a BackDROP period for the number of months employed beyond their normal retirement date, up to a maximum of thirty-six consecutive months. Benefits are computed as if the participant chose to terminate on any date within the thirty-six-month period after the normal retirement date, using credited service and final average compensation at the normal retirement date. In addition to the monthly pension, there will be a lump-sum payment. The lump-sum payment will be computed as if the monthly benefits had started and were accumulated in an account and credited with 3% interest, compounded annually during the period between the date chosen for BackDROP retirement and the date of termination.

Contributions

For the year ended September 30, 2022, Plan participants were required to pay 7.95% of their annual compensation to the Pension Plan. The payments are deducted from the employees' wages or salary and remitted by the City to the GERS at the end of each pay period. If an employee leaves the employment of the City before he or she is vested (attaining five years of service prior to November 25, 2013, or attaining ten years of service on or after November 25, 2013), the accumulated contributions plus earned interest are refunded to the employee or the employee's designated beneficiary. If an employee leaves the employment of the City after becoming vested, but before attaining retirement age, the employee or the employee's designated beneficiary has the option of being refunded the accumulated contributions plus earned interest or keeping the funds in the Plan and receiving benefits under the Plan upon reaching normal retirement age.

The City makes periodic contributions totaling a minimum of 100% of the annual actuarially determined amount to the Pension Plan. For the year ended September 30, 2022, the actuarially determined contribution amount as determined by the October 1, 2020 actuarial valuation, was $2,405,220 and the actual contribution was $2,405,223.

For the year ended September 30, 2022, the total City's covered payroll (general employees only) amounted to $14,746,238. Covered payroll refers to all compensation paid by the City to active employees covered by the GERS on which contributions to the Pension Plan are based. Total payroll for general employees (covered and uncovered) for the year ended September 30, 2022, was $16,398,520.

Note 2 - Summary of Significant Accounting Policies and Plan Position Matters

Basis of Accounting

The GERS financial statements are prepared on the accrual basis of accounting. Contributions from the City and the City's employees are recognized as revenue in the period in which employees provide services to the City. Interest and dividend income is recognized when earned by the Pension Plan. Realized gains and losses on the sale of investments held by the Pension Plan are recognized when incurred. Net appreciation in the fair value of investments held by the Pension Plan is recorded as an increase to investment income based on the valuation of investments as of the date of the statement of plan net position available for benefits. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Investments

Investments in securities are reported at fair value. Corporate bond securities are assigned a value based on yields currently available on securities of issuers with credit ratings similar to the securities held by the Pension Plan. Unrestricted capital stock securities are assigned a value based on quoted market prices. There are no investments in, loans to, or leases with parties related to the Pension Plan.

Note 3 - Cash and Investments

Florida Statutes and City ordinances authorize the GERS to invest in obligations of the United States, in obligations guaranteed as to principal and interest by the United States and in bonds, stocks, or other evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States provided that the corporation is listed on one or more of the recognized national stock exchanges and holds a rating of the three highest classifications by a major rating service. Corporate fixed income securities must hold a rating of A or higher by a Nationally Recognized Statistical Rating Organization (Moody's, Standard & Poor's, Fitch).

Following is a summary of the investments and maturities held by the GERS at September 30, 2022:

		Investment Maturities (In Years)			
Investment Type	**Fair Value**	**Less Than 1**	**1-5**	**6-10**	**More Than 10**
Mutual Fund (Equities)	$ 35,813,555	$ 35,813,555			
U.S. Government Securities	3,952,563		$ 695,299	$ 2,442,282	$ 814,982
Federal Agency Securities:					
Federal Farm Credit Bank	820,552		57,071		763,481
Federal Home Loan Bank	129,891			129,891	
Federal Home Loan Mortgage Corporation	274,092		777		273,315
Federal National Mortgage Association	4,001,307	463	27,906	171,184	3,801,754
Corporate Bonds	4,532,155		1,499,306	3,032,849	
Real Estate Fund	3,969,684	3,969,684			
Total	$ 53,493,799	$ 39,783,702	$ 2,280,359	$ 5,776,206	$ 5,653,532

Credit quality distribution for the GERS' investments with credit exposure as a percentage of the total pension investment is as follows:

Investment Type	Moody's Credit Rating	Percent of Total
U.S. Government Securities	Aaa	7.39%
Federal Agency Securities	Aaa	9.77%
Corporate Bonds	A1	2.39%
Corporate Bonds	A2	2.51%
Corporate Bonds	A3	1.24%
Corporate Bonds	Aa2	0.15%
Corporate Bonds	Aa3	0.60%
Corporate Bonds	Baa1	1.58%

Cash and money market funds totaling $3,416,130 at September 30, 2022, are classified as cash and short-term investments on the accompanying statement of fiduciary net position because they are available for immediate withdrawal or transfer.

Risk Disclosure

The Plan's investment policies do not specifically address its exposure to interest rate changes, custodial credit risk, or quality credit risk. The following items discuss the pension funds' exposure to various risks of their investment portfolios:

- **Interest Rate Risk—**the City's pension funds limit their risk by averaging investment maturities at approximately three to five years.

- **Custodial Credit Risk—**for an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The fund generally utilizes third-party custodians to help manage custodial credit risk.

- **Concentration of Credit Risk—**the pension funds' investment policies and practices require investments to be diversified to the extent practicable to control the risk of loss resulting from overconcentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which financial instruments are purchased and sold.

Identification of Investments

- **Equities—**Investments in equity securities must be traded on the national exchange or electronic network. No more than 5% of the Plan's assets, at the time of purchase, may be invested in the common stock, capital stock, or convertible stock of any one issuing company. In addition, the aggregate investment in any one company shall not exceed 5% of the outstanding capital stock of that company. No more than 10% of the Plan's assets, at the time of purchase, may be invested in the shares of companies that have been publicly traded for less than one year.

- **Fixed Income—**Investments in corporate fixed income securities shall be limited to those securities rated "A" (or its equivalent) or higher by a Nationally Recognized Statistical Rating Organization. In the event an investment security rating drops below a rating of A, the investment manager notifies the investment advisor. The investment advisor instructs the investment manager to monitor the investment closely or dispose of it when economically feasible. The maximum maturity of any single security in the Plan's fixed income portfolio shall not exceed 30 years, and the average effective duration of the portfolio shall not exceed that of the benchmark index by more than 20%. No more than 10% of the Plan's assets, at the time of purchase, shall be invested in securities of any single corporate issuer. Investments in Collateralized Mortgage Obligations shall be limited to 10% of the market value of the Plan's fixed income portfolio and shall be restricted to those issues that are currently paying interest, receiving principal pay-downs and do not contain leverage.

- **Real Estate Fund—**All real estate investments shall be managed by experienced and qualified professional real property investment managers. The Board will seek to diversify its real estate investment by property type (residential, industrial, office, retail, timberland, etc.) and property location (geographic region).

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

Asset Class	Target Allocation
Domestic Equity	50%
International Equity	10%
Fixed Income	35%
Real Estate Fund	5%
Total	100%

Concentration

The Plan did not hold investments in any one organization that represents 5% 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 plan investments, net of plan investment expense, was -16.04%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Fair Value Measurements

The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

- **Level 1 Inputs—**are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

- **Level 2 Inputs—**are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

- **Level 3 Inputs—**are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

The Plan's investments are measured at fair value on a recurring basis. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value in the hierarchy described above. The fair value measurements for the Plan's operating investments are as follows at September 30, 2022:

		Fair Value Measurements Using		
Investments by Fair Value Level	**Amount**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Equities	$ 35,813,555	$ 35,813,555		
U.S. Government Securities	3,952,563	590,868	$ 3,361,695	
Federal Agency Securities:				
Federal Home Credit Bank	820,552		820,552	
Federal Home Loan Bank	129,891		129,891	
Federal Home Loan Mortgage Corporation	274,092		274,092	
Federal National Mortgage Association	4,001,307		4,001,307	
Corporate Bonds	4,532,155		4,532,155	
Total Investments Measured at Fair Value	$ 49,524,115	$ 36,404,423	$ 13,119,692	$ -

Investments Measured at the Net Asset Value (NAV)	**Amount**	**Unfunded Commitments**	**Redemption Frequency (if Currently Eligible)**	**Redemption Notice Period**
Real Estate Fund	$ 3,969,684	$ -	Quarterly	45 days
Total Investments	$ 53,493,799			

Equities and U.S. Government Securities are valued based on prices quoted in active markets and are categorized as Level 1, and Level 1 and 2, respectively, in the fair value hierarchy. Federal Agency Securities are valued using matrix pricing techniques that value securities based on their relationship to benchmark quoted prices. Corporate bonds are valued using quoted prices for similar securities in active markets and are categorized as Level 2 in the fair value hierarchy. The Real Estate Fund is valued at Net Asset Value, which is determined using certified annual appraisals of investment properties held by the fund.

Note 4 - Pension Cost

The pension cost for the year ended September 30, 2022, was $2,405,223 (actual contribution-City share). The pension cost for the 2022 fiscal year was determined as part of an October 1, 2020, actuarial valuation using the entry age actuarial cost method.

Note 5 - Net Pension Liability

The Pension Plan's fiscal year-end net pension liability as of September 30, 2022, was as follows:

Total Pension Liability	$ 77,675,753
Plan Fiduciary Net Position	57,101,056
Net Pension Liability	$ 20,574,697
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	73.51%

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	2.5%
Salary Increases	2.7-6.3% (Including Inflation)
Investment Rate of Return	7.5%

Mortality rates were based on 122.664(1)(a) Florida Statutes, which mandates the use of the Florida Retirement System mortality tables. The PUB-2010 table and projection scale MP-2018 uses a gender-specific mortality improvement scale. This table was first used for the October 1, 2020 valuation.

The long-term expected rate of return on the Plan investments was determined using 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. 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 arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2022, are summarized below:

Asset Class	Long-Term Expected Rate of Return (Excluding Inflation)
Domestic Equity	10%
International Equity	11%
Domestic Bonds	5%
International Bonds	6%
Real Estate Fund	7%
Cash	0%

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these 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. The single discount rate reflects the long-term expected rate of return on Pension Plan investments including inflation.

The table below provides the sensitivity of the net pension liability to changes in the discount rate. The table represents the Plan's net pension liability, if it were calculated using a single discount rate that is 1-percentage point lower or 1-percentage point higher than the single discount rate.

Sensitivity of Net Pension Liability to the Single Discount Rate Assumption

1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
$ 28,959,707	$ 20,574,697	$ 13,470,852

The total pension liability information is based on the actuarial valuation performed October 1, 2021. The total pension liability was rolled-forward from the valuation date to the Plan year ended September 30, 2022, using generally accepted actuarial principles.

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS MULTI-YEAR
CITY OF JACKSONVILLE BEACH, FLORIDA
GENERAL EMPLOYEES' RETIREMENT SYSTEM

(Ultimately 10 Years Will Be Displayed)

Fiscal Year Ended September 30,	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Total Pension Liability									
Service Cost	$ 1,660,426	$ 1,669,578	$ 1,598,849	$ 1,503,973	$ 1,376,902	$ 1,391,483	$ 1,207,176	$ 1,111,657	$ 1,129,366
Interest on the Total Pension Liability	5,454,290	5,420,774	5,349,162	5,292,226	5,106,511	4,852,273	4,606,558	4,557,077	4,443,924
Difference Between Expected and Actual Experience	1,303,615	218,907	(533,465)	(1,027,446)	1,126,397	325,573	(1,228,033)	(891,893)	
Assumption Changes (#)		(1,459,419)			2,931,687	2,129,976	2,784,150		
Benefit Payments	(5,272,459)	(5,422,910)	(4,908,805)	(4,346,876)	(4,555,656)	(4,599,574)	(3,929,634)	(4,052,263)	(3,669,967)
Refunds		(101,416)	(557,035)	(301,365)	(158,889)	(97,989)	(153,923)	(276,366)	(301,456)
Net Change in Total Pension Liability	3,145,872	325,514	948,706	1,120,512	5,826,952	4,001,742	3,286,294	448,212	1,601,867
Total Pension Liability-Beginning	74,529,881	74,204,367	73,255,661	72,135,149	66,308,197	62,306,455	59,020,161	58,571,949	56,970,082
Total Pension Liability-Ending (a)	$ 77,675,753	$ 74,529,881	$ 74,204,367	$ 73,255,661	$ 72,135,149	$ 66,308,197	$ 62,306,455	$ 59,020,161	$ 58,571,949
Plan Fiduciary Net Position									
Employer and State Contributions	$ 2,405,223	$ 2,443,559	$ 2,324,624	$ 2,100,105	$ 1,898,689	$ 1,591,545	$ 1,321,320	$ 1,387,165	$ 1,216,994
Employee Contributions	1,173,445	1,147,477	1,110,267	1,036,998	1,029,762	1,018,627	927,251	853,057	771,553
Pension Plan Net Investment Income	(10,994,068)	11,245,803	5,610,039	3,062,326	4,761,584	6,557,114	3,782,591	(153,496)	4,697,264
Benefit Payments and Refunds	(5,272,459)	(5,524,326)	(5,465,840)	(4,648,241)	(4,714,545)	(4,697,563)	(4,083,557)	(4,328,629)	(3,971,423)
Pension Plan Administrative Expenses	(101,612)		(102,704)	(96,476)	(100,429)	(105,804)	(111,995)	(92,050)	(102,359)
Other						(729,535)			
Net Change in Plan Fiduciary Net Position	(12,789,471)	9,312,513	3,476,386	1,454,712	2,875,061	3,634,384	1,835,610	(2,333,953)	2,612,029
Plan Fiduciary Net Position-Beginning	69,890,527	60,578,014	57,101,628	55,646,916	52,771,855	49,137,471	47,301,861	49,635,814	47,023,785
Plan Fiduciary Net Position-Ending (b)	$ 57,101,056	$ 69,890,527	$ 60,578,014	$ 57,101,628	$ 55,646,916	$ 52,771,855	$ 49,137,471	$ 47,301,861	$ 49,635,814
Net Pension Liability-Ending (a) – (b)	$ 20,574,697	$ 4,639,354	$ 13,626,353	$ 16,154,033	$ 16,488,233	$ 13,536,342	$ 13,168,984	$ 11,718,300	$ 8,936,135
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	73.51%	93.78%	81.64%	77.95%	77.14%	79.59%	78.86%	80.15%	84.74%
Covered Employee Payroll	$ 14,746,238	$ 14,294,336	$ 13,915,132	$ 13,044,000	$ 12,952,981	$ 12,812,918	$ 11,663,535	$ 10,730,277	$ 10,622,900
Net Pension Liability as a Percentage of Covered Employee Payroll	139.53%	32.46%	97.92%	123.84%	127.29%	105.65%	112.91%	109.21%	84.12%

Notes to Schedule
 # - Assumption changes include the following:

For 2016, adding a 2% load on the present value of future benefits as a margin for future mortality improvements and decreasing the long-term municipal bond rate from 3.71% to 3.06%.

For 2017, decreasing the single discount rate and long-term expected rate of return from 8.00% to 7.90%, and increasing the long-term municipal bond rate from 3.06% to 3.50%.

For 2018, decreasing the single discount rate and long-term expected rate of return from 7.90% to 7.50%, and increasing the long-term municipal bond rate from 3.50% to 3.83%.

For 2021, adopted the new respective Florida Retirement System mortality assumptions.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF NET PENSION LIABILITY MULTI-YEAR
CITY OF JACKSONVILLE BEACH, FLORIDA
GENERAL EMPLOYEES' RETIREMENT SYSTEM

Ultimately 10 Years Will Be Displayed)

Fiscal Year Ended September 30,	Total Pension Liability (TPL)	Plan Net Position	Net Pension Liability	Plan Net Position as a % of TPL	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2014	$ 58,571,949	$ 49,635,813	$ 8,936,136	84.74%	$ 10,622,900	84.12%
2015	59,020,161	47,301,861	11,718,300	80.15%	10,730,277*	109.21%
2016	62,306,455	49,137,471	13,168,984	78.86%	11,663,535*	112.91%
2017	66,308,197	52,771,855	13,536,342	79.59%	12,812,918*	105.65%
2018	72,135,149	55,646,916	16,488,233	77.14%	12,952,981	127.29%
2019	73,255,661	57,101,628	16,154,033	77.95%	13,044,000	123.84%
2020	74,204,367	60,578,014	13,626,353	81.64%	13,915,132	97.92%
2021	74,529,881	69,890,527	4,639,354	93.78%	14,294,336	32.46%
2022	77,675,753	57,101,056	20,574,697	73.51%	14,746,238	139.53%

*Source: Implicit payroll based on employee contributions during the fiscal year.

Note: The above calculations were performed under the requirements of Governmental Accounting Standards Board Statement No. 67.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
CITY OF JACKSONVILLE BEACH, FLORIDA
GENERAL EMPLOYEES' RETIREMENT SYSTEM

(Ultimately 10 Years Will Be Displayed)

Fiscal Year Ending October 1,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2014	$ 1,205,756	$ 1,216,994	$ (11,238)	$ 10,622,900	11.46%
2015	1,387,165	1,387,165		10,730,277*	12.93%
2016	1,321,320	1,321,320		11,663,535*	11.33%
2017	1,591,545	1,591,545		12,812,918*	12.42%
2018	1,892,707	1,898,689	(5,982)	12,952,981*	14.66%
2019	2,097,788	2,100,105	(2,317)	13,044,000*	16.10%
2020	2,322,790	2,324,624	(1,834)	13,915,132	16.71%
2021	2,442,960	2,443,559	(599)	14,294,336	17.09%
2022	2,405,220	2,405,223	(3)	14,746,238	16.31%

* Source: Implicit payroll based on employee contributions during the fiscal year.

Notes to Schedule of Contributions

Methods and Assumptions used to Actuarially Determine Contribution Rates for FY Ending September 30, 2022:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period:	2-25 Years
Asset Valuation Method:	4-Year Smoothed Market
Inflation:	2.50% Wage Inflation, 2.50% Price Inflation
Salary Increases:	2.50% to 6.30% Including Inflation
Investment Rate of Return:	7.50%
Retirement Age:	Age and experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2002 valuation.
Mortality:	The Florida Retirement System mortality tables, which use variations of the fully generational PUB-2010 Mortality Tables with projection scale MP-2018.
Other Information:	
Notes:	The Employer Contribution for fiscal year 2022 was determined in the Actuarial October 1, 2020 valuation report.

Additional years will be added to this schedule annually until 10 years of data are presented.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
CITY OF JACKSONVILLE BEACH, FLORIDA
GENERAL EMPLOYEES' RETIREMENT SYSTEM

Fiscal Year Ended September 30,	Annual Money-Weighted Rate of Return Net of Investment Expense
2022	-16.04%
2021	18.94%
2020	10.02%
2019	5.61%
2018	9.22%
2017	12.11%
2016	8.15%
2015	-0.35%
2014	10.22%
2013	11.97%

PURVIS GRAY

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Board of Directors of the
General Employees' Retirement System
City of Jacksonville Beach, Florida

We have audited the accompanying statement of fiduciary net position of the City of Jacksonville Beach, Florida, General Employees' Retirement System (the GERS) as of September 30, 2022, and the related statement of changes in fiduciary net position for the year then ended. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you in our engagement letter dated March 8, 2022. Professional standards also require that we communicate the following information to you related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Accounting Policies
Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the GERS are described in Note 2 to the financial statements. No new accounting pronouncements were adopted during the year ended September 30, 2022.

We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates
Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most significant estimates affecting the financial statements were:

- Estimates of fair values of financial instruments held by the pension plan. These fair values are based upon quoted market prices or other observable inputs as described in Note 3 of the financial statements.

To the Board of Directors of the
General Employees' Retirement System
City of Jacksonville Beach, Florida

- The annual pension cost and the total pension liability are estimates that are calculated based on an actuarial valuation performed by a qualified actuary. The assumptions used in the valuation were determined by management and, if changed, could significantly affect the recorded amounts.

We evaluated the key factors and assumptions used to develop the estimates described above in determining that they are reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

- Note 5 to the financial statements provides a detail of the total and net pension liability and plan fiduciary net position, as well as a description of the actuarial assumptions used to determine the total pension liability.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no audit adjustments identified during our audit. In addition, there were no uncorrected (passed) adjustments that came to our attention.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 3, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the GERS's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

To the Board of Directors of the
General Employees' Retirement System
City of Jacksonville Beach, Florida

Other Audit Findings or Issues
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters
We applied certain limited procedures to Management's Discussion and Analysis and the additional schedules as listed in the table of contents as Required Supplementary Information (RSI). These schedules are considered required supplementary information that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use
This information is intended solely for the use of the Board of Directors and management of the GERS, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

April 3, 2023
Tallahassee, Florida

2022

City of Jacksonville Beach, Florida
Police Officers' Retirement System

Financial Statements, Required Supplementary Information, and Independent Auditor's Report

September 30, 2022

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF JACKSONVILLE BEACH, FLORIDA

POLICE OFFICERS' RETIREMENT SYSTEM

FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2022

AND INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Trustees of
The City of Jacksonville Beach, Florida
Police Officers' Retirement System
Honorable Mayor and Members of the City Council
Jacksonville Beach, Florida

Opinion

We have audited the accompanying statement of fiduciary net position of the City of Jacksonville Beach, Florida Police Officers' Retirement System (the PORS), a fiduciary component unit of the City of Jacksonville Beach, Florida, as of September 30, 2022, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, which collectively comprise the PORS's basic financial statements, as listed in the table of contents.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the PORS's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

To the Trustees of
The City of Jacksonville Beach, Florida
Police Officers' Retirement System
Honorable Mayor and Members of the City Council
Jacksonville Beach, Florida

INDEPENDENT AUDITOR'S REPORT

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the PORS's internal control. Accordingly, no such opinion is expressed.

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

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

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

To the Trustees of
The City of Jacksonville Beach, Florida
Police Officers' Retirement System
Honorable Mayor and Members of the City Council
Jacksonville Beach, Florida

INDEPENDENT AUDITOR'S REPORT

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Purvis Gray

April 3, 2023
Tallahassee, Florida

MANAGEMENT’S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The discussion and analysis of the City of Jacksonville Beach, Florida (the City), Police Officers' Retirement System (the Plan) provides an overview of the financial activities and funding conditions for the fiscal year ended September 30, 2022.

Financial Highlights

- The Plan's total net position held in trust for the payment of benefits and to meet the Plan's future obligations to its members and their beneficiaries was $26,288,054. The Plan's net position decreased by $-5,694,911, a -17.81% decrease for the year.

- Employer contributions to the Plan decreased $-310,265 over the previous year. The actual employer contributions were $410,267 for 2022, and $720,532 for 2021. The decrease is attributable to a decrease in the actuarially calculated contribution requirement.

- Employee contributions to the Plan decreased by $-44,147 from the previous year. The actual employee contributions were $448,906 for 2022, and $493,053 for 2021. The decrease in employee contributions is attributable to a decrease in covered payroll dollars.

- The net investment income decreased by $-10,026,446 compared to 2021. The actual results were $-5,042,780 for 2022, and $4,983,666 for 2021. Investment income decreased due to a decrease in performance compared to the previous year.

- Benefit payments and refund of contributions increased by $390,538 compared to 2021. The benefit payments and refund of contributions were $1,672,918 for 2022, and $1,282,380 for 2021. The increase is attributable to more retirement benefits being paid compared to previous year.

Pension plan provisions for the Plan were modified significantly in fiscal year 2014 to improve the Plan's financial sustainability. The modifications included increasing the employee's contribution rate, changing the vesting periods, modifying pensionable pay exclusions, and modifying the Deferred Retirement Option Program. Details of the changes can be found in the Notes to the Financial Statements beginning on page 13. The funding objective of the Plan is to meet its long-term pension benefit obligations through employer and employee contributions and investment returns. The Plan fiduciary net position as a percentage of total pension liability was 83.92% as of September 30, 2022.

Financial Analysis

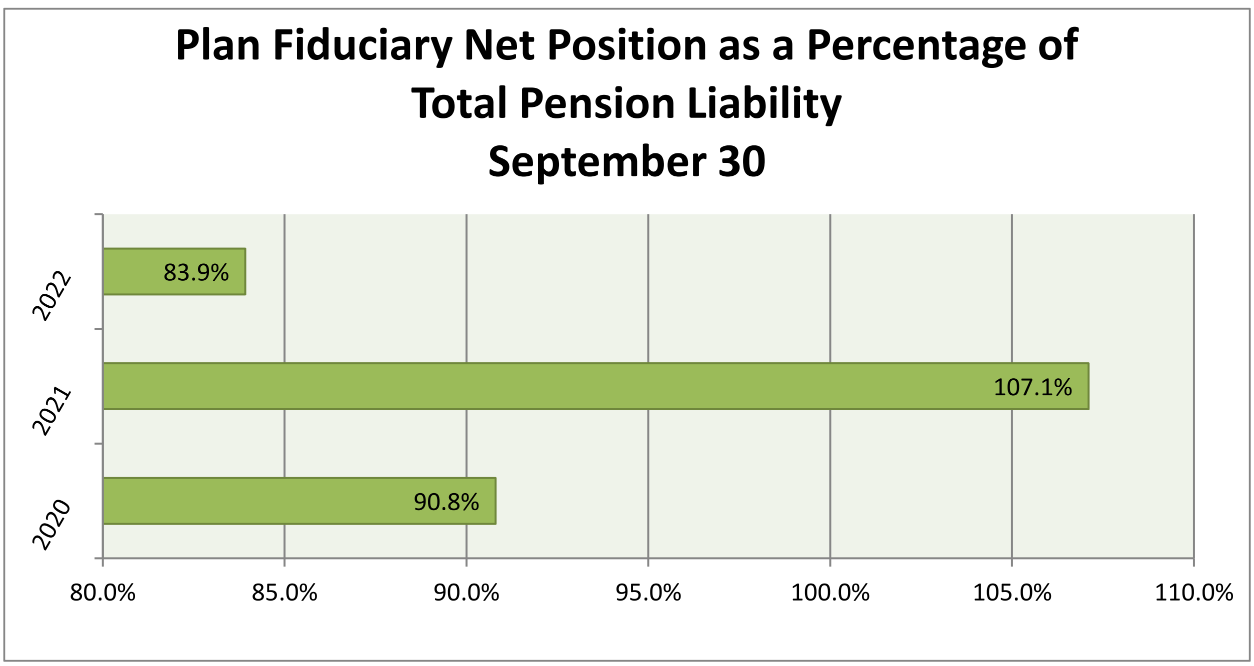
The following discussion and analysis are intended to serve as an introduction to the City of Jacksonville Beach, Florida, Police Officers' Retirement System financial statements, which are comprised of the Statement of Fiduciary Net Position, the Statement of Changes in Fiduciary Net Position, Notes to Financial Statements, and certain required supplementary information.

The financial statements reflect the activities of the Plan and are reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. These statements are presented on a full accrual basis and reflect all trust activities as incurred.

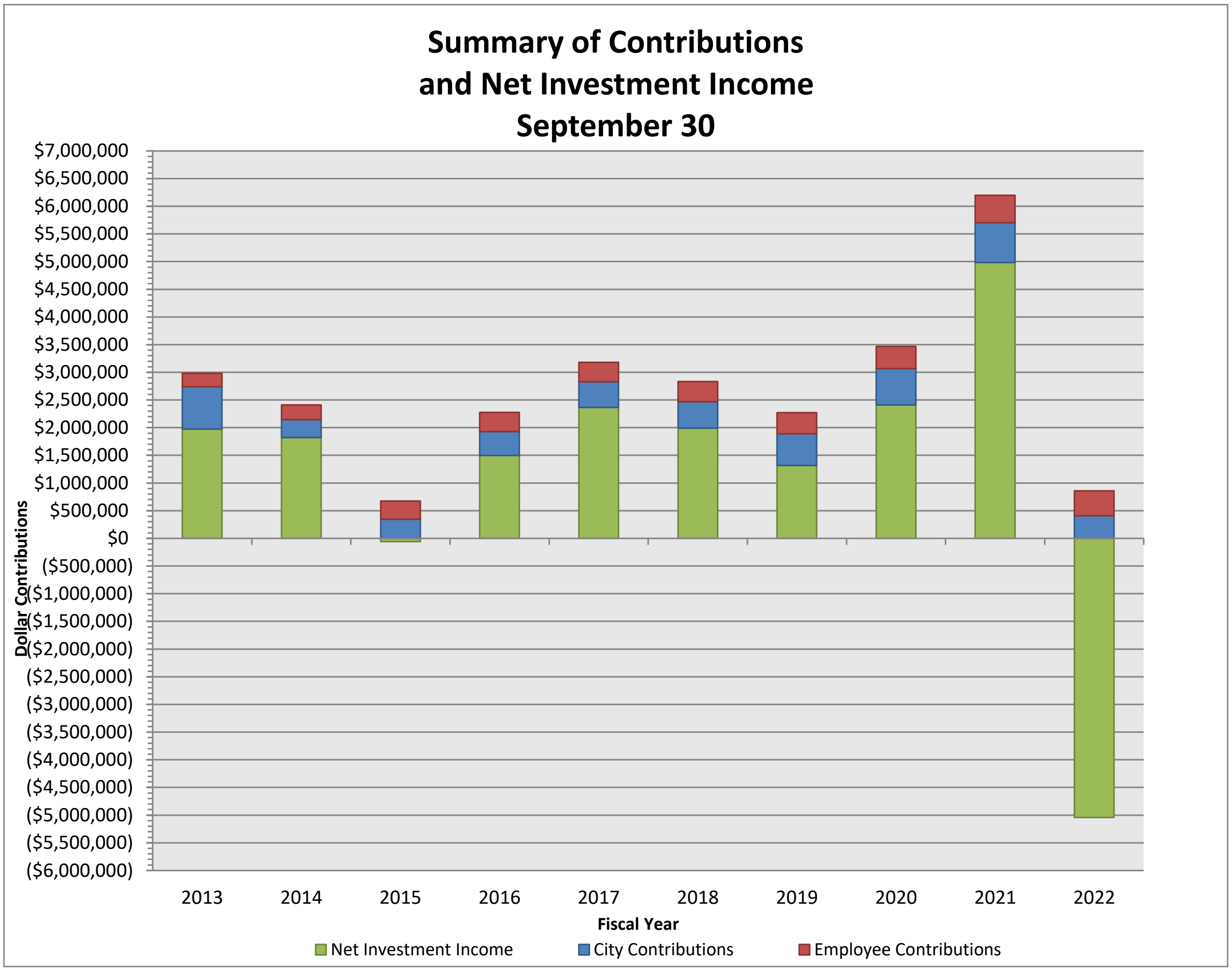
In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

In 2014, the City implemented Governmental Accounting Standards Board Statement (GASB) No. 67 as required for the Plan. This statement requires additional disclosures in the Plan financial statements. The statement also requires the net pension liability to be measured as of the Plans' most recent fiscal year-end using methods prescribed by GASB that differ significantly from previous methods. The required disclosures for the Plan can be found in the Notes to the Financial Statements beginning on page 13 and the Required Supplementary Information beginning on page 23.

There are several ways to measure the Plan's financial status. One means is to determine the Plan's net position available to pay benefits. This is the difference between total assets and total liabilities. Another way is to refer to the Plan's Net Pension Liability, which takes into account the total pension liability and the Plan fiduciary net position. The chart below displays the Plan fiduciary net position as a percentage of total pension liability for the past three years.



The funding objective of the Retirement System is to establish and receive contributions (expressed as a percent of active member payroll), which should remain level from year-to-year and not have to be increased for future generations of citizens in the absence of benefit improvements. The Retirement System is supported by member contributions, City contributions, property insurance premium tax monies received from the state (pursuant to Chapter 185, Florida Statutes), and investment income from the Retirement System assets as displayed on the chart below:



Actuarial differences between actual and assumed investment return are phased-in over a closed four-year period. Therefore, during periods when investment performance exceeds the assumed rate, asset values will tend to be less than market value. Conversely, during periods when investment performance is less than the assumed rate, valuation assets will tend to be greater than market value. As of October 1, 2021, the date of the last actuarial valuation, the Plan had a market value of $31,982,965 and a funding value of $29,585,593, as shown in the chart below:

MANAGEMENT'S DISCUSSION AND ANALYSIS

Market/Funding Value of Assets

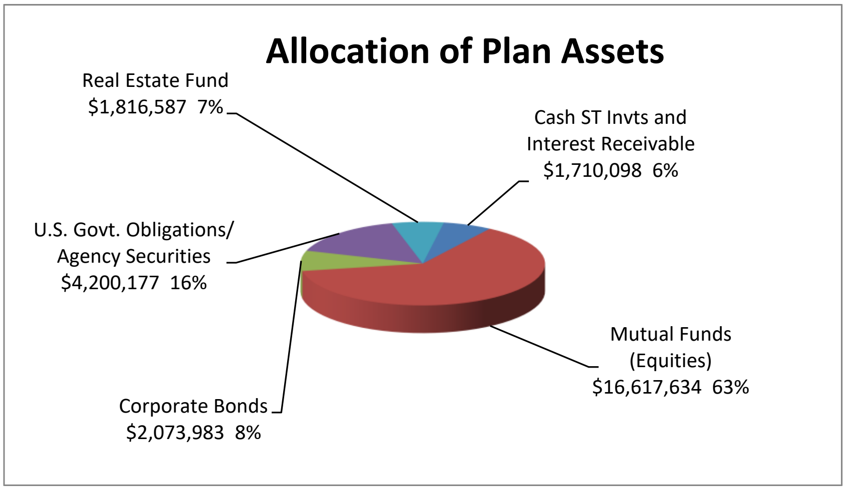
Plan Year Ended 9-30	Market Value	Funding Value
2012	$ 16,529,793	$ 16,364,606
2013	18,210,225	17,469,215
2014	19,317,303	18,366,538
2015	18,751,766	19,488,736
2016	19,972,236	20,650,774
2017	22,048,341	21,889,082
2018	23,778,932	23,212,653
2019	24,501,172	24,522,722
2020	26,848,519	26,597,835
2021	31,982,965	29,585,593

The Statement of Fiduciary Net Position is a snapshot of account balances at year-end. It indicates the assets available for future payments to retirees and any current liabilities that are owed at this time.

Fiduciary Net Position Restricted for Pension Benefits as of September 30

	2022	2021	Increase/ (Decrease)
Cash and Short-Term Investments	$ 1,433,996	$ 2,531,331	$ (1,097,335)
Interest Receivable	273,327	18,194	255,133
Miscellaneous Receivable	2,775		2,775
Investments	24,708,381	29,433,806	(4,725,425)
Total Assets	26,418,479	31,983,331	(5,564,852)
Due to General Fund	130,000		130,000
Other Accrued Liabilities	425	366	59
Total Liabilities	130,425	366	130,059
Net Position Restricted for Pension Benefits	$ 26,288,054	$ 31,982,965	(5,694,911)

The net position of the Plan, as of September 30, 2022, was $26,288,054. The allocation of the Plan's total assets as of September 30, 2022, is shown on the pie chart on the following page:



Revenues essential to funding the Plan are obtained from member contributions, City contributions, State premium tax distributions, and investment income from the retirement system assets. For the Plan year ended September 30, 2022, Plan participants were required to pay 7.95% of their annual pensionable salary to the Plan. The City makes periodic contributions totaling 100% of the annual actuarially determined amount to the Plan. The Plan receives an annual distribution of casualty insurance premium tax monies from the State of Florida pursuant to Chapter 185, Florida Statutes.

The Statement of Changes in Fiduciary Net Position provides a view of current year additions to and deductions from the Plan's net position. The sum of net investment earnings and contributions were lower than deductions, resulting in an overall -17.81% decrease in Plan net position for the year. Earnings and losses on investments are reported net of investment expenses. The following table shows a comparative summary of the changes in net position and reflects the Plan's activities for the fiscal years ended September 30.

Changes in Fiduciary Net Position for the Year Ended September 30

	2022	2021	Increase/ (Decrease)	Percentage Change
Additions:				
Contributions	$ 1,102,757	$ 1,517,154	$ (414,397)	-27.31%
Net Investment Income (Loss)	(5,042,780)	4,983,666	(10,026,446)	-201.19%
Total Additions, Net	(3,940,023)	6,500,820	(10,440,843)	-160.61%
Deductions:				
Benefits and Refunds	1,672,918	1,282,380	390,538	30.45%
Administrative Expenses	81,970	83,994	(2,024)	-2.41%
Total Deductions	1,754,888	1,366,374	388,514	28.43%
Change in Net Position	(5,694,911)	5,134,446	(10,829,357)	-210.92%
Beginning of Year Net Position	31,982,965	26,848,519	5,134,446	19.12%
End of Year Net Position	$ 26,288,054	$ 31,982,965	$ (5,694,911)	-17.81%

The Plan's investment earnings result from market gains and losses on investments during the year as well as dividend and interest earnings.

Additions to the Fiduciary Net Position

The monies to pay benefits are accumulated from the contributions made from employers, employees, State distributions of Chapter 185 premium taxes, and income generated from the Plan's investments. Earnings and losses on investments are reported net of investment expenses.

	2022	2021	Increase/ (Decrease)
Additions:			
Employee Contributions	$ 448,906	$ 493,053	$ (44,147)
Employer Contributions	410,267	720,532	(310,265)
State of Florida Contributions	243,584	303,569	(59,985)
Net Investment Income	(5,042,780)	4,983,666	(10,026,446)
Total Additions	$ (3,940,023)	$ 6,500,820	$ (10,440,843)

Deductions from the Fiduciary Net Position

The Plan provides a lifetime pension benefit to its retired members, as well as survivor, and disability benefits. Annual expenses to the Plan include retirement benefits, refunds of employee contributions, and administrative expenses.

	2022	2021	Increase/ (Decrease)
Deductions:			
Benefits	$ 1,646,393	$ 1,265,219	$ 381,174
Refunds of Contributions	26,525	17,161	9,364
Administrative Expenses	81,970	83,994	(2,024)
Total Deductions	$ 1,754,888	$ 1,366,374	$ 388,514

The benefit payments are payments to retirees, or their beneficiaries (if the retiree is deceased). The refund of contribution amounts are refunds of employee contributions plus interest distributed to terminated employees who are not vested or who are vested but elect to not receive plan benefits. Administrative expenses include all expenses necessary to administer the retirement plan.

Notes to Financial Statements and Required Supplementary Information

Notes to financial statements provide additional information that is essential to a full understanding of the data provided. They begin on page 13 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The GASB Statement No. 67 requires several schedules of historical trend information to be presented as required supplementary information immediately after the notes to the financial statements. The required schedules are: (a) a schedule of changes in the net pension liability and related ratios multi-year that presents the beginning and ending balances of the total pension liability, the pension plan's fiduciary net position, the net pension liability and the effects on those items; (b) a schedule of net pension liability multi-year; (c) a schedule of the City's contributions that identifies whether the information relates to employers, non-employers, or both; and (d) a schedule of investment returns that provides information about the annual money-weighted rate of return on pension Plan investments.

These schedules contain information pertaining to the Plan's actuarial methods and assumptions, including data on the investment returns of the Plan. They can be found on pages 23-26.

Plan Membership

The table below reflects the Plan membership as of September 30 for active participants, retirees, beneficiaries, disabled members, and terminated vested members.

	September 30, 2022	September 30, 2021	Change
Vested	29	31	(2)
Non-Vested	36	36	
Total Active Participants	65	67	(2)
Retirees Receiving Benefits	30	30	
Beneficiaries Receiving Benefits	5	6	(1)
Disability Benefits	6	5	1
Total Receiving Benefits	41	41	
Terminated Vested Members	4	4	
Total Members Currently Receiving Benefits and Terminated Employees Entitled to Benefits, But Not Yet Receiving Them	45	45	

Funding Status

Of primary concern to most pension plan participants is the amount of money available to pay benefits. Historically, defined benefit pension plans have been under-funded when the employer failed to make annual actuarially required contributions to the Plan. The City's defined benefit plan has been subject to the minimum funding standards since the adoption of the *Florida Protection of Public Employee Retirement Benefits Act* (Part VII of Chapter 112, Florida Statutes) in 1980. In addition, the Plan receives a distribution of premium tax monies for the State of Florida pursuant to Chapter 185, Florida Statutes. Accordingly, the City has funded the actuarially determined contribution for each year as required.

Requests for Information

The financial report is designed to provide users with an overview of the Plan's finances and the prudent exercise of the Board's oversight. Questions concerning this report should be addressed to the City's Finance Officer, 11 North Third Street, Jacksonville Beach, Florida 32250.

BASIC FINANCIAL STATEMENTS

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
POLICE OFFICERS' RETIREMENT SYSTEM

Assets	
Cash and Short-Term Investments	$ 1,433,996
Due from Other Governments	243,584
Accrued Interest	29,743
Miscellaneous Receivable	2,775
Investments:	
Mutual Funds (Equities)	16,617,634
Corporate Bonds	2,073,983
U.S. Government Obligations/Agencies	4,200,177
Real Estate Fund	1,816,587
Total Investments	24,708,381
Total Assets	26,418,479
Liabilities	
Due to Other Governmental Units	130,000
Other Accrued Liabilities	425
Total Liabilities	130,425
Net Position Restricted for Pensions	$ 26,288,054

See accompanying notes.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
POLICE OFFICERS' RETIREMENT SYSTEM

Additions	
Contributions:	
Employee	$ 448,906
Employer	410,267
State of Florida	243,584
Total Contributions	1,102,757
Investment Income:	
Net Decrease in Fair	
Value of Investments	(5,770,871)
Interest	894,723
Realized (Losses)	(116,023)
Gross Investment (Loss)	(4,992,171)
(Investment Expense)	(50,609)
Net Investment (Loss)	(5,042,780)
Total Additions	(3,940,023)
Deductions	
Benefits and Refunds	1,672,918
Administrative Expense	81,970
(Total Deductions)	(1,754,888)
Change in Net Position	(5,694,911)
Net Position, Beginning of Year	31,982,965
Net Position, End of Year	$ 26,288,054

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
POLICE OFFICERS' RETIREMENT SYSTEM

Note 1 - Description of Plan

Reporting Entity

The City of Jacksonville Beach, Florida Police Officers' Retirement System (the PORS) was formed on April 1, 2000, as a result of amendments to the Florida Statutes. Chapter 175.061 governing firefighters' pensions and Chapter 185.05 governing police officers' pensions were amended to require separate pension plans for each of these groups of employees. On March 31, 2000, the predecessor pension plan (the Public Employees' Retirement System) ceased operations and its assets, liabilities, and fund balance were divided among three distinct pension plans:

- General Employees' Retirement System
- Police Officers' Retirement System
- Firefighters' Retirement System

Plan Description

Covered individuals under the PORS include all employees hired by the City of Jacksonville Beach, Florida (the City) for the position of police officer budgeted for 1,000 or more hours work in a year, except as follows:

- Reserve Police Officers
- Police Chief, Unless Specifically Elected to Participate

The PORS is a single-employer, defined benefit pension plan and, as it relates to police officers is the successor entity for the plan that was established by the City on November 1, 1951, in accordance with a State of Florida legislative act which amended Chapter 27.643, Laws of Florida, 1951. Although the PORS presents separate financial statements, it is a fiduciary component unit (reported as a pension trust fund) of the City. The PORS is administered by a Board of Trustees (the Board) comprised of two residents of the City appointed by the City Council, two members of the PORS elected by the membership, and a fifth member elected by the other four Board Members.

Membership

As of October 1, 2021 (date of the latest annual actuarial valuation), employee membership data related to the Pension Plan were:

Inactive Plan Members or their Beneficiaries Currently Receiving Benefits	42
Inactive Plan Members Entitled to Benefits, But Not Yet Receiving Them	4
Active Plan Members	66
Total	112

Benefits

The Pension Plan provides retirement benefits, deferred vested benefits, and death and disability benefits. The Plan assets are available to pay the police officers. Pension Plan provisions for the PORS were modified significantly in fiscal year 2014. The modifications included increasing the employees' contribution rate, changing the vesting periods, modifying pensionable pay exclusions, and modifying the Deferred Retirement Option Program. The chart below provides a comparison of the Pension Plan provisions that occurred in fiscal year 2014. In addition, the paragraphs following the chart provide a detailed description of the changes.

SUMMARY COMPARISON OF PENSION PROVISIONS

<table>
<tr><th colspan="5">CITY OF JACKSONVILLE BEACH POLICE OFFICERS' PENSION PLAN</th></tr>
<tr><th>Provision</th><th>Employees with Less Than 5 Years of Service on June 23, 2014</th><th>Employees with at Least 5 Years of Service but Less Than 10 Years of Service on June 23, 2014</th><th>Employees with 10 or More Years of Service on June 23, 2014</th><th>Employees with 30 Years of Service; Age 52 with 25 Years of Service; Age 55 with 5 Years of Service on June 23, 2014</th></tr>
<tr><td>Benefit Formula</td><td colspan="3">3% for all years of service
($90,000 or 90% maximum)</td><td>3% - first 30 years; 2% thereafter
(100% maximum)</td></tr>
<tr><td>Normal Retirement Date</td><td colspan="2">Age 52 with 25 years of service; or
Age 55 with 10 years of service; or
30 years of service regardless of age</td><td colspan="2">Age 52 with 25 years of service; or
Age 55 with 5 years of service; or
30 years of service regardless of age</td></tr>
<tr><td>Pensionable Pay</td><td colspan="3">Base pay + 300 hours of overtime per year + longevity pay + incentive pay;
excluding overtime >300 hours, leave payouts, and all other compensation</td><td>Base pay, longevity, overtime, shift differential, and incentive pay</td></tr>
</table>

- **Normal Retirement**—Plan participants who retired prior to October 1, 1990, are entitled to pension payments for the remainder of their lives equal to 2-1/2% of their final average compensation times the number of years they were employed by the City and were a member of the Retirement System. The final average compensation is the highest five out of the last ten years of employment. Compensation includes up to 300 hours overtime, longevity pay, shift differentials, and incentive pay. The maximum annual pension payment to these participants is 75% of their final five-year average compensation.

  Plan participants who retired after September 30, 1990 but before June 23, 2014, are entitled to pension payments for the remainder of their lives equal to 3% of their final average compensation times the number of years they were employed by the City and were a member of the Retirement System up to a maximum of 30 years. After thirty years, the pension benefit is reduced to 2% of their final average compensation times the number of years of service over 30 years. A maximum annual pension benefit to these employees is 100% of their final average compensation.

  Plan participants who retire on or after June 23, 2014, are entitled to payments for the remainder of their lives equal to 3% of their final average compensation times the number of years they were employed by the City and were a member of the Retirement System up to a maximum of $90,000 or 90%, whichever is less. Accrued benefits in excess of the maximum amount are retained by the Plan. Compensation includes base pay, longevity pay, incentive pay, and up to 300 hours of overtime pay per calendar year. All other forms of compensation are excluded.

Eligibility requirements for normal retirement are as follows for participants with ten years of service on June 23, 2014: 30 years of service regardless of age, or age 52 with 25 or more years of service, or age 55 with five years of service.

Eligibility requirements for normal retirement are as follows for participants with less than ten years of service on June 23, 2014: 30 years of service regardless of age, or age 52 with 25 or more years of service, or age 55 with ten years of service. There is no mandatory retirement age.

The normal form of benefit is a benefit payable for the life of the retired member with the first ten years guaranteed. Optional benefit forms are available on an actuarial equivalent basis.

- **Early Retirement—**Early Retirement is available with a reduced benefit only to participants age 50 with ten or more years of service or 20 years of service as of June 23, 2014. Members that do not meet these conditions are not eligible for early retirement.

- **Non-Duty Disability Retirement**—Disability retirement is available to Plan participants that have attained at least ten years of service. Until the Plan participant reaches normal retirement age, the minimum non-duty disability is 25% of the participants' final average compensation.

- **Duty Disability Retirement**—The ten-year service requirement is waived if the retirement is caused by a duty-related disability. The amount of a duty disability pension is the larger of the member's accrued pension and 50% of the member's final average compensation. At regular retirement age, the participant may elect to continue to be covered by duty disability or have the benefit recomputed as a normal retirement with additional service credit granted from the date of retirement to the later of normal retirement age or five years after date of disability. The minimum benefit shall not be less than 42% of the participants' final average compensation.

- **Non-Duty Death Before Retirement**—Non-duty death benefits are available at 100% of the Plan participant's normal retirement benefit provided the Plan participant attained ten or more years of service.

- **Duty Death Before Retirement**—The ten-year service requirement is waived if the death is duty-related. The surviving spouse is entitled to receive 100% of the participants' normal retirement benefit. The minimum benefit to the spouse shall not be less than 35% of the participants' final average compensation.

- **Backwards Deferred Retirement Option Program (BackDROP)**—A participant of the retirement system who meets the normal retirement requirements on or after June 23, 2014, is eligible for BackDROP. The participant may elect a BackDROP period for the number of months employed beyond their normal retirement date, up to a maximum of thirty-six consecutive months. Benefits are computed as if the participant chose to terminate on any date within the thirty-six month period after the normal retirement date, using credited service and final average compensation at the normal retirement date. In addition to the monthly pension, there will be a lump-sum payment. The lump-sum payment will be computed as if the monthly benefits had started and were accumulated in an account and credited with 3% interest, compounded annually during the period between the date chosen for BackDROP retirement and the date of termination.

Contributions
For the year ended September 30, 2022, Plan participants were required to pay 7.95% of their annual compensation to the Pension Plan. The payments are deducted from the employees' wages or salary and remitted by the City to the PORS at the end of each pay period. If an employee leaves the employment of the City before he or she is vested (attaining five years of service prior to June 23, 2014 or attaining ten years of service on or after June 23, 2014), the accumulated contributions plus earned interest are refunded to the employee or the employee's designated beneficiary. If an employee leaves the employment of the City after becoming vested, but before attaining retirement age, the employee or the employee's designated beneficiary has the option of being refunded the accumulated contributions plus earned interest or keeping the funds in the Plan and receiving benefits under the Plan upon reaching normal retirement age.

The City makes periodic contributions totaling a minimum of 100% of the annual actuarially determined amount to the Pension Plan. In addition, the Plan receives an annual distribution of casualty insurance premium tax monies from the State of Florida pursuant to Chapter 185, Florida Statutes. For the year ended September 30, 2022, the actuarially determined contribution amount as determined by the October 1, 2020, actuarial valuation, was $653,851 ($402,828 City and $251,023 State of Florida). The actual contribution was $653,851 ($410,267 City and $243,584 State of Florida).

For the year ended September 30, 2022, the total covered payroll (police officers only) amounted to $5,641,806. Covered payroll refers to all compensation paid by the City to active employees covered by the PORS on which contributions to the Pension Plan are based. Total payroll for the police officers (covered and uncovered) for the year ended September 30, 2022, was $6,728,363.

Note 2 - Summary of Significant Accounting Policies and Plan Position Matters

Basis of Accounting
The PORS financial statements are prepared on the accrual basis of accounting. Contributions from the City and the City's employees are recognized as revenue in the period in which employees provide services to the City. Interest and dividend income is recognized when earned by the Pension Plan. Realized gains and losses on the sale of investments held by the Pension Plan are recognized when incurred. Net appreciation in the fair value of investments held by the Pension Plan is recorded as an increase to investment income based on the valuation of investments as of the date of the statement of plan net position available for benefits. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Investments
Investments in securities are reported at fair value. Corporate bond securities are assigned a value based on yields currently available on securities of issuers with credit ratings similar to the securities held by the Pension Plan. Unrestricted capital stock securities are assigned a value based on quoted market prices. There are no investments in, loans to, or leases with parties related to the Pension Plan.

Note 3 - Cash and Investments

Chapter 185 of the Florida Statutes authorizes the PORS to invest in time and savings accounts of a bank or a savings and loan association insured by the Federal Deposit Insurance Corporation. In addition, other Florida Statutes and City ordinances authorize the PORS to invest in obligations of the United States; in obligations guaranteed as to principal and interest by the United States; and in bonds, stocks, or other evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States, provided that the corporation is listed on one or more of the recognized national stock exchanges and holds a rating of the three highest classifications by a major rating service. Corporate fixed income securities must hold a rating of A or higher by a Nationally Recognized Statistical Rating Organization (Moody's, Standard & Poor's, Fitch).

Following is a summary of the investments and maturities held by the PORS at September 30, 2022:

		Investment Maturities (In Years)			
Investment Type	**Fair Value**	**Less Than 1**	**1-5**	**6-10**	**More Than 10**
Mutual Fund (Equities)	$ 16,617,634	$ 16,617,634			
U.S. Government Securities	1,808,753		$ 318,180	$ 1,117,625	$ 372,948
Federal Agency Securities:					
Federal Farm Credit Bank	375,497		26,117		349,380
Federal Home Loan Bank	59,440			59,440	
Federal Home Loan Mortgage Corporation	125,429		356		125,073
Federal National Mortgage Association	1,831,058	212	12,770	78,336	1,739,740
Corporate Bonds	2,073,983		686,105	1,387,878	
Real Estate Fund	1,816,587	1,816,587			
Total	$ 24,708,381	$ 18,434,433	$ 1,043,528	$ 2,643,279	$ 2,587,141

Credit quality distribution for the PORS investments with credit exposure as a percentage of the total pension investment is as follows:

Investment Type	Moody's Credit Rating	Percent of Total
U.S. Government Securities	Aaa	7.32%
Federal Agency Securities	Aaa	9.68%
Corporate Bonds	A1	2.37%
Corporate Bonds	A2	2.49%
Corporate Bonds	A3	1.23%
Corporate Bonds	Aa2	0.14%
Corporate Bonds	Aa3	1.30%
Corporate Bonds	Baa1	1.56%

Cash and money market funds totaling $1,433,996 at September 30, 2022, are classified as cash and short-term investments on the accompanying statement of fiduciary net position because they are available for immediate withdrawal or transfer.

Risk Disclosure

The Plan's investment policies do not specifically address its exposure to interest rate changes, custodial credit risk, or quality credit risk. The following items discuss the pension funds' exposure to various risks in the fixed rate portions of their investment portfolios:

- **Interest Rate Risk**—the City's pension funds limit their risk by averaging investment maturities at approximately three to five years.

- **Custodial Credit Risk**—for an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The fund generally utilizes third-party custodians to help manage custodial credit risk.

- **Concentration of Credit Risk**—the pension funds' investment policies and practices require investments to be diversified to the extent practicable to control the risk of loss resulting from overconcentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which financial instruments are purchased and sold.

Identification of Investments

- **Equities**—Investments in equity securities must be traded on the national exchange or electronic network. No more than 5% of the Plan's assets, at the time of purchase, may be invested in the common stock, capital stock, or convertible stock of any one issuing company. In addition, the aggregate investment in any one company shall not exceed 5% of the outstanding capital stock of that company. No more than 10% of the Plan's assets, at the time of purchase, may be invested in the shares of companies that have been publicly traded for less than one year.

- **Fixed Income**—Investments in corporate fixed income securities shall be limited to those securities rated "A" (or its equivalent) or higher by a Nationally Recognized Statistical Rating Organization. In the event an investment security rating drops below a rating of A, the investment manager notifies the investment advisor. The investment advisor instructs the investment manager to monitor the investment closely or dispose of it when economically feasible. The maximum maturity of any single security in the Plan's fixed income portfolio shall not exceed 30 years, and the average effective duration of the portfolio shall not exceed that of the benchmark index by more than 20%. No more than 10% of the Plan's assets, at the time of purchase, shall be invested in securities of any single corporate issuer. Investments in Collateralized Mortgage Obligations shall be limited to 10% of the market value of the Plan's fixed income portfolio and shall be restricted to those issues that are currently paying interest, receiving principal pay-downs and do not contain leverage.

- **Real Estate Fund**—All real estate investments shall be managed by experienced and qualified professional real property investment managers. The Board will seek to diversify its real estate investment by property type (residential, industrial, office, retail, timberland, etc.) and property location (geographic region).

The Board has adopted the following asset allocation policy as of September 30, 2022:

Asset Class	**Target Allocation**
Domestic Equity	50%
International Equity	10%
Fixed Income	35%
Real Estate Fund	5%
Total	100%

Concentration
The Plan did not hold investments in any one organization that represents 5% 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 Plan investments, net of Plan investment expense, was -16.04%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Fair Value Measurements
The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

- **Level 1 Inputs**—are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

- **Level 2 Inputs**—are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

- **Level 3 Inputs**—are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

The Plan's investments are measured at fair value on a recurring basis. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value in the hierarchy described above. The fair value measurements for the Plan's operating investments are as follows at September 30, 2022:

		Fair Value Measurements Using		
Investments by Fair Value Level	**Amount**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Equities	$ 16,617,634	$ 16,617,634		
U.S. Government Securities	1,808,753	270,390	$ 1,538,363	
Federal Agency Securities:				
Federal Farm Credit Banks	375,497		375,497	
Federal Home Loan Bank	59,440		59,440	
Federal Home Loan Mortgage Corporation	125,429		125,429	
Federal National Mortgage Association	1,831,058		1,831,058	
Corporate Bonds	2,073,983		2,073,983	
Total Investments Measured at Fair Value	$ 22,891,794	$ 16,888,024	$ 6,003,770	$ -

Investments Measured at the Net Asset Value (NAV)	**Amount**	**Unfunded Commitments**	**Redemption Frequency (if Currently Eligible)**	**Redemption Notice Period**
Real Estate Fund	$ 1,816,587	$ -	Quarterly	45 days
Total Investments	$ 24,708,381			

Equities and U.S. Government Securities are valued based on prices quoted in active markets and are categorized as Level 1, and Level 1 and 2, respectively, in the fair value hierarchy. Federal Agency Securities are valued using matrix pricing techniques that value securities based on their relationship to benchmark quoted prices. Corporate bonds are valued using quoted prices for similar securities in active markets and are categorized as Level 2 in the fair value hierarchy. The Real Estate Fund is valued at Net Asset Value, which is determined using certified annual appraisals of investment properties held by the fund.

Note 4 - Pension Cost

The pension cost for the year ended September 30, 2022, was $410,267 (actual contribution - City share). The pension cost for the 2022 fiscal year was determined as part of an October 1, 2020, actuarial valuation using the entry age actuarial cost method.

Note 5 - Net Pension Liability

The Pension Plan's fiscal year-end net pension asset as of September 30, 2022, was as follows:

Total Pension Liability	$ 31,326,606
Plan Fiduciary Net Position	26,288,054
Net Pension (Asset)	$ 5,038,552
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	83.92%

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 applied to all measurement periods.

Inflation	2.5%
Salary Increases	2.5-6.3% (Including Inflation)
Investment Rate of Return	7.5%

Mortality rates were based on 122.664(1)(a) Florida Statutes, which mandates the use of the Florida Retirement System mortality tables. The PUB-2010 table and projection scale MP-2018 uses a gender-specific mortality improvement scale. This table was first used for the October 1, 2020 valuation.

The long-term expected rate of return on the Plan investments was determined using the 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. 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 arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2022, are summarized below:

Asset Class	Long-Term Expected Rate of Return (Excluding Inflation)
Domestic Equity	10%
International Equity	11%
Domestic Bonds	5%
International Bonds	6%
Real Estate Fund	7%
Cash	0%

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the single discount rate assumed that Plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these 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. The single discount rate reflects the long-term expected rate of return on Pension Plan investments including inflation.

The table below provides the sensitivity of the net pension liability to changes in the discount rate. The table represents the Plan's net pension liability, if it were calculated using a single discount rate that is 1-percentage point lower or 1-percentage point higher than the single discount rate.

Sensitivity of Net Pension (Asset)/Liability to the Single Discount Rate Assumption

1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
$ 8,746,124	$ 5,038,552	$ 1,920,663

The total pension liability information is based on the actuarial valuation performed October 1, 2021. The total pension liability was rolled-forward from the valuation date to the Plan year ended September 30, 2022, using generally accepted actuarial principles.

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS MULTI-YEAR
CITY OF JACKSONVILLE BEACH, FLORIDA
POLICE OFFICERS' RETIREMENT SYSTEM

(Ultimately 10 Years Will Be Displayed)

Fiscal Year Ended September 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	$ 815,805	$ 787,675	$ 750,964	$ 724,675	$ 625,887	$ 633,232	$ 608,970	$ 583,329	$ 517,788
Interest on the Total Pension Liability	2,206,627	2,200,335	2,063,471	2,008,899	1,916,453	1,826,742	1,709,163	1,628,197	1,568,728
Benefit Changes (See Notes to Schedule)*									(2,590,277)
Difference Between Expected and Actual Experience	126,843	(533,542)	279,135	(521,988)	177,596	(458,370)	(393,421)	59,378	
Assumption Changes (#)		(906,992)			1,221,310	675,123	776,974		
Benefit Payments	(1,672,918)	(1,282,380)	(1,276,474)	(1,670,519)	(1,161,010)	(1,176,786)	(1,211,452)	(1,263,089)	(1,275,228)
Refunds			(15,301)	(31,896)	(65,031)	(94,019)	(5,905)	(62,865)	(150,660)
Net Change in Total Pension Liability	1,476,357	265,096	1,801,795	509,171	2,715,205	1,405,922	1,484,329	944,950	(1,929,649)
Total Pension Liability-Beginning	29,850,249	29,585,153	27,783,358	27,274,187	24,558,982	23,153,060	21,668,731	20,723,781	22,653,430
Total Pension Liability-Ending (a)	$ 31,326,606	$ 29,850,249	$ 29,585,153	$ 27,783,358	$ 27,274,187	$ 24,558,982	$ 23,153,060	$ 21,668,731	$ 20,723,781
Plan Fiduciary Net Position									
Employer and State Contributions	$ 653,851	$ 1,024,101	$ 909,449	$ 802,241	$ 691,323	$ 705,983	$ 662,694	$ 562,835	$ 530,453
Employee Contributions	448,906	493,053	399,342	383,822	362,140	353,277	343,112	328,665	263,978
Pension Plan Net Investment Income	(5,042,780)	4,983,666	2,411,239	1,316,052	1,991,673	2,367,943	1,498,725	(29,363)	1,840,038
Benefit Payments and Refunds	(1,672,918)	(1,282,380)	(1,291,775)	(1,702,415)	(1,226,041)	(1,270,805)	(1,217,357)	(1,325,954)	(1,425,888)
Pension Plan Administrative Expenses	(81,970)	(83,994)	(80,908)	(77,460)	(88,504)	(80,293)	(66,704)	(71,518)	(81,366)
Other								(30,202)	(20,137)
Net Change in Plan Fiduciary Net Position	(5,694,911)	5,134,446	2,347,347	722,240	1,730,591	2,076,105	1,220,470	(565,537)	1,107,078
Plan Fiduciary Net Position-Beginning	31,982,965	26,848,519	24,501,172	23,778,932	22,048,341	19,972,236	18,751,766	19,317,303	18,210,225
Plan Fiduciary Net Position-Ending (b)	$ 26,288,054	$ 31,982,965	$ 26,848,519	$ 24,501,172	$ 23,778,932	$ 22,048,341	$ 19,972,236	$ 18,751,766	$ 19,317,303
Net Pension (Asset) Liability-Ending (a) – (b)	$ 5,038,552	$ (2,132,716)	$ 2,736,634	$ 3,282,186	$ 3,495,255	$ 2,510,641	$ 3,180,824	$ 2,916,965	$ 1,406,478
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	83.92%	107.14%	90.75%	88.19%	87.18%	89.78%	86.26%	86.54%	93.21%
Covered Employee Payroll	$ 5,641,806	$ 5,395,032	$ 5,023,170	$ 4,827,950	$ 4,555,220	$ 4,443,736	$ 4,315,874	$ 4,134,151	$ 3,945,943
Net Pension (Asset) Liability as a Percentage of Covered Employee Payroll	89.31%	-39.53%	54.48%	67.98%	76.73%	56.50%	73.70%	70.56%	35.64%

Notes to Schedule:

For the 2014 fiscal year, benefit changes were determined as of the beginning of the year. Benefit terms were modified during 2014 to include longer vesting periods, changes in the benefit formula, and changes in what is considered pensionable compensation.

 # - Assumption changes include the following:

For 2016, adding a 3% load on the present value of future benefits as a margin for future mortality improvements, and decreasing the long-term municipal bond rate from 3.71% to 3.06%.

For 2017, decreasing the single discount rate and long-term expected rate of return from 8.00% to 7.90%, and increasing the long-term municipal bond rate from 3.06% to 3.50%.

For 2018, decreasing the single discount rate and long-term expected rate of return from 7.90% to 7.50%, and increasing the long-term municipal bond rate from 3.50% to 3.83%.

For 2021, adopted the new respective Florida Retirement System mortality assumptions.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF NET PENSION LIABILITY MULTI-YEAR
CITY OF JACKSONVILLE BEACH, FLORIDA
POLICE OFFICERS' RETIREMENT SYSTEM

(Ultimately 10 Years Will Be Displayed)

Fiscal Year Ended October 1,	Total Pension Liability (TPL)	Plan Net Position	Net Pension (Asset) Liability	Plan Net Position as a % of TPL	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2014	$ 20,723,781	$ 19,317,303	$ 1,406,478	93.21%	$ 3,945,943	35.64%
2015	21,668,731	18,751,766	2,916,965	86.54%	4,134,151*	70.56%
2016	23,153,060	19,972,236	3,180,824	86.26%	4,315,874*	73.70%
2017	24,558,982	22,048,341	2,510,641	89.78%	4,443,736*	56.50%
2018	27,274,187	23,778,932	3,495,255	87.18%	4,555,220	76.73%
2019	27,783,358	24,501,172	3,282,186	88.19%	4,827,950	67.98%
2020	29,585,153	26,848,519	2,736,634	90.75%	5,023,170	54.48%
2021	29,850,249	31,982,965	(2,132,716)	107.14%	5,395,032	(39.53)%
2022	31,326,606	26,288,054	5,038,552	83.92%	5,641,806	89.31%

*Source: Implicit payroll based on employee contributions during the fiscal year.

Note: The above calculations were performed in accordance with the requirements of Governmental Accounting Standards Board Statement No. 67.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
CITY OF JACKSONVILLE BEACH, FLORIDA
POLICE OFFICERS' RETIREMENT SYSTEM

(Ultimately 10 Years Will Be Displayed)

Fiscal Year Ended September 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2014	$ 490,666	$ 530,453	$ (39,787)	$ 3,945,943	13.44%
2015	511,049	562,835	(51,786)	4,134,151*	13.61%
2016	633,555	662,694	(29,139)	4,315,874*	15.35%
2017	678,304	705,983	(27,679)	4,443,736*	15.89%
2018	691,323	691,323		4,555,220	15.18%
2019	770,582	802,241	(31,659)	4,827,950	16.62%
2020	844,401	909,449	65,048	5,023,170	18.11%
2021	917,954	1,024,101	(106,147)	5,395,032	18.98%
2022	653,851	653,851		5,641,806	11.59%

*Source: Implicit payroll based on employee contributions during the fiscal year.

Notes to Schedule of Contributions

Methods and Assumptions used to Actuarially Determine Contribution Rates for FY Ending September 30, 2022:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period:	3-25 Years
Asset Valuation Method:	4-Year Smoothed Market
Inflation:	2.50% Wage Inflation, 2.50% Price Inflation
Salary Increases:	2.50% to 6.30% Including Inflation
Investment Rate of Return:	7.5%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2002 valuation.
Mortality:	The Florida Retirement System mortality tables, which use variations of the fully generational PUB-2010 Mortality Tables with projection scale MP-2018.

Other Information:

Notes:	The Employer Contribution for fiscal year 2022 was determined in the Actuarial October 1, 2020, valuation report.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
CITY OF JACKSONVILLE BEACH, FLORIDA
POLICE OFFICERS' RETIREMENT SYSTEM

Fiscal Year Ended September 30,	Annual Money-Weighted Rate of Return Net of Investment Expense
2022	-16.04%
2021	18.94%
2020	10.02%
2019	5.61%
2018	9.22%
2017	12.11%
2016	8.15%
2015	-0.35%
2014	10.22%
2013	11.97%

PURVIS GRAY

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Board of Directors of the
Police Officers' Retirement System
City of Jacksonville Beach, Florida

We have audited the accompanying statement of fiduciary net position of the City of Jacksonville Beach, Florida, Police Officers' Retirement System (the PORS) as of September 30, 2022, and the related statement of changes in fiduciary net position for the year then ended. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you in our engagement letter dated March 8, 2022. Professional standards also require that we communicate the following information to you related to our audit:

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the PORS are described in Note 2 to the financial statements. No new accounting pronouncements were adopted during the year ended September 30, 2022.

We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most significant estimates affecting the financial statements were:

- Estimates of fair values of financial instruments held by the pension plan. These fair values are based upon quoted market prices or other observable inputs as described in Note 3 of the financial statements.

To the Board of Directors of the
Police Officers' Retirement System
City of Jacksonville Beach, Florida

- The annual pension cost and the total pension liability are estimates that are calculated based on an actuarial valuation performed by a qualified actuary. The assumptions used in the valuation were determined by management and, if changed, could significantly affect the recorded amounts.

We evaluated the key factors and assumptions used to develop the estimates described above in determining that they are reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures
Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

- Note 5 to the financial statements provides a detail of the total and net pension liability and plan fiduciary net position, as well as a description of the actuarial assumptions used to determine the total pension liability.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit
We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements
Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no audit adjustments identified during our audit. In addition, there were no uncorrected (passed) adjustments that came to our attention.

Disagreements with Management
For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations
We have requested certain representations from management that are included in the management representation letter dated April 3, 2023.

Management Consultations with Other Independent Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the PORS's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

To the Board of Directors of the
Police Officers' Retirement System
City of Jacksonville Beach, Florida

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis and the additional schedules as listed in the table of contents as Required Supplementary Information (RSI). These schedules are considered required supplementary information that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the PORS, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

April 3, 2023
Tallahassee, Florida

2022

City of Jacksonville Beach, Florida
Firefighters' Retirement System

Financial Statements, Required Supplementary Information, and Independent Auditor's Report

September 30, 2022

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF JACKSONVILLE BEACH, FLORIDA

FIREFIGHTERS' RETIREMENT SYSTEM

FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2022

AND INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Trustees of
The City of Jacksonville Beach, Florida
Firefighters' Retirement System
Honorable Mayor and Members of the City Council
Jacksonville Beach, Florida

Opinion

We have audited the accompanying statement of fiduciary net position of the City of Jacksonville Beach, Florida, Firefighters' Retirement System (the FFRS), a fiduciary component unit of the City of Jacksonville Beach, Florida, as of September 30, 2022, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, which collectively comprise the FFRS's basic financial statements as listed in the table of contents.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the FFRS's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

To the Trustees of
The City of Jacksonville Beach, Florida
Firefighters' Retirement System
Honorable Mayor and Members of the City Council
Jacksonville Beach, Florida

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the FFRS's internal control. Accordingly, no such opinion is expressed.

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

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

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

To the Trustees of
The City of Jacksonville Beach, Florida
Firefighters' Retirement System
Honorable Mayor and Members of the City Council
Jacksonville Beach, Florida

INDEPENDENT AUDITOR'S REPORT

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Purvis Gray

April 3, 2023
Tallahassee, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The discussion and analysis of the City of Jacksonville Beach, Florida (the City) Firefighters' Retirement System (the Plan) provides an overview of the financial activities and funding conditions for the fiscal year ended September 30, 2022.

Financial Highlights

- The Plan's total net position held in trust for the payment of benefits and to meet the Plan's future obligations to its members and their beneficiaries was $15,626,702. The Plan's net position decreased by $-2,569,516, a -14.12% decrease for the year.

- Employer contributions to the Plan increased $248,990 from the previous year. The actual employer contributions were $1,090,782 for 2022, and $841,792 for 2021, including contributions from the City of Jacksonville of $410,437 for 2022 and $134,139 for 2021. The increase is attributable to the net effect of a decrease in the actuarially calculated contribution requirement for 2022 combined with a deficiency in required contribution carried forward from 2021. Additionally, the City of Jacksonville did not remit the contributions from the State of Florida for 2021.

- The net investment income decreased by $-5,716,623 compared to 2021. The actual results were $-2,881,425 for 2022, and $2,835,198 for 2021. Investment income decrease due to a decrease in performance compared to the previous year.

- Benefit payments and refund of contributions decreased by $-3,466 compared to 2021. The benefit payments and refund of contributions were $536,482 for 2022, and $839,948 for 2021. The decrease is primarily attributable to fewer payouts than the previous year.

On November 18, 2019, the City entered into an interlocal agreement with the City of Jacksonville to provide fire services to the residents and businesses of the City. Effective November 23, 2019, the City's firefighters became employees of the City of Jacksonville. At that time, the FFRS was closed to new members. Each firefighter in active service on the effective date was given the opportunity to individually elect to continue participating in the FFRS or join the City of Jacksonville's defined contribution retirement plan. Those who elected to continue participating in the FFRS or join the City of Jacksonville's defined contribution retirement plan must continue to make legally required contributions and accrue service benefits under the Plan for as long as they are employed as certified firefighters by the City of Jacksonville.

Pension plan provisions for the FFRS were modified significantly in fiscal year 2014 to improve the Plan's financial sustainability. The modifications included increasing the employee's contribution rate, changing the vesting periods, modifying pensionable pay exclusions, and modifying the Deferred Retirement Option Program (DROP). Details of the changes can be found in the Notes to the Financial Statements beginning on page 13. The funding objective of the Plan is to meet its long-term pension benefit obligations through employer and employee contributions and investment returns. The Plan fiduciary net position as a percentage of total pension liability was 74.47% as of September 30, 2022.

Financial Analysis

The following discussion and analysis are intended to serve as an introduction to the City of Jacksonville Beach, Florida, Firefighters' Retirement System financial statements, which are comprised of the Statement of Fiduciary Net Position, the Statement of Changes in Fiduciary Net Position, Notes to Financial Statements, and certain required supplementary information.

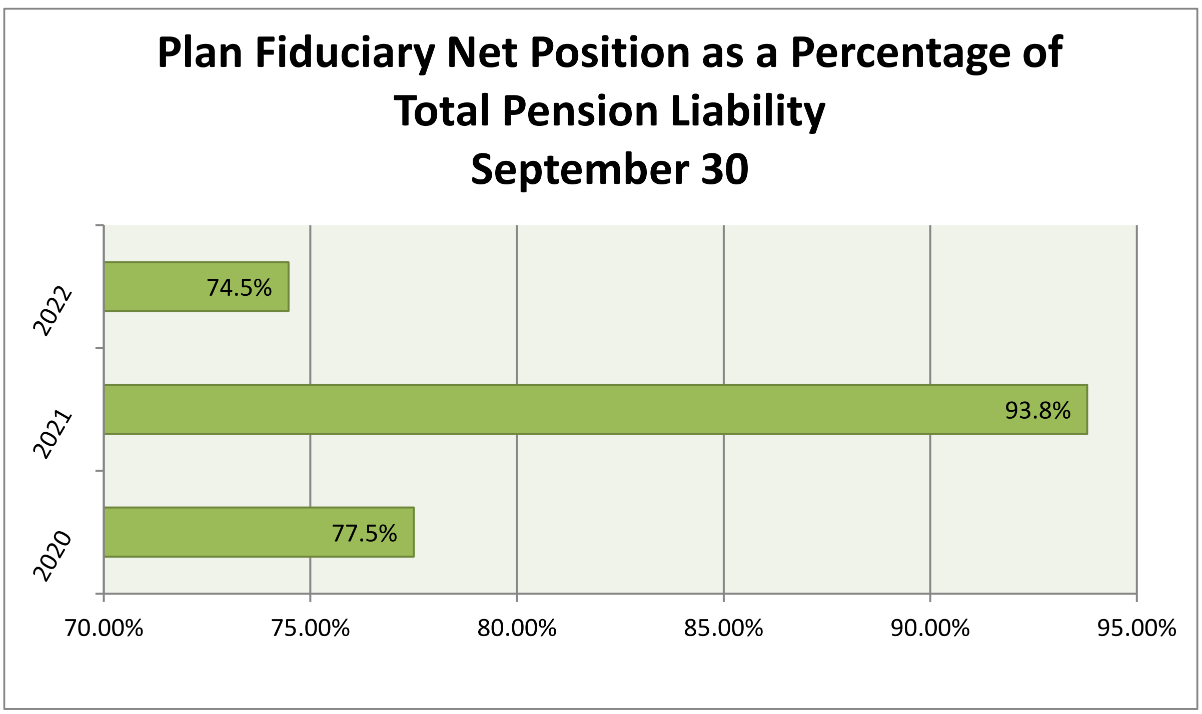
MANAGEMENT'S DISCUSSION AND ANALYSIS

The financial statements reflect the activities of the Firefighters' pension plan and are reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. These statements are presented on a full accrual basis and reflect all trust activities as incurred.

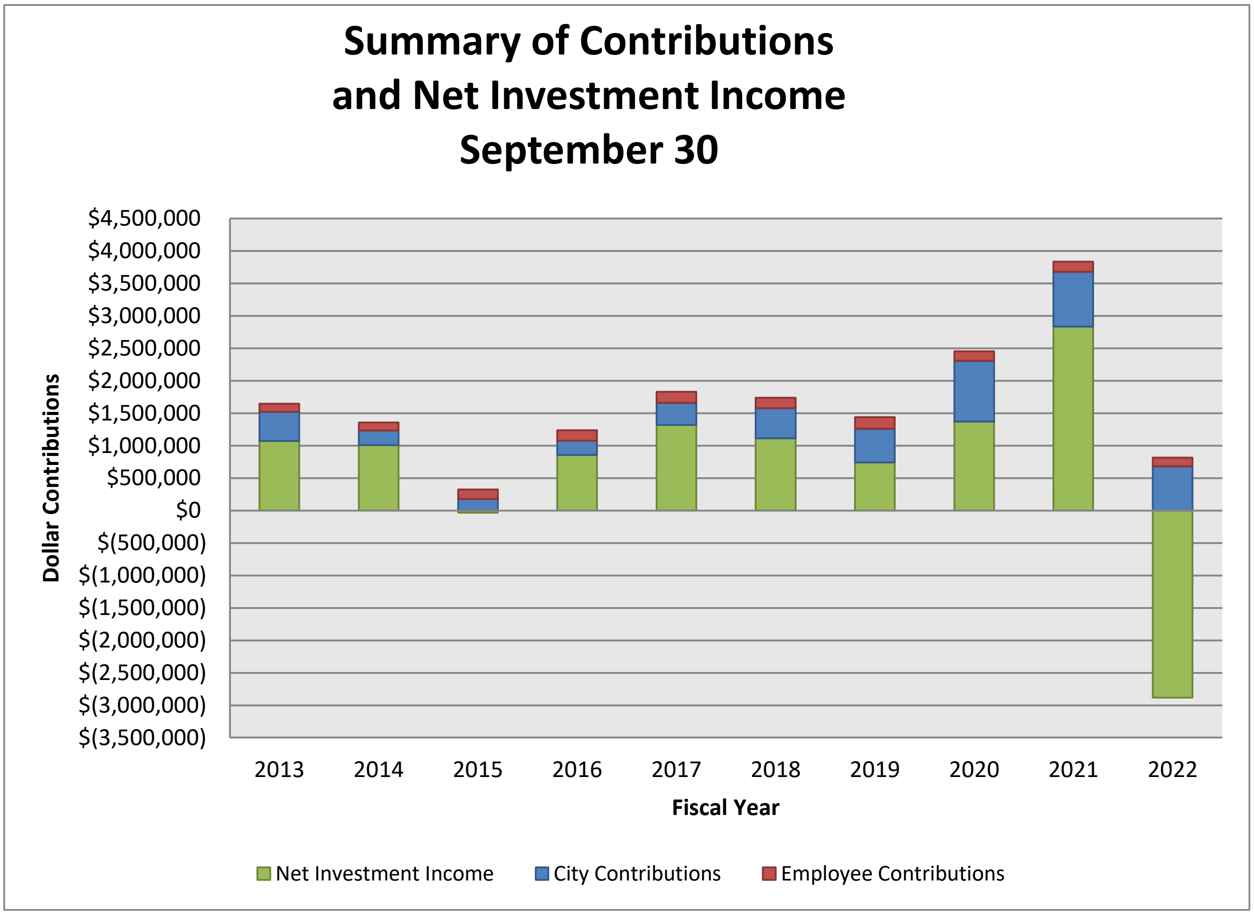
In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

In 2014, the City implemented Governmental Accounting Standards Board Statement (GASB) No. 67 as required for the Plan. This statement requires additional disclosures in the Plan's financial statements. The statement also requires the net pension liability to be measured as of the Plan's most recent fiscal year-end using methods prescribed by GASB that differ significantly from previous methods. The required disclosures for the Plan can be found in the Notes to Financial Statements beginning on page 13 and the Required Supplementary Information beginning on page 23.

There are several ways to measure the Plan's financial status. One means is to determine the Plan's net position available to pay benefits. This is the difference between total assets and total liabilities. Another way is to refer to the Plan's Net Pension Liability, which takes into account the total pension liability and the Plan fiduciary net position. The chart below displays the Plan fiduciary net position as a percentage of total pension liability for the past three years.



The funding objective of the Retirement System is to establish and receive contributions (expressed as a percent of active member payroll), which should remain level from year-to-year and not have to be increased for future generations of citizens in the absence of benefit improvements. The Retirement System is supported by member contributions, City contributions, and investment income from the Retirement System assets as displayed on the chart below.



Actuarial valuation differences between actual and assumed investment return are phased-in over a closed four-year period. Therefore, during periods when investment performance exceeds the assumed rate, asset values will tend to be less than market value. Conversely, during periods when investment performance is less than the assumed rate, valuation assets will tend to be greater than market value. As of October 1, 2021, the date of the last actuarial valuation, the Plan had a market value of $18,196,218 and a funding value of $16,717,149 as shown in the chart below.

Market/Funding Value of Assets

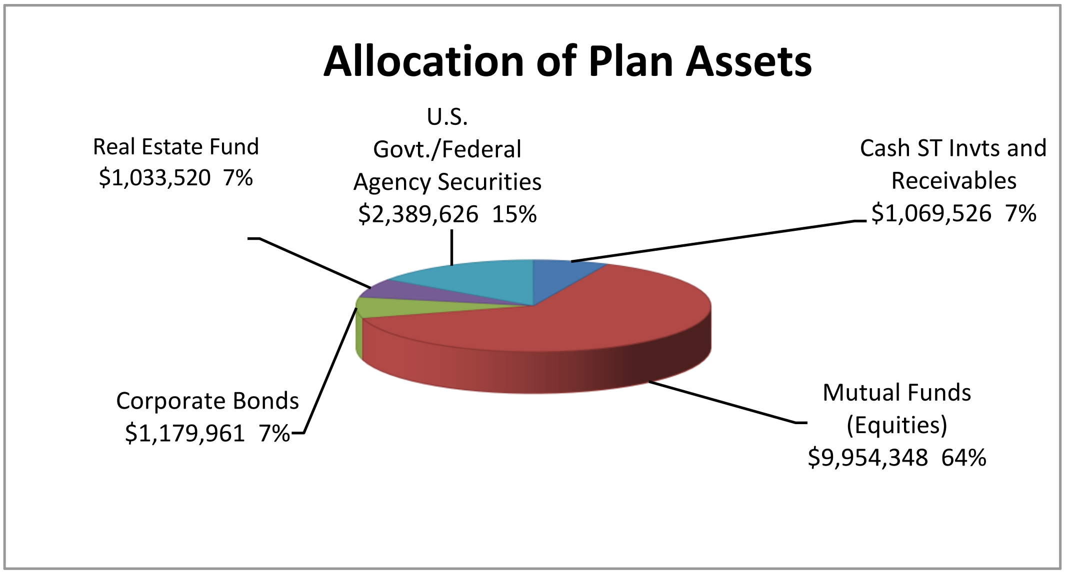
Plan Year Ended 9-30	Market Value	Funding Value
2012	$ 8,979,198	$ 8,887,626
2013	10,097,893	9,701,319
2014	10,946,306	10,437,534
2015	10,699,823	11,134,615
2016	11,141,492	11,525,665
2017	12,312,108	12,223,477
2018	13,344,201	13,027,802
2019	13,386,114	13,900,598
2020	15,276,169	15,068,979
2021	18,196,218	16,717,149

The Statement of Fiduciary Net Position is a snapshot of account balances at year-end. It indicates the assets available for future payments to retirees and any current liabilities that are owed at this time.

Fiduciary Net Position Restricted for Pension Benefits as of September 30

	2022	2021	Increase/ (Decrease)
Cash and Short-Term Investments	$ 1,050,756	$ 1,348,969	$ (298,213)
Due from Other Government Units		90,000	(90,000)
Miscellaneous Receivable	1,848		1,848
Interest Receivable	16,922	10,352	6,570
Investments	14,557,455	16,747,137	(2,189,682)
Total Assets	15,626,981	18,196,458	(2,569,477)
Other Accrued Liabilities	279	240	39
Total Liabilities	279	240	39
Net Position Restricted for Pension Benefits	$ 15,626,702	$ 18,196,218	$ (2,569,516)

The net position of the Plan as of September 30, 2022, was $15,626,702. The allocation of the Plan's total assets as of September 30, 2022, is shown on the pie chart on the following page.



Revenues essential to funding the Plan are obtained from member contributions, City contributions, State premium tax distributions, and investment income from the retirement system assets. For the Plan year ended September 30, 2022, Plan participants were required to pay 7.95% of their annual pensionable salary to the Plan. The City makes periodic contributions totaling 100% of the annual actuarially determined amount to the Plan.

The Statement of Changes in Fiduciary Net Position provides a view of current year additions to and deductions from the Plan's net position. Total Plan deductions were more than the sum of net investment earnings and contributions, resulting in an overall -14.12% decrease in Plan net position for the year. Earnings or losses on investments are reported net of investment expenses. The following table shows a comparative summary of the changes in net position and reflects the Plan's activities for the fiscal years ended September 30.

Changes in Fiduciary Net Position for the Year Ended September 30

	2022	2021	Increase/ (Decrease)	Percentage Change
Additions:				
Contributions	$ 1,225,967	$ 1,000,373	$ 225,594	22.55%
Net Investment Earnings	(2,881,425)	2,835,198	(5,716,623)	-201.63%
Total Additions, Net	(1,655,458)	3,835,571	(5,491,029)	-143.16%
Deductions:				
Benefits and Refunds	836,482	839,948	(3,466)	-0.41%
Administrative Expenses	77,576	75,574	2,002	2.65%
Total Deductions	914,058	915,522	(1,464)	-0.16%
Change in Net Position	(2,569,516)	2,920,049	(5,489,565)	-188.00%
Beginning of Year Net Position	18,196,218	15,276,169	2,920,049	19.12%
End of Year Net Position	$ 15,626,702	$ 18,196,218	$ (2,569,516)	-14.12%

The Plan's investment earnings result from market gains and losses on investments during the year as well as dividend and interest earnings.

Additions to the Fiduciary Net Position

The monies to pay benefits are accumulated from the contributions made from employers, employees, State distributions of Chapter 175 premium taxes (in prior fiscal years), and income generated from the Plan's investments. Earnings or losses on investments are reported net of investment expenses.

	2022	2021	Increase/ (Decrease)
Additions:			
Employee Contributions	$ 135,185	$ 158,581	$ (23,396)
Employer Contributions	1,090,782	841,792	248,990
Net Investment Income	(2,881,425)	2,835,198	(5,716,623)
Total Additions	$ (1,655,458)	$ 3,835,571	$ (5,491,029)

Deductions from the Fiduciary Net Position

The Plan provides a lifetime pension benefit to its retired members, as well as survivor, and disability benefits. Annual expenses to the Plan include retirement benefits, DROP distributions, refunds of employee contributions, and administrative expenses.

	2022	2021	Increase/ (Decrease)
Deductions:			
Benefits	$ 836,482	$ 839,948	$ (3,466)
Administrative Expenses	77,576	75,574	2,002
Total Deductions	$ 914,058	$ 915,522	$ (1,464)

The benefit payments are payments to retirees, or their beneficiaries (if the retiree is deceased). Administrative expenses include all expenses necessary to administer the retirement plan.

Notes to Financial Statements and Required Supplementary Information

Notes to financial statements provide additional information that is essential to a full understanding of the data provided. They begin on page 13 of this report.

GASB Statement No. 67 requires several schedules of historical trend information to be presented as required supplementary information immediately after the notes to the financial statements. The required schedules are: (a) a schedule of changes in the net pension liability and related ratios multi-year that presents the beginning and ending balances of the total pension liability, the pension plan's fiduciary net position, the net pension liability and the effects on those items; (b) a schedule of net pension liability multi-year; (c) a schedule of the City's contributions that identifies whether the information relates to employers, non-employers, or both; and (d) a schedule of investment returns that provides information about the annual money-weighted rate of return on pension plan investments.

These schedules contain information pertaining to the City of Jacksonville Beach, Florida, Firefighters' Retirement Systems' actuarial methods and assumptions, including data on the investment returns of the Plan. They can be found on pages 23-26.

Plan Membership

The table below reflects the Plan membership as of September 30 for active participants, retirees, beneficiaries, disabled members, DROP members, and terminated vested members.

	September 30, 2022	September 30, 2021	Change
Vested	23	23	
Non-Vested	2	2	
Total Active Participants	25	25	
Retirees Receiving Benefits	14	14	
Beneficiaries Receiving Benefits	6	6	
Disability Benefits	3	3	
Total Receiving Benefits	23	23	
Terminated Vested Members	1	1	
Total Members Currently Receiving Benefits and Terminated Employees Entitled to Benefits, But Not Yet Receiving Them	24	24	

Funding Status

Of primary concern to most pension plan participants is the amount of money available to pay benefits. Historically, defined benefit pension plans have been under-funded when the employer failed to make annual actuarially required contributions to the plan. The City's defined benefit plan has been subject to the minimum funding standards since the adoption of the *Florida Protection of Public Employee Retirement Benefits Act* (Part VII of Chapter 112, Florida Statutes) in 1980. In addition, the Firefighters' Pension Plan is eligible to receive a distribution of casualty premium tax monies from the State of Florida pursuant to Chapter 175, Florida Statutes, which is passed through from the City of Jacksonville. Accordingly, the City has funded the actuarially determined contribution for each year as required.

Request for Information

The financial report is designed to provide users with an overview of the Plan's finances and the prudent exercise of the Board's oversight. Questions concerning this report should be addressed to the City's Finance Officer, 11 North Third Street, Jacksonville Beach, Florida 32250.

BASIC FINANCIAL STATEMENTS

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
FIREFIGHTERS' RETIREMENT SYSTEM

Assets	
Cash and Short-Term Investments	$ 1,050,756
Interest Receivable	16,922
Miscellaneous Receivable	1,848
Investments:	
Mutual Funds (Equities)	9,954,348
Corporate Bonds	1,179,961
U.S. Government Obligations/Agencies	2,389,626
Real Estate Fund	1,033,520
Total Investments	14,557,455
Total Assets	15,626,981
Liabilities	
Other Accrued Liabilities	279
Total Liabilities	279
Net Position Restricted for Pension Benefits	$ 15,626,702

See accompanying notes.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
FIREFIGHTERS' RETIREMENT SYSTEM

Additions	
Contributions:	
Employee	$ 135,185
Employer:	
City of Jacksonville Beach	680,345
City of Jacksonville	410,437
Total Contributions	1,225,967
Investment Income:	
Net Decrease in Fair Value of Investments	(3,283,249)
Interest	497,901
Realized (Losses)	(66,010)
Gross Investment (Loss)	(2,851,358)
(Investment Expense)	(30,067)
Net Investment (Loss)	(2,881,425)
Total Additions	(1,655,458)
Deductions	
Benefits and Refunds	836,482
Administrative Expense	77,576
(Total Deductions)	(914,058)
Change in Net Position	(2,569,516)
Net Position, Beginning of Year	18,196,218
Net Position, End of Year	$ 15,626,702

See accompanying notes.

Note 1 - Description of Plan

Reporting Entity

The City of Jacksonville Beach, Florida Firefighters' Retirement System (the FFRS) was formed on April 1, 2000, as a result of amendments to the Florida Statutes. Chapter 175.061 governing Firefighters' pensions and Chapter 185.05 governing Police Officers' pensions were amended to require separate pension plans for each of these groups of employees. On March 31, 2000, the predecessor pension plan (the Public Employees' Retirement System) ceased operations and its assets, liabilities, and fund balance were divided among three distinct pension plans:

- General Employees' Retirement System
- Police Officers' Retirement System
- Firefighters' Retirement System

Plan Description

On November 18, 2019, the City of Jacksonville Beach (the City) entered into an interlocal agreement with the City of Jacksonville to provide fire services to residents and businesses of the City effective November 23, 2019. On the agreement's effective date, the City's firefighters became employees of the City of Jacksonville. At this time, the FFRS was closed to new members. Each firefighter in active service on the effective date was given the opportunity to individually elect to continue participating in the FFRS or join the City of Jacksonville's defined contribution retirement plan. Those who elected to continue participating in the FFRS must continue to make legally required contributions and accrue service benefits under the Plan for as long as they are employed as certified firefighters by the City of Jacksonville.

The City will continue to be the plan sponsor and is responsible for the unfunded actuarial accrued liability as determined by the plan actuary as of November 22, 2019. The City has agreed to pay the unfunded liability at that time, which totaled $5,318,174, into the FFRS over a 10-year period. Annual contributions to the Plan total $707,653. The City of Jacksonville is responsible for paying the total required contribution to the FFRS and estimated annual employee contributions. Although the FFRS presents separate financial statements, it is a fiduciary component unit (reported as a pension trust fund) of the City.

Prior to November 23, 2019, covered individuals under the FFRS included all employees hired by the City for the position of Firefighter budgeted for 1,000 or more hours work in a year, except as follows:

- Reserve Firefighters
- Fire Chief, Unless Specifically Elected to Participate

The FFRS is the administrator of a single-employer, defined benefit pension plan and, as it relates to Firefighters, is the successor entity for the plan that was established by the City on November 1, 1951, in accordance with a State of Florida legislative act which amended Chapter 27-643, Laws of Florida, 1951.

The FFRS is administered by a Board of Trustees (the Board) comprised of two residents of the City appointed by City Council, two members of the FFRS elected by the membership, and a fifth member elected by the other four Board Members.

Membership
As of October 1, 2021 (date of the latest annual actuarial valuation), employee membership data related to the Pension Plan were:

Inactive Plan Members or their Beneficiaries Currently Receiving Benefits	23
Inactive Plan Members Entitled to Benefits, But Not Yet Receiving Them	1
Active Plan Members	25
Total	49

Benefits
The Pension Plan provides retirement benefits, deferred vested benefits, and death and disability benefits. The Plan assets are available to pay firefighters. Pension Plan provisions for the FFRS were modified significantly in fiscal year 2014. The modifications included increasing the employees' contribution rate, changing the vesting periods, modifying pensionable pay exclusions, and modifying the Deferred Retirement Option Program. The chart below provides a comparison of the Pension Plan provisions that occurred in fiscal year 2014. In addition, the paragraphs following the chart provide a detailed description of the changes.

SUMMARY COMPARISON OF PENSION PROVISIONS

<table>
<tr><th colspan="6">CITY OF JACKSONVILLE BEACH FIREFIGHTERS' PENSION PLAN</th></tr>
<tr><th>Provision</th><th>Employees Hired After July 21, 2014</th><th>Employees with Less Than 5 Years of Service on July 21, 2014</th><th>Employees with at Least 5 Years of Service but Less Than 10 Years of Service on July 21, 2014</th><th>Employees with 10 or More Years of Service on July 21, 2014</th><th>Employees with 30 Years of Service; Age 52 with 25 Years of Service; Age 55 with 5 Years of Service on July 21, 2014</th></tr>
<tr><td>Benefit Formula</td><td colspan="4">3% for all years of service
($90,000 or 90% maximum)</td><td>3% - first 30 years; 2% thereafter
(100% maximum)</td></tr>
<tr><td>Normal Retirement Date</td><td colspan="3">Age 52 with 25 years of service; or
Age 55 with 10 years of service; or
30 years of service regardless of age</td><td colspan="2">Age 52 with 25 years of service; or
Age 55 with 5 years of service; or
30 years of service regardless of age</td></tr>
<tr><td>Pensionable Pay</td><td colspan="4">Base pay + longevity pay + incentive pay; excluding overtime, leave payouts, and all other compensation</td><td>Base pay, longevity, overtime, shift differential, and incentive pay</td></tr>
<tr><td>COLA</td><td>No COLA</td><td colspan="3">2% increase on benefits earned prior to the effective date; 1% annual increase on benefits earned after the effective date</td><td>2% increase on 2nd anniversary and annually thereafter</td></tr>
</table>

■ **Normal Retirement—**Plan participants who retired prior to October 1, 1990, are entitled to pension payments for the remainder of their lives equal to 2-1/2% of their final average compensation times the number of years they were employed by the City. The final average compensation is the highest five out of last ten years of employment. Compensation includes longevity pay, shift differentials, and incentive pay. The maximum annual pension payment to these participants is 75% of their final five-year average compensation.

Plan participants who retired after September 30, 1990 but before July 21, 2014, are entitled to pension payments for the remainder of their lives equal to 3% of their final average compensation times the number of years they were employed by the City up to a maximum of 30 years. After 30 years, the pension benefit is reduced to 2% of their final average compensation times the number of years of service over 30 years. A maximum annual pension benefit to these employees is 100% of their final average compensation.

Plan participants who retire on or after July 21, 2014, are entitled to payments for the remainder of their lives equal to 3% of their final average compensation times the number of years they were employed by the City up to a maximum of $90,000 or 90%, whichever is less. Accrued benefits in excess of the maximum amount are retained by the Plan. Compensation includes base pay, longevity pay, incentive pay, but excludes overtime and all other forms of compensation.

Eligibility requirements for normal retirement are as follows for participants with ten years of service on July 21, 2014: 30 years of service regardless of age, or age 52 with 25 or more years of service, or age 55 with five years of service.

Eligibility requirements for normal retirement are as follows for participants with less than ten years of service on July 21, 2014: 30 years of service regardless of age, or age 52 with 25 or more years of service, or age 55 with ten years of service. There is no mandatory retirement age.

The normal form of benefit is a benefit payable for the life of the retired member with the first ten years guaranteed. Optional benefit forms are available on an actuarial equivalent basis.

- **Early Retirement—**Early Retirement is available with a reduced benefit only to participants age 50 with 10 or more years of service or 20 years of service as of July 21, 2014. Members that do not meet these conditions are not eligible for early retirement.

- **Non-Duty Disability Retirement—**Disability retirement is available to Plan participants that have attained at least ten years of service. Until the Plan participant reaches normal retirement age, the minimum non-duty disability is 25% of the participants' final average compensation.

- **Duty Disability Retirement—**The ten-year service requirement is waived if the retirement is caused by a duty-related disability. The amount of a duty disability pension is the larger of the members accrued pension and 50% of the members final average compensation. At regular retirement age, the participant may elect to continue to be covered by duty disability or have the benefit recomputed as a normal retirement with additional service credit granted from the date of retirement to the later of normal retirement age or five years after date of disability. The minimum benefit shall not be less than 42% of the participants' final average compensation.

- **Non-Duty Death Before Retirement—**Non-duty death benefits are available at 100% of the Plan participant's normal retirement benefit provided the Plan participant attained ten or more years of service.

- **Duty Death Before Retirement—**The ten-year service requirement is waived if the death is duty-related. The surviving spouse is entitled to receive 100% of the participants' normal retirement benefit. The minimum benefit to the spouse shall not be less than 35% of the participants' final average compensation.

- **Backwards Deferred Retirement Option Program (BackDROP)—**A participant of the retirement system who meets the normal retirement requirements on or after July 21, 2014, is eligible for BackDROP. The participant may elect a BackDROP period for the number of months employed beyond their normal retirement date, up to a maximum of thirty-six consecutive months. Benefits are computed as if the participant chose to terminate on any date within the thirty-six-month period after the normal retirement date, using credited service and final average compensation at the normal retirement date. In addition to the monthly pension, there will be a lump-sum payment. The lump-sum payment will be computed as if the monthly benefits had started and were accumulated in an account and credited with 3% interest, compounded annually during the period between the date chosen for BackDROP retirement and the date of termination.

- **Cost of Living Adjustments (COLA)—**A one-time, permanent benefit increase of 2% was granted to retirees who retired before January 1, 2009. Retirees who retired after January 1, 2009 but before July 21, 2014, will receive on the second anniversary of retirement, a 2% benefit increase and an additional 2% compounded annually, inclusive of certain periods and/or survivor benefits. Retirees who were employed on and retire after July 21, 2014, receive a 2% COLA increase for service earned before July 21, 2014, and 1% COLA increase for service earned after July 21, 2014, compounded annually beginning two years after retirement. Retirees hired after July 21, 2014, are not eligible for a COLA.

Contributions
For the year ended September 30, 2022, Plan participants were required to pay 7.95% of their annual compensation to the Pension Plan. The payments are deducted from the employees' wages or salary and remitted by the City of Jacksonville after November 23, 2019, to the FFRS at the end of each pay period. If an employee leaves the employment of the City of Jacksonville before he or she is vested (attaining five years of service prior to July 21, 2014, or attaining ten years of service on or after July 21, 2014), the accumulated contributions plus earned interest are refunded to the employee or the employee's designated beneficiary. If an employee leaves the employment of the City of Jacksonville after becoming vested, but before attaining retirement age, the employee or the employee's designated beneficiary has the option of being refunded the accumulated contributions plus earned interest or keeping the funds in the Plan and receiving benefits under the Plan upon reaching normal retirement age.

As per the Fire Services Agreement, the City and the City of Jacksonville make the total required contribution as determined by the Plan actuary on or before October 15 of each year. In addition, the Plan typically receives an annual distribution of property insurance premium tax monies from the State of Florida pursuant to Chapter 175, Florida Statutes. However, for the year ended September 30, 2021, the City of Jacksonville did not remit the funds received from the State of Florida to the Plan. This deficiency was corrected during the year ended September 30, 2022. For the year ended September 30, 2022, the actuarially determined contribution amount as determined by the October 1, 2020 actuarial valuation was $968,663 ($680,045 City, $121,298 City of Jacksonville, and $167,320 State of Florida). The actual contribution was $1,090,782 ($680,345 City, $101,725 City of Jacksonville, and $308,712 State of Florida, which includes remediation of the $141,392 prior year deficiency). The actuarially required contribution for the City was decreased by $27,308 for the year ended September 30, 2022, as the result of the identification by the actuary of a previously unapplied prepaid contribution.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
FIREFIGHTERS' RETIREMENT SYSTEM

For the year ended September 30, 2022, the total covered payroll (Firefighters only) amounted to $2,064,469. Covered payroll refers to all compensation paid by the City to active employees covered by the FFRS on which contributions to the Pension Plan are based.

Note 2 - Summary of Significant Accounting Policies and Plan Position Matters

Basis of Accounting

The FFRS financial statements are prepared on the accrual basis of accounting. Contributions from the City and the City's employees are recognized as revenue in the period in which employees provide services to the City. Interest and dividend income is recognized when earned by the Pension Plan. Realized gains and losses on the sale of investments held by the Pension Plan are recognized when incurred. Net appreciation in the fair value of investments held by the Pension Plan is recorded as an increase to investment income based on the valuation of investments as of the date of the statement of plan net position available for benefits. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Investments

Investments in securities are reported at fair value. Corporate bond securities are assigned a value based on yields currently available on securities of issuers with credit ratings similar to the securities held by the Pension Plan. Unrestricted capital stock securities are assigned a value based on quoted market prices. There are no investments in, loans to, or leases with parties related to the Pension Plan.

Note 3 - Cash and Investments

Chapter 175 of the Florida Statutes authorizes the FFRS to invest in time and savings accounts of a bank or a savings and loan association insured by the Federal Deposit Insurance Corporation. In addition, other Florida statutes and City ordinances authorize the FFRS to invest in obligations of the United States; in obligations guaranteed as to principal and interest by the United States; and in bonds, stocks, or other evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States provided that the corporation is listed on one or more of the recognized national stock exchanges and holds a rating of the three highest classifications by a major rating service. Corporate fixed income securities must hold a rating of A or higher by a Nationally Recognized Statistical Rating Organization (Moody's, Standard & Poor's, Fitch).

Following is a summary of the investments and maturities held by the FFRS at September 30, 2022:

		Investment Maturities (In Years)			
Investment Type	**Fair Value**	**Less Than 1**	**1-5**	**6-10**	**More Than 10**
Mutual Fund (Equities)	$ 9,954,348	$ 9,954,348			
U.S. Government Securities	1,029,061		$ 181,023	$ 635,855	$ 212,183
Federal Agency Securities:					
Federal Farm Credit Bank	213,634		14,859		198,775
Federal Home Loan Bank	33,818			33,818	
Federal Home Loan Mortgage Corporation	71,361		202		71,159
Federal National Mortgage Association	1,041,752	121	7,265	44,568	989,798
Corporate Bonds	1,179,961		390,350	789,611	
Real Estate Fund	1,033,520	1,033,520			
Total	$ 14,557,455	$ 10,987,989	$ 593,699	$ 1,503,852	$ 1,471,915

Credit quality distribution for the FFRS investments with credit exposure as a percentage of the total pension investment is as follows:

Investment Type	Moody's Credit Rating	Percent of Total
U.S. Government Securities	Aaa	7.07%
Federal Agency Securities	Aaa	9.35%
Corporate Bonds	A1	2.29%
Corporate Bonds	A2	2.40%
Corporate Bonds	A3	1.19%
Corporate Bonds	Aa2	0.14%
Corporate Bonds	Aa3	0.58%
Corporate Bonds	Baa1	1.51%

Cash and money market funds totaling $1,050,756 at September 30, 2022, are classified as cash and short-term investments on the accompanying statement of fiduciary net position because they are available for immediate withdrawal or transfer.

Risk Disclosure

The Plan's investment policies do not specifically address its exposure to interest rate changes, custodial credit risk, or quality credit risk. The following items discuss the pension funds' exposure to various risks in primarily the fixed rate portions of their investment portfolios:

- **Interest Rate Risk**—the City's pension funds limit their risk by averaging investment maturities at approximately three to five years.

- **Custodial Credit Risk**—for an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The fund generally utilizes third-party custodians to help manage custodial credit risk.

- **Concentration of Credit Risk**—the pension funds' investment policies and practices require investments to be diversified to the extent practicable to control the risk of loss resulting from overconcentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which financial instruments are purchased and sold.

Identification of Investments

- **Equities—**Investments in equity securities must be traded on the national exchange or electronic network. No more than 5% of the Plan's assets, at the time of purchase, may be invested in the common stock, capital stock, or convertible stock of any one issuing company. In addition, the aggregate investment in any one company shall not exceed 5% of the outstanding capital stock of that company. No more than 10% of the Plan's assets, at the time of purchase, may be invested in the shares of companies that have been publicly traded for less than one year.

- **Fixed Income—**Investments in corporate fixed income securities shall be limited to those securities rated "A" (or its equivalent) or higher by a Nationally Recognized Statistical Rating Organization. In the event an investment security rating drops below a rating of A, the investment manager notifies the investment advisor. The investment advisor instructs the investment manager to monitor the investment closely or dispose of it when economically feasible. The maximum maturity of any single security in the Plan's fixed income portfolio shall not exceed 30 years, and the average effective duration of the portfolio shall not exceed that of the benchmark index by more than 20%. No more than 10% of the Plan's assets, at the time of purchase, shall be invested in securities of any single corporate issuer. Investments in Collateralized Mortgage Obligations (CMO) shall be limited to 10% of the market value of the Plan's fixed income portfolio and shall be restricted to those issues that are currently paying interest, receiving principal pay-downs and do not contain leverage.

- **Real Estate Fund—**All real estate investments shall be managed by experienced and qualified professional real property investment managers. The Board will seek to diversify its real estate investment by property type (residential, industrial, office, retail, timberland, etc.) and property location (geographic region).

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

Asset Class	Target Allocation
Domestic Equity	50%
International Equity	10%
Fixed Income	35%
Real Estate Fund	5%
Total	100%

Concentration
The Plan did not hold investments in any one organization that represents 5% 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 Plan investments, net of Plan investment expense, was -16.04%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Fair Value Measurements
The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

- **Level 1 Inputs—**are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

- **Level 2 Inputs—**are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

- **Level 3 Inputs—**are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

The Plan's investments are measured at fair value on a recurring basis. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value in the hierarchy described above. The fair value measurements for the Plan's operating investments are as follows at September 30, 2022:

		Fair Value Measurements Using		
Investments by Fair Value Level	**Amount**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Equities	$ 9,954,348	$ 9,954,348		
U.S. Government Securities	1,029,061	153,834	$ 875,227	
Federal Agency Securities:				
Federal Farm Credit Banks	213,634		213,634	
Federal Home Loan Bank	33,818		33,818	
Federal Home Loan Mortgage Corporation	71,361		71,361	
Federal National Mortgage Association	1,041,752		1,041,752	
Corporate Bonds	1,179,961		1,179,961	
Total Investments Measured at Fair Value	13,523,935	$ 10,108,182	$ 3,415,753	$ -

Investments Measured at the Net Asset Value (NAV)	**Amount**	**Unfunded Commitments**	**Redemption Frequency (if Currently Eligible)**	**Redemption Notice Period**
Real Estate Fund	$ 1,033,520	$ -	Quarterly	45 days
Total Investments	$ 14,557,455			

Equities and U.S. Government Securities are valued based on prices quoted in active markets and are categorized as Level 1, and Level 1 and 2, respectively, in the fair value hierarchy. Federal Agency Securities are valued using matrix pricing techniques that value securities based on their relationship to benchmark quoted prices. Corporate bonds are valued using quoted prices for similar securities in active markets and are categorized as Level 2 in the fair value hierarchy. The Real Estate Fund is valued at Net Asset Value, which is determined using certified annual appraisals of investment properties held by the fund.

Note 4 - Pension Cost

The pension cost for the year ended September 30, 2022, was $1,090,782 (actual employer contribution). The pension cost for the 2022 fiscal year was determined as part of the October 1, 2020 roll-forward actuarial valuation using the entry age actuarial cost method.

Note 5 - Net Pension Liability

The Pension Plan's fiscal year-end net pension liability as of September 30, 2022, was as follows:

Total Pension Liability	$ 20,983,457
Plan Fiduciary Net Position	15,626,702
Net Pension Liability	$ 5,356,755
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	74.47%

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 applied to all measurement periods.

Inflation	2.5%
Salary Increases	2.7-6.3% (Including Inflation)
Investment Rate of Return	6.625%

Mortality rates were based on 122.664(1)(a) Florida Statutes, which mandates the use of the Florida Retirement System mortality tables. The PUB-2010 table and projection scale MP-2018 uses a gender-specific mortality improvement scale. This table was first used for the October 1, 2020 valuation.

The long-term expected rate of return on the Plan investments was determined using 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. 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 arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2022, are summarized below:

Asset Class	Long-Term Expected Rate of Return (Excluding Inflation)
Domestic Equity	10.0%
International Equity	11.0%
Domestic Bonds	5.0%
International Bonds	6.0%
Real Estate Fund	7.0%
Cash	0.0%

Discount Rate

The discount rate used to measure the total pension liability was 6.625%. The projection of cash flows used to determine the single discount rate assumed that Plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these 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. The single discount rate reflects the long-term expected rate of return on Pension Plan investments including inflation.

The table below provides the sensitivity of the net pension liability to changes in the discount rate. The table represents the Plan's net pension liability, if it were calculated using a single discount rate that is 1-percentage point lower or 1-percentage point higher than the single discount rate.

Sensitivity of Net Pension Liability to the Single Discount Rate Assumption

1% Decrease 5.625%	Current Discount Rate 6.625%	1% Increase 7.625%
$ 8,211,020	$ 5,356,755	$ 2,994,035

The total pension liability information is based on the actuarial valuation performed October 1, 2021. The total pension liability was rolled-forward from the valuation date to the Plan year ended September 30, 2022, using generally accepted actuarial principles.

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS MULTI-YEAR
CITY OF JACKSONVILLE BEACH, FLORIDA
FIREFIGHTERS' RETIREMENT SYSTEM

(Ultimately 10 Years Will Be Displayed)

Fiscal Year Ended September 30,	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Total Pension Liability									
Service Cost	$ 394,314	$ 360,724	$ 345,520	$ 377,972	$ 306,120	$ 302,339	$ 281,750	$ 245,288	$ 246,636
Interest on the Total Pension Liability	1,322,682	1,363,333	1,320,214	1,277,049	1,207,186	1,096,691	993,524	951,607	912,823
Benefit Changes (See Notes to Schedule)*									(1,652,165)
Difference Between Expected and Actual Experience	18,221	(747,511)	(62,673)	92,116	188,875	216,068	33,751	117,343	
Assumption Changes (#)	694,340	(462,014)		1,160,627	879,444	717,489	812,177		
Benefit Payments	(836,482)	(839,948)	(1,116,417)	(967,917)	(774,227)	(750,335)	(933,482)	(683,521)	(664,459)
Refunds			(32,981)						
Net Change in Total Pension Liability	1,593,075	(325,416)	453,663	1,939,847	1,807,398	1,582,252	1,187,720	630,717	(1,157,165)
Total Pension Liability-Beginning	19,390,382	19,715,798	19,262,135	17,322,288	15,514,890	13,932,638	12,744,918	12,114,201	13,271,366
Total Pension Liability-Ending (a)	$ 20,983,457	$ 19,390,382	$ 19,715,798	$ 19,262,135	$ 17,322,288	$ 15,514,890	$ 13,932,638	$ 12,744,918	$ 12,114,201
Plan Fiduciary Net Position									
Employer and State Contributions	$ 1,090,782	$ 841,792	$ 1,101,580	$ 657,730	$ 608,384	$ 501,375	$ 422,041	$ 389,997	$ 457,932
Employee Contributions	135,185	158,581	145,645	178,437	161,383	168,792	160,567	146,951	122,590
Pension Plan Net Investment Income	(2,881,425)	2,835,198	1,372,231	743,303	1,112,333	1,322,095	855,178	(33,549)	1,010,160
Benefit Payments and Refunds	(836,482)	(839,948)	(1,149,398)	(967,917)	(774,227)	(750,335)	(933,482)	(683,521)	(664,459)
Pension Plan Administrative Expenses	(77,576)	(75,574)	(80,003)	(69,492)	(75,928)	(71,311)	(62,635)	(66,361)	(77,810)
Net Change in Plan Fiduciary Net Position	(2,569,516)	2,920,049	1,390,055	542,061	1,031,945	1,170,616	441,669	(246,483)	848,413
Plan Fiduciary Net Position-Beginning	18,196,218	15,276,169	13,886,114	13,344,053	12,312,108	11,141,492	10,699,823	10,946,306	10,097,893
Plan Fiduciary Net Position-Ending (b)	$ 15,626,702	$ 18,196,218	$ 15,276,169	$ 13,886,114	$ 13,344,053	$ 12,312,108	$ 11,141,492	$ 10,699,823	$ 10,946,306
Net Pension Liability-Ending (a) – (b)	$ 5,356,755	$ 1,194,164	$ 4,439,629	$ 5,376,021	$ 3,978,235	$ 3,202,782	$ 2,791,146	$ 2,045,095	$ 1,167,895
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	74.47%	93.84%	77.48%	72.09%	77.03%	79.36%	79.97%	83.95%	90.36%
Covered Employee Payroll	$ 2,064,469	$ 1,870,977	$ 1,832,026	$ 2,244,491	$ 2,029,975	$ 2,123,170	$ 2,019,711	$ 1,848,440	$ 1,867,968
Net Pension Liability as a Percentage of Covered Employee Payroll	259.47%	63.83%	242.33%	239.52%	195.97%	150.85%	138.20%	110.64%	62.52%

Notes to Schedule:

For the 2014 fiscal year, benefit changes were determined as of the beginning of the year. Benefit terms were modified during 2014 to include longer vesting periods, changes in the benefit formula, changes in the cost of living adjustment, and changes in what is considered pensionable compensation.

 # - Assumption changes include the following:

For 2016, adding a 3% load on the present value of future benefits as a margin for future mortality improvements, and decreasing the long-term municipal bond rate from 3.71% to 3.06%.

For 2017, decreasing the single discount rate and long-term expected rate of return from 8.00% to 7.90%, and increasing the long-term municipal bond rate from 3.06% to 3.50%.

For 2018, decreasing the single discount rate and long-term expected rate of return from 7.90% to 7.50%, and increasing the long-term municipal bond rate from 3.50% to 3.83%.

For 2019, lowering the investment return from 7.5% to 7.0%.

For 2021, adopted the new respective Florida Retirement System mortality assumptions and lowering the investment return from 7% to 6.9%

For 2022, lowering the investment return from 6.9% to 6.625%.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE NET PENSION LIABILITY MULTI-YEAR
CITY OF JACKSONVILLE BEACH, FLORIDA
FIREFIGHTERS' RETIREMENT SYSTEM

(Ultimately 10 Years Will Be Displayed)

Fiscal Year Ending September 30,	Total Pension Liability (TPL)	Plan Net Position	Net Pension Liability	Plan Net Position as a % of TPL	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2014	$ 12,114,201	$ 10,946,306	$ 1,167,895	90.36%	$ 1,867,968	62.52%
2015	12,744,918	10,699,823	2,045,095	83.95%	1,848,440*	110.64%
2016	13,932,638	11,141,492	2,791,146	79.97%	2,019,711*	138.20%
2017	15,514,890	12,312,108	3,202,782	79.36%	2,123,170*	150.85%
2018	17,322,288	13,344,053	3,978,235	77.03%	2,029,975*	195.97%
2019	19,262,135	13,886,114	5,376,021	72.09%	2,244,491	239.52%
2020	19,715,798	15,276,169	4,439,629	77.48%	1,832,026	242.33%
2021	19,390,382	18,196,218	1,194,164	93.84%	1,870,977	63.83%
2022	20,983,457	15,626,702	5,356,755	74.47%	2,064,469	259.47%

*Source: Implicit payroll based on employee contributions during the fiscal year.

Note: The above calculations were performed in accordance with the requirements of Governmental Accounting Standards Board Statement No. 67.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
CITY OF JACKSONVILLE BEACH, FLORIDA
FIREFIGHTERS' RETIREMENT SYSTEM

(Ultimately 10 Years Will Be Displayed)

City of Jacksonville Beach

Fiscal Year Ending October 1,	Actuarially Determined Contribution (1)	Actual Contribution(1)	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2014	$ 408,279	$ 457,932	$ (49,653)	$ 1,867,968	24.51%
2015	368,361	389,997	(21,636)	1,848,440*	21.10%
2016	422,041	422,041		2,019,711*	20.90%
2017	501,375	501,375		2,123,170*	23.61%
2018	608,384	608,384		2,029,975	29.97%
2019	657,730	657,730		2,444,491	26.91%
2020	773,195	773,195		1,832,026	42.20%
2021	707,952	707,952		1,870,977	37.84%
2022	680,045	680,345	300	2,064,469	32.95%

City of Jacksonville

Fiscal Year Ending October 1,	Actuarially Determined Contribution (1)	Actual Contribution (1)	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2020	$ 294,047	$ 328,385	$ (34,338)	$ 1,832,026	17.92%
2021	275,232	133,840	141,092	1,870,977	7.15%
2022	288,618	410,437	(121,819)	2,064,469	19.88%

Total

Fiscal Year Ending October 1,	Actuarially Determined Contribution (1)	Actual Contribution (1)	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2014	$ 408,279	$ 457,932	$ (49,653)	$ 1,867,968	24.51%
2015	368,361	389,997	(21,636)	1,848,440*	21.10%
2016	422,041	422,041		2,019,711*	20.90%
2017	501,375	501,375		2,123,170*	23.61%
2018	608,384	608,384		2,029,975	29.97%
2019	657,730	657,730		2,444,491	26.91%
2020	1,067,242	1,101,580	(34,338)	1,832,026	60.12%
2021	982,885	841,793	(2) 141,092	1,870,977	44.99%
2022	968,663	1,090,782	(122,119)	2,064,469	52.84%

*Source: Implicit payroll based on employee contributions during the fiscal year.

(1) – Contributions include amounts contributed by the State of Florida.
(2) – This contribution deficiency was rectified in 2022 by the City of Jacksonville.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
CITY OF JACKSONVILLE BEACH, FLORIDA
FIREFIGHTERS' RETIREMENT SYSTEM

Methods and Assumptions Used to Actuarially Determine Contribution Rates

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period:	9 Years
Asset Valuation Method:	4-Year Smoothed Market
Inflation:	2.5% Wage Inflation, 2.5% Price Inflation
Salary Increases:	2.7% to 6.3% Including Inflation
Investment Rate of Return:	6.9%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2002 valuation.
Mortality:	The Florida Retirement System mortality tables which use variations of the fully generational PUB-2010 Mortality Tables with projection scale MP-2018.

Other Information

Notes:	The Employer Contribution for fiscal year 2022 was determined in the October 1, 2020 Actuarial Valuation report.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
CITY OF JACKSONVILLE BEACH, FLORIDA
FIREFIGHTERS' RETIREMENT SYSTEM

Fiscal Year Ending September 30,	Annual Money-Weighted Rate of Return Net of Investment Expense
2022	-16.04%
2021	18.94%
2020	10.02%
2019	5.61%
2018	9.22%
2017	12.11%
2016	8.15%
2015	-0.35%
2014	10.22%
2013	11.97%

PURVIS GRAY

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Board of Directors of the
Firefighters' Retirement System
City of Jacksonville Beach, Florida

We have audited the accompanying statement of fiduciary net position of the City of Jacksonville Beach, Florida, Firefighters' Retirement System (the FFRS) as of September 30, 2022, and the statement of changes in fiduciary net position for the year then ended. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you in our engagement letter dated March 8, 2022. Professional standards also require that we communicate the following information to you related to our audit:

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Accounting Policies
Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the FFRS are described in Note 2 to the financial statements. No new accounting pronouncements were adopted during the year ended September 30, 2022.

We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates
Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most significant estimates affecting the financial statements were:

- Estimates of fair values of financial instruments held by the pension plan. These fair values are based upon quoted market prices or other observable inputs as described in Note 3 of the financial statements.

To the Board of Directors of the
Firefighters' Retirement System
City of Jacksonville Beach, Florida

- The annual pension cost and the total pension liability are estimates that are calculated based on an actuarial valuation performed by a qualified actuary. The assumptions used in the valuation were determined by management and, if changed, could significantly affect the recorded amounts.

We evaluated the key factors and assumptions used to develop the estimates described above in determining that they are reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures
Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

- Note 5 to the financial statements provides a detail of the total and net pension liability and plan fiduciary net position, as well as a description of the actuarial assumptions used to determine the total pension liability.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit
We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements
Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no audit adjustments identified during our audit. In addition, there were no uncorrected (passed) adjustments that came to our attention.

Disagreements with Management
For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations
We have requested certain representations from management that are included in the management representation letter dated April 3, 2023.

Management Consultations with Other Independent Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the FFRS's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

To the Board of Directors of the
Firefighters' Retirement System
City of Jacksonville Beach, Florida

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis and the additional schedules as listed in the table of contents as Required Supplementary Information (RSI). These schedules are considered required supplementary information that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the FFRS, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

April 3, 2023
Tallahassee, Florida

Investment Performance Review
Period Ending March 31, 2023

Jacksonville Beach Retirement Systems

AndCo Consulting | (844) 44-ANDCO | AndCoConsulting.com

1st Quarter 2023 Market Environment

The Economy

- US GDP growth is expected to wane in the coming quarters as the impact from higher interest rates continues to spread through the broader economy. The final measure of 1st quarter GDP was revised downward to 1.7%. Global GDP growth also remains challenged with higher energy prices continuing to act as a headwind, especially in Europe. China has fully reopened after almost three years of COVID-19 restrictions, which boosted estimates and performance for the region.
- The US Federal Reserve Bank (the Fed) continued to increase interest rates during the quarter with two successive 0.25% increases in the Fed Funds rate in January and February. While the Fed's policy remains hawkish on fighting high inflation, the press release from the February meeting took on a more dovish tone.
- The US labor market continues to show its resiliency, adding roughly 236 thousand jobs during the 1st quarter. As a result, the unemployment rate fell to 3.5% in March. Noticeably, the labor market is showing signs of declining growth which could soon signal an inflection point in economic output and the fight against inflation.
- The global banking sector came under duress in the 1st quarter of 2023, triggered by the second and third-largest regional bank failures in US history. The combination of aggressive Fed rate hikes and questionable capital deployment by Silicon Valley Bank led to a flurry of depositor withdrawals and rocked general confidence in the overall banking system.

Equity (Domestic and International)

- US equities moved broadly higher during the 1st quarter despite concerns regarding stubbornly high inflation, the potential for additional rate hikes, slowing global GDP growth, and shaken confidence in the global banking system. Large cap growth was the best performing domestic segment of the equity market during the period while small cap value performed the worst.
- International stocks also experienced strong returns during the 1st quarter. US Dollar (USD) and local currency (LCL) performance were both solid as the USD remained largely unchanged for the quarter. Non-US GDP growth, particularly in Europe, remained under pressure as restrictive central bank policies and elevated energy prices acted as a headwind. Finally, China's reopening from its restrictive COVID-19 policies is well underway and has proven to be a greater tailwind to the region than previously expected.

Fixed Income

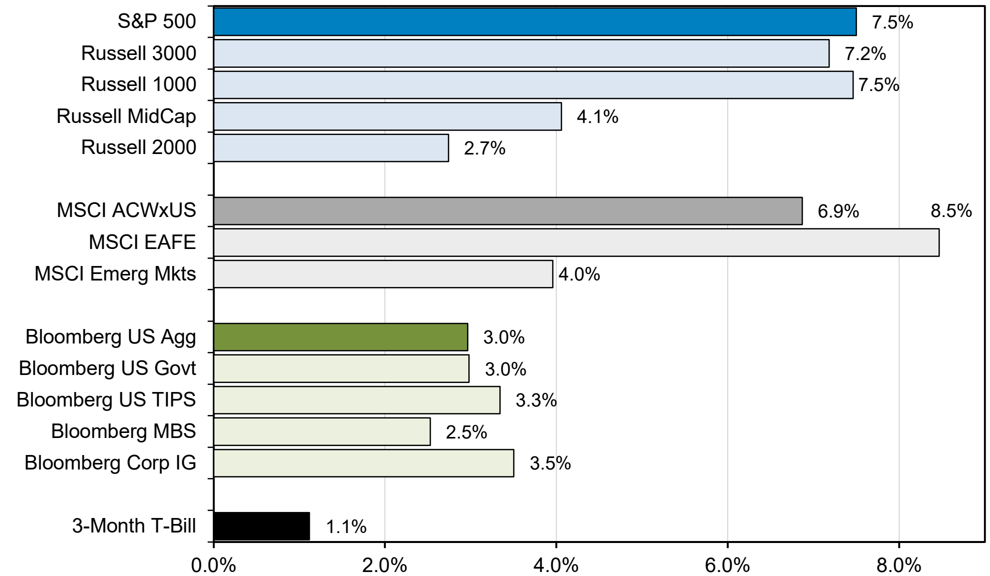
- While inflation continues to decline quarter-over-quarter, the Fed maintained their inflation-fighting policy stance, increasing interest rates twice, totaling 0.50%. Despite the short-term increases, yields beyond 1-year actually fell during the quarter with the bellwether US 10-Year Treasury bond closing March at 3.48%, 0.40% lower than year-end.
- Performance across domestic bond market sectors was positive during the quarter, led by corporate investment grade bonds. Global bonds slightly outperformed domestic fixed income for the quarter.
- A combination of higher coupons and narrower credit spreads were the primary drivers of lower quality corporate results during the period.
- US Treasury bonds rebounded this quarter as yields at longer maturities fell and investors fled to safety amidst troubles in the banking sector.

Market Themes

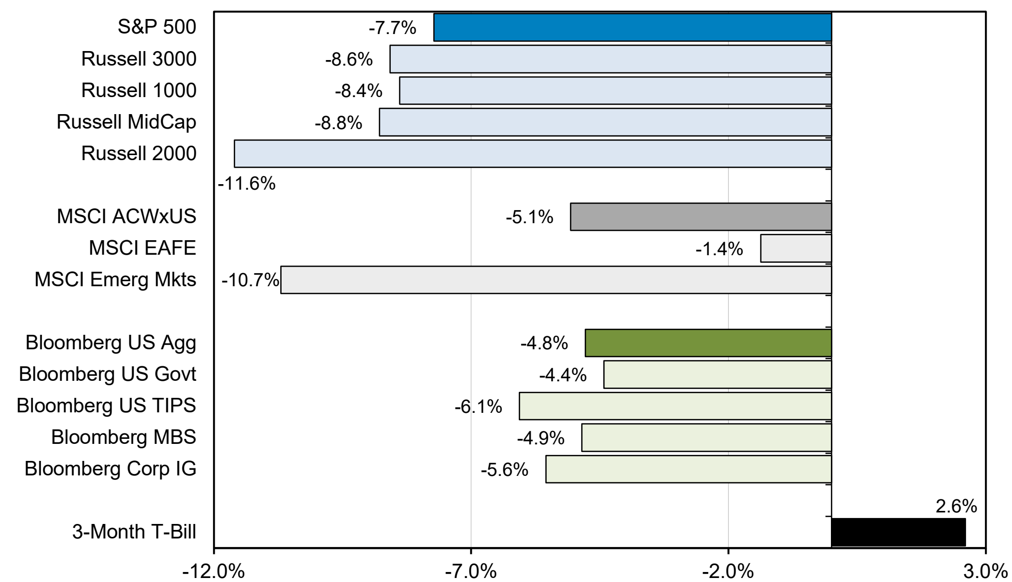
- Central banks remained vigilant in their fight against inflation with the Fed, the Bank of England, and the European Central Bank continuing on the path of raising interest rates during the quarter. However, recession fears and softening inflation readings led to a recovery in asset prices as market expectations grew there may be fewer, less drastic rate hikes going forward.
- The conflict in Ukraine continues as a major geopolitical event without a clear resolution in sight. Energy costs remain elevated, which continues to negatively impact the economic growth outlook for the region.
- Short-term interest rates rose across most developed markets as central banks continued to tighten. Despite concerns about the potential for slowing economic growth, lower-quality corporate bonds slightly outpaced higher-quality government bonds.
- Both US and international equity markets continued to recover from the disappointing year that was 2022 on expectations that inflation would continue to moderate and central banks would slow the pace of monetary tightening.

- Domestic equity markets started 2023 with solid results led by large cap companies, but each index remains negative over the trailing 1-year period. Factors contributing to the quarter's results include declining inflation readings, expectations the Fed would slow the pace of future interest rate increases, and China's economic reopening from its self-imposed COVID-19 restrictions. For the period, the S&P 500 large cap benchmark returned 7.5%, versus 4.1% for mid cap, and 2.7% for small cap benchmarks.
- Like domestic equities, international developed and emerging market equities delivered positive results for the 1st quarter. Europe continues to face headwinds from higher-than-expected inflation, elevated energy prices, geopolitical risks related to the conflict in Ukraine, and rising interest rates. Emerging markets benefited from China's return to the global economy. The developed market MSCI EAFE Index returned 8.5% for the quarter and the MSCI Emerging Markets Index rose by 4.0%.
- For the quarter, performance of the bond market was broadly positive due to lower inflation and falling yields beyond 1-year maturities. The Bloomberg (BB) US Aggregate Index returned 3.0% for the period while investment grade corporate bonds posted a moderately higher return of 3.5%.
- US equity markets were negative over the trailing 1-year period, though much of this weak performance occurred at the beginning of the timeframe and will continue to roll off in the coming quarters. The S&P 500 Index return of -7.7% for the year was largely driven by concerns related to rising inflation, tighter monetary policy, and recession fears. The weakest relative performance for the year was the Russell 2000 Index, which declined -11.6%.
- Over the trailing 1-year period, international markets also declined. The MSCI EAFE Index returned -1.4% while the MSCI Emerging Markets Index fell a much larger -10.7%. Continued concerns related to Ukraine, elevated inflation, and slowing global economic growth negatively impacted markets. However, USD weakness and easing energy prices acted as a tailwind to international performance in the second half of 2022.
- Bond markets followed a largely similar narrative to equities, finishing the trailing 1-year period in negative territory. While bond market performance was impacted by similar factors to equity market performance, the primary driver of results over the prior year was dramatically higher interest rates, which directly and immediately impact bond prices and index performance. US mortgage backed and Government issues were the least negative sectors returning -4.9% and -4.4%, respectively, for the year. US TIPS suffered the year's largest loss, falling -6.1%.

Quarter Performance



1-Year Performance



Source: Investment Metrics

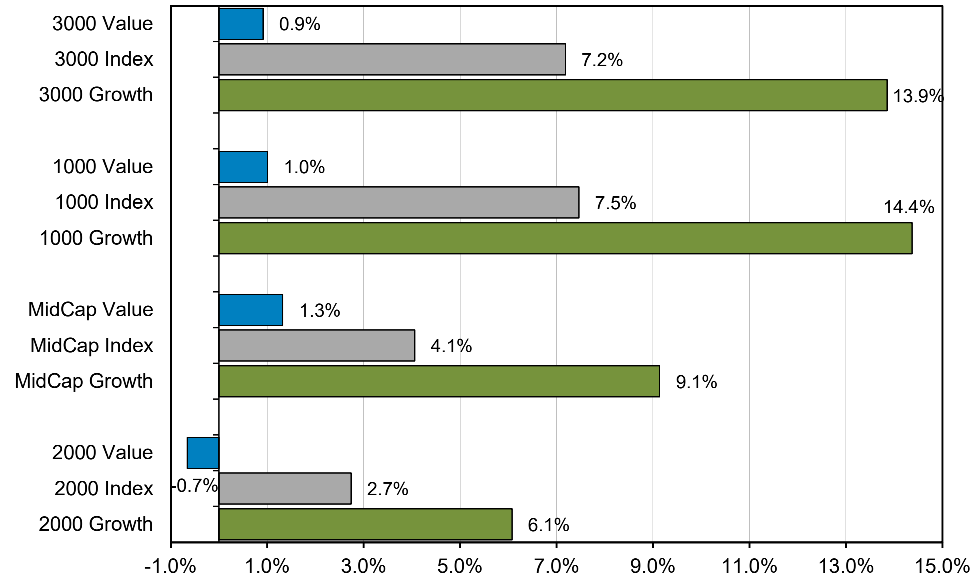
- Domestic equity core benchmarks pulled back from their February highs, but each finished the quarter with solid, positive results. Concerns regarding the regional banking sector and the financial sector's large weight in the value benchmarks weighed heavily on style-based index performance. Large cap stocks led results for the capitalization-based benchmarks and finished well ahead of both the mid cap and small cap indices for the quarter. Growth benchmarks, with their lower weight in the financial sector and larger weight in the information technology sector, produced the quarter's strongest results at all capitalization levels. The Russell 1000 Growth Index topped the quarter, returning 14.4% followed by the Russell Mid Cap Growth Index and the Russell 2000 Growth Index, which rose by 9.1% and 6.1%, respectively.

- Large, mid, and small cap growth stocks each outperformed their value counterparts by a wide margin for the quarter. While it is only a single quarter, this performance reversed 2022's dominant trend of value-based benchmarks outpacing their growth counterparts. Large and mid cap stocks managed small, positive returns of 1.0% and 1.3%, respectively, for the quarter while the Russell 2000 Value Index fell -0.7%.

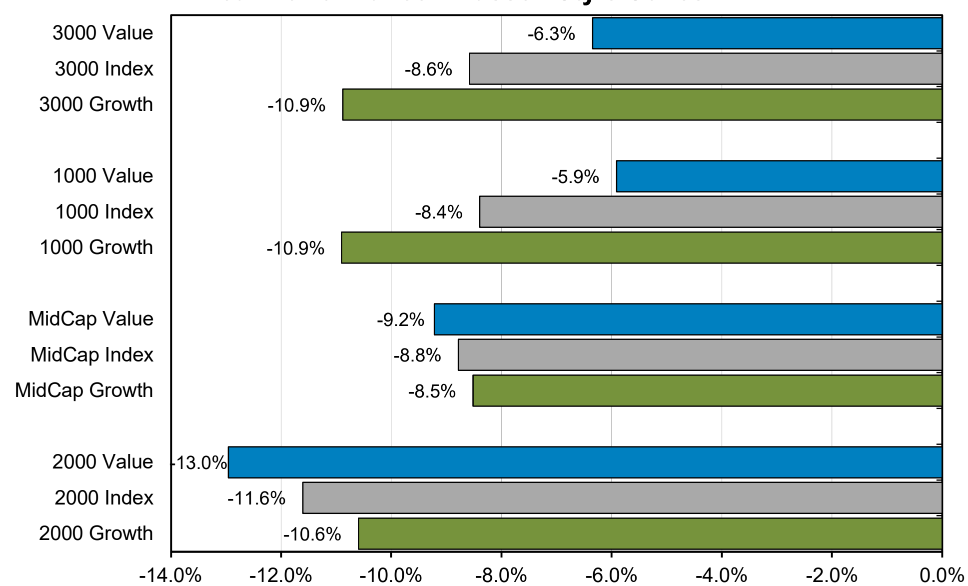
- The 1st quarter's positive performance was not enough to offset the challenging performance experienced by domestic equity markets during 2022. All market capitalizations and styles remain in sizable negative territory over the trailing 1-year period. Within large cap stocks, the Russell 1000 Value Index returned a disappointing -5.9% but was down much less than the Russell Large Cap Growth Index, which fell -10.9% for the year.

- Outside of large cap issues, 2023's strong 1st quarter growth benchmark results were enough to push growth results over their value equivalents at both mid and small cap levels for the year. The Russell Mid Cap Value Index returned -9.2% and the small cap Russell 2000 Value Index returned -13.0% for the period. The growth benchmark counterparts at both capitalization levels were each down less than value.

Quarter Performance - Russell Style Series

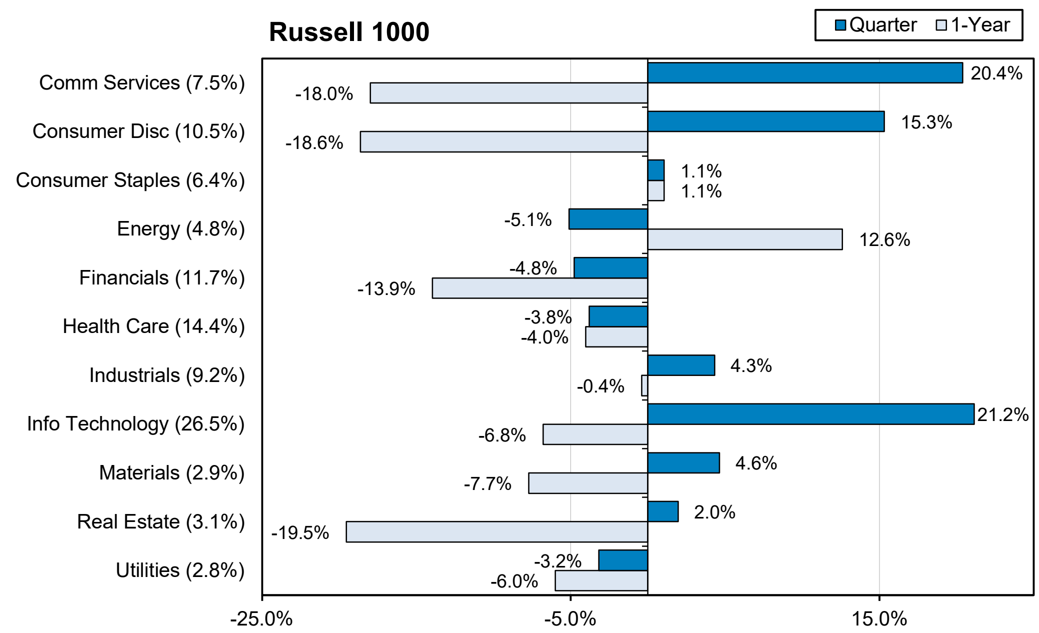


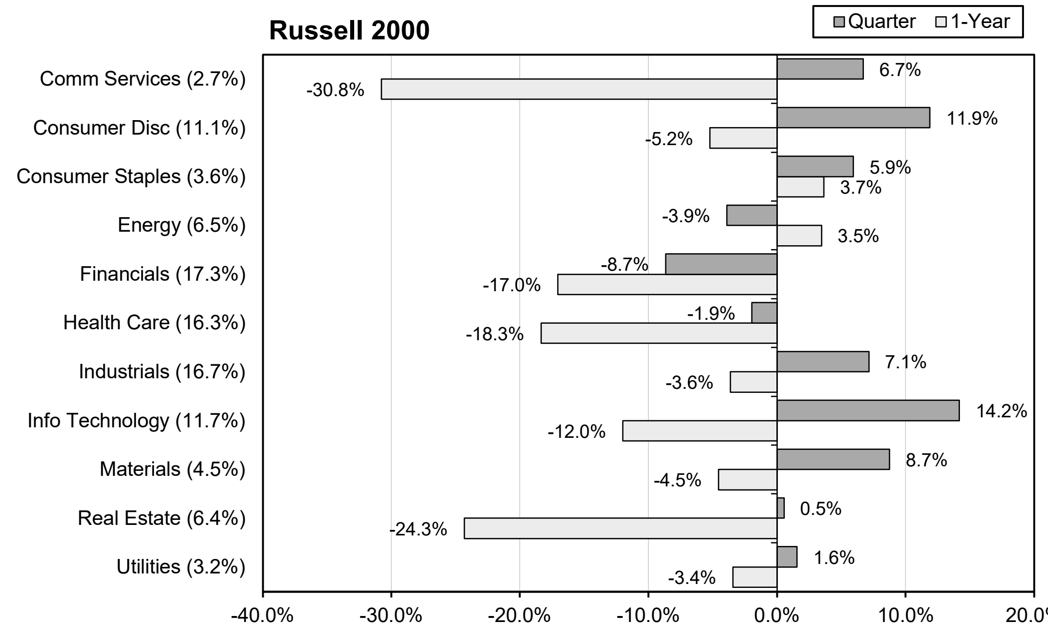
1-Year Performance - Russell Style Series



Source: Investment Metrics

- Economic sector performance was mixed during the quarter. Seven of 11 economic sectors posted positive absolute performance for the quarter but just three managed to outpace the return of the broad index.
- After a challenging 2022, the information technology sector rebounded during the quarter on hopes that inflation was softening, and that the Fed would soon end its rate hiking cycle. The sector returned an impressive 21.2% in the quarter. The other two sectors that outpaced the headline index's return for the quarter were communication services (20.4%) and consumer discretionary (15.3%). The energy (-5.1%), financials (-4.8%), health care (-3.8%), and utilities (-3.2%) sectors each posted negative performance for the quarter.
- Eight small cap economic sectors posted positive results during the quarter and six exceeded the 2.7% return of the broader Russell 2000 Index. The consumer discretionary (11.9%) and information technology (14.2%) sectors each posted double-digit gains for the quarter while the energy (-3.9%), financials (-8.7%), and health care (1.9%) sectors posted negative returns.
- For the full year, seven economic sectors exceeded the return of the broad large cap benchmark, but only the energy (12.6%) and consumer staples (1.1%) sectors managed to post positive performance for the period. The weakest economic sector in the Russell 1000 for the year was Real Estate, which declined by -19.5% and was heavily impacted by rising interest rates.
- Similar to large cap sector performance, for the trailing 1-year period only two small cap sectors were positive. Energy was the best performing sector followed by consumer staples, which posted returns of 3.5% and 3.7%, respectively. Four of the 11 economic sectors were down less than the broad small cap benchmark's return of -11.6%. The worst performing sector for the year was communication services with a return of -30.8%. However, the information technology (-12.0%), financials (-17.0%), health care (-18.3%), and real estate (-24.3%) sectors were also down significantly for the year.





Source: Morningstar Direct
As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency, post creation of the Communication Services sector.

Top 10 Index Weights & Quarterly Performance for the Russell 1000 & 2000

As of March 31, 2023

Top 10 Weighted Stocks

Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	6.5%	27.1%	-5.0%	Information Technology
Microsoft Corp	5.7%	20.5%	-5.6%	Information Technology
Amazon.com Inc	2.4%	23.0%	-36.6%	Consumer Discretionary
NVIDIA Corp	1.7%	90.1%	1.9%	Information Technology
Alphabet Inc Class A	1.6%	17.6%	-25.4%	Communication Services
Berkshire Hathaway Inc Class B	1.5%	0.0%	-12.5%	Financials
Alphabet Inc Class C	1.4%	17.2%	-25.5%	Communication Services
Tesla Inc	1.4%	68.4%	-42.2%	Consumer Discretionary
Meta Platforms Inc Class A	1.2%	76.1%	-4.7%	Communication Services
Exxon Mobil Corp	1.2%	0.2%	37.5%	Energy

Top 10 Weighted Stocks

Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Iridium Communications Inc	0.3%	20.7%	53.9%	Communication Services
ShockWave Medical Inc	0.3%	5.5%	4.6%	Health Care
EMCOR Group Inc	0.3%	9.9%	45.0%	Industrials
Crocs Inc	0.3%	16.6%	65.5%	Consumer Discretionary
Texas Roadhouse Inc	0.3%	19.4%	31.8%	Consumer Discretionary
Saia Inc	0.3%	29.8%	11.6%	Industrials
Inspire Medical Systems Inc	0.3%	-7.1%	-8.8%	Health Care
RBC Bearings Inc	0.3%	11.2%	20.0%	Industrials
Kinsale Capital Group Inc	0.3%	14.8%	31.9%	Financials
Apellis Pharmaceuticals Inc	0.3%	27.6%	29.8%	Health Care

Top 10 Performing Stocks (by Quarter)

Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Sotera Health Co Ordinary Shares	0.0%	115.0%	-17.3%	Health Care
Carvana Co Class A	0.0%	106.5%	-91.8%	Consumer Discretionary
Coinbase Global Inc Ordinary Shares	0.0%	90.9%	-64.4%	Financials
NVIDIA Corp	1.7%	90.1%	1.9%	Information Technology
Oak Street Health Inc Ordinary Shares	0.0%	79.8%	43.9%	Health Care
Meta Platforms Inc Class A	1.2%	76.1%	-4.7%	Communication Services
DraftKings Inc Ordinary Shs - Class A	0.0%	70.0%	-0.6%	Consumer Discretionary
Spotify Technology SA	0.0%	69.2%	-11.5%	Communication Services
Tesla Inc	1.4%	68.4%	-42.2%	Consumer Discretionary
Roku Inc Class A	0.0%	61.7%	-47.5%	Communication Services

Top 10 Performing Stocks (by Quarter)

Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Cipher Mining Inc	0.0%	316.1%	-36.0%	Information Technology
SelectQuote Inc Ordinary Shares	0.0%	223.0%	-22.2%	Financials
C3.ai Inc Ordinary Shares - Class A	0.1%	200.0%	47.9%	Information Technology
Riot Platforms Inc	0.1%	194.7%	-52.8%	Information Technology
Oscar Health Inc Class A	0.0%	165.9%	-34.4%	Financials
Marathon Digital Holdings Inc	0.0%	155.0%	-68.8%	Information Technology
Aurinia Pharmaceuticals Inc	0.1%	153.7%	-11.5%	Health Care
Reata Pharmaceuticals Inc Class A	0.1%	139.3%	177.5%	Health Care
Atlas Technical Consultants Inc	0.0%	136.7%	N/A	Industrials
Berkshire Grey Inc Ordinary Shares	0.0%	128.5%	-52.1%	Industrials

Bottom 10 Performing Stocks (by Quarter)

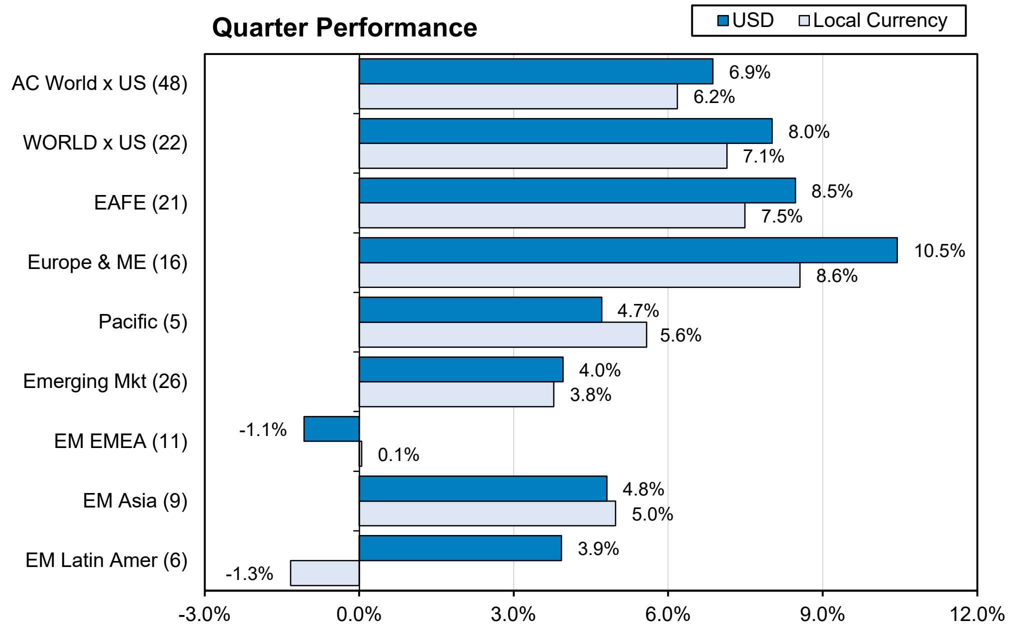
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
First Republic Bank	0.0%	-88.5%	-91.3%	Financials
PacWest Bancorp	0.0%	-57.2%	-76.6%	Financials
Lumen Technologies Inc Ordinary Shs	0.0%	-49.2%	-75.4%	Communication Services
WeWork Inc	0.0%	-45.6%	-88.6%	Real Estate
Enviva Inc	0.0%	-44.4%	-61.2%	Energy
Western Alliance Bancorp	0.0%	-40.0%	-56.3%	Financials
Zions Bancorp NA	0.0%	-38.6%	-52.9%	Financials
Charles Schwab Corp	0.2%	-36.9%	-37.1%	Financials
Comerica Inc	0.0%	-34.0%	-49.8%	Financials
DISH Network Corp Class A	0.0%	-33.5%	-70.5%	Communication Services

Bottom 10 Performing Stocks (by Quarter)

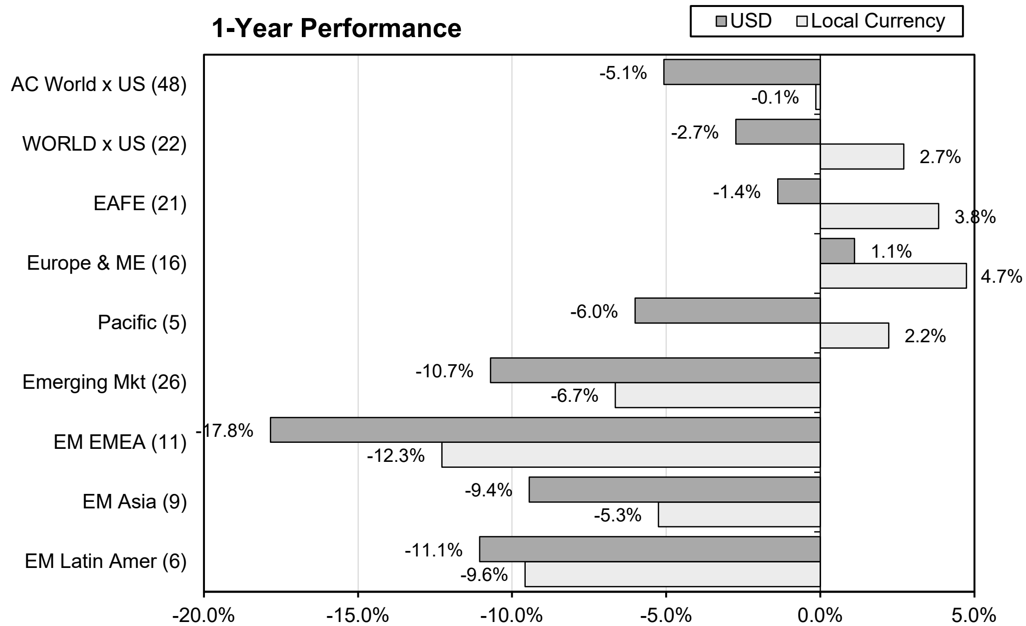
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Cerberus Cyber Sentinel Corp	0.0%	-86.7%	-93.6%	Information Technology
Cyxtera Technologies Inc	0.0%	-84.1%	-97.5%	Information Technology
Bed Bath & Beyond Inc	0.0%	-83.0%	-98.1%	Consumer Discretionary
Pear Therapeutics Inc Class A	0.0%	-78.4%	-95.0%	Health Care
Veru Inc	0.0%	-78.0%	-76.0%	Consumer Staples
Sunlight Financial Holdings Inc	0.0%	-75.8%	-93.8%	Financials
Esperion Therapeutics Inc	0.0%	-74.5%	-65.7%	Health Care
Nektar Therapeutics	0.0%	-68.9%	-87.0%	Health Care
Vintage Wine Estates Inc Ordinary Shs	0.0%	-67.2%	-89.2%	Consumer Staples
Bright Health Group Inc	0.0%	-66.1%	-88.6%	Financials

Source: Morningstar Direct

- Many of the International developed and emerging market benchmarks posted positive performance in both USD and LCL terms for the 1st quarter. A weakening USD acted as a slight tailwind for non-US index performance during the quarter. Higher energy prices and the reopening of China drove performance, especially in emerging markets. Europe and Middle East sub-index led results, returning a strong 10.5% in USD and 8.6% in LCL. The developed market MSCI EAFE Index returned a solid 8.5% in USD and 7.5% in LCL terms for the period, and the MSCI Emerging Markets Index rose by 4.0% in USD and 3.8% in LCL terms.



- The trailing 1-year results for international developed and emerging markets remain in negative territory in USD terms. A strong dollar over most of the trailing 1-year period was the dominant USD performance factor, shaving 5.2% off broad developed market performance and 4.0% from emerging market results. Developed market performance was positive in LCL terms with the MSCI EAFE Index returning -1.4% in USD and 3.8% in LCL terms for the year. The MSCI Emerging Markets Index declined by -10.7% in USD and -6.7% in LCL terms for the period. Performance in the EMEA (Europe, Middle East, and Africa) regional benchmark significantly detracted from emerging market index performance with a return of -17.8% in USD and -12.3% in LCL terms.



Source: MSCI Global Index Monitor (Returns are Net)

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	4.5%	10.5%	-6.5%
Consumer Discretionary	12.0%	17.0%	5.0%
Consumer Staples	10.4%	7.6%	1.3%
Energy	4.5%	0.4%	9.6%
Financials	17.7%	2.5%	-1.1%
Health Care	13.2%	5.4%	-2.6%
Industrials	15.6%	11.9%	-0.5%
Information Technology	8.6%	19.0%	-4.1%
Materials	7.7%	7.6%	-6.5%
Real Estate	2.4%	-2.1%	-20.4%
Utilities	3.4%	8.2%	-1.2%
Total	**100.0%**	**8.5%**	**-1.4%**

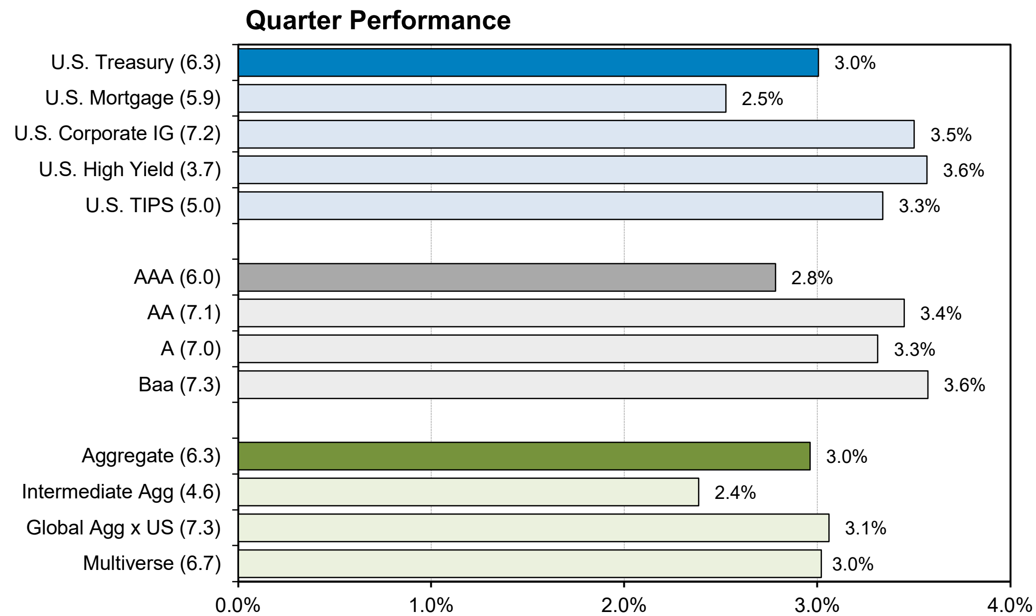
MSCI - ACWIxUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	6.1%	11.2%	-7.1%
Consumer Discretionary	11.9%	11.3%	1.7%
Consumer Staples	8.9%	6.5%	1.1%
Energy	5.5%	-0.3%	0.8%
Financials	19.9%	1.4%	-7.5%
Health Care	9.6%	4.2%	-4.4%
Industrials	12.7%	10.0%	-1.8%
Information Technology	11.8%	17.2%	-9.5%
Materials	8.3%	5.9%	-10.5%
Real Estate	2.1%	-1.7%	-19.7%
Utilities	3.2%	3.3%	-5.9%
Total	**100.0%**	**6.9%**	**-5.1%**

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	10.6%	12.6%	-7.4%
Consumer Discretionary	13.9%	1.5%	-3.9%
Consumer Staples	6.3%	2.4%	-0.6%
Energy	4.7%	-0.3%	-4.8%
Financials	21.0%	-0.9%	-13.6%
Health Care	3.8%	-4.9%	-15.4%
Industrials	6.0%	2.2%	-6.3%
Information Technology	20.5%	14.7%	-13.9%
Materials	8.7%	2.4%	-15.6%
Real Estate	1.9%	-1.6%	-18.7%
Utilities	2.6%	-10.5%	-14.4%
Total	**100.0%**	**4.0%**	**-10.7%**

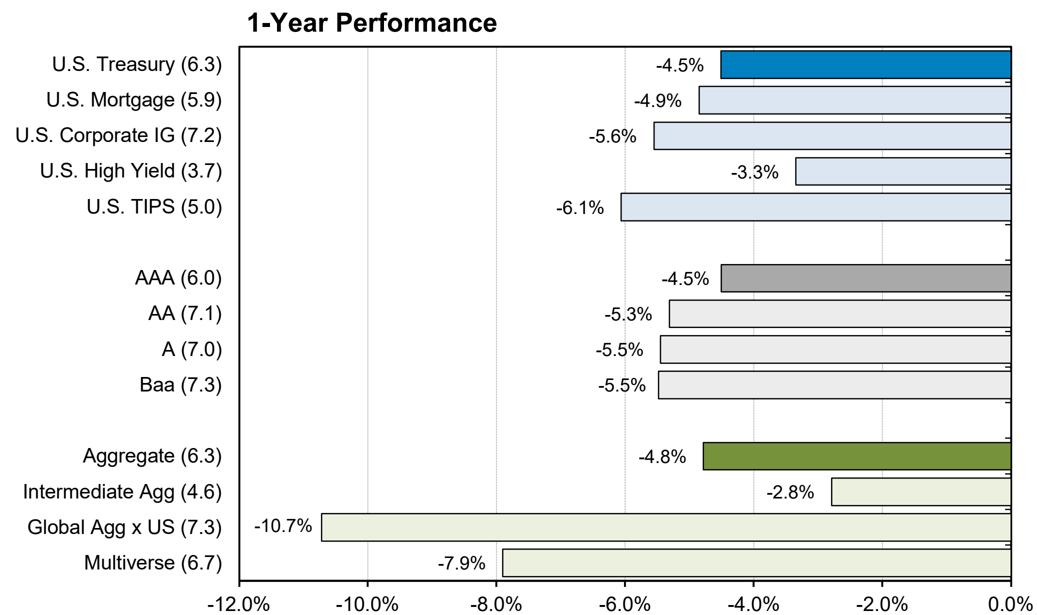
Country	MSCI-EAFE Weight	MSCI-ACWIxUS Weight	Quarter Return	1- Year Return
Japan	21.5%	13.9%	6.2%	-5.2%
United Kingdom	14.8%	9.6%	6.1%	-0.8%
France	12.5%	8.1%	14.6%	8.8%
Switzerland	10.0%	6.5%	6.7%	-6.8%
Germany	8.7%	5.6%	14.7%	2.2%
Australia	7.5%	4.8%	2.8%	-9.2%
Netherlands	4.6%	3.0%	16.6%	2.0%
Sweden	3.4%	2.2%	9.5%	-7.2%
Denmark	3.1%	2.0%	12.4%	14.2%
Hong Kong	2.7%	1.8%	-2.4%	-5.3%
Spain	2.6%	1.7%	15.7%	11.9%
Italy	2.5%	1.6%	14.7%	9.1%
Singapore	1.5%	1.0%	7.1%	-3.1%
Belgium	1.0%	0.7%	6.3%	-2.2%
Finland	1.0%	0.6%	-0.3%	-4.2%
Ireland	0.8%	0.5%	21.4%	12.1%
Israel	0.7%	0.4%	0.8%	-20.6%
Norway	0.7%	0.4%	-7.2%	-21.6%
Portugal	0.2%	0.1%	3.4%	1.3%
New Zealand	0.2%	0.1%	8.0%	2.1%
Austria	0.2%	0.1%	2.6%	-5.7%
Total EAFE Countries	**100.0%**	**64.8%**	**17.3%**	**-14.5%**
Canada		7.5%	4.3%	-13.1%
Total Developed Countries		**72.3%**	**16.2%**	**-14.3%**
China		9.1%	4.7%	-4.7%
Taiwan		4.2%	14.8%	-13.7%
India		3.6%	-6.4%	-12.2%
Korea		3.3%	9.6%	-14.4%
Brazil		1.4%	-3.2%	-18.7%
Saudi Arabia		1.1%	0.1%	-19.0%
South Africa		1.0%	-0.6%	-20.6%
Mexico		0.7%	20.3%	8.6%
Thailand		0.6%	-1.7%	-0.9%
Indonesia		0.5%	6.0%	0.2%
Malaysia		0.4%	-3.6%	-10.9%
United Arab Emirates		0.3%	-7.5%	-28.4%
Qatar		0.3%	-0.7%	-22.6%
Kuwait		0.2%	-3.7%	-11.3%
Philippines		0.2%	2.4%	-13.7%
Poland		0.2%	-1.0%	-20.1%
Turkey		0.2%	-9.4%	52.8%
Chile		0.2%	5.2%	-3.0%
Greece		0.1%	15.8%	14.8%
Peru		0.1%	8.3%	-12.2%
Czech Republic		0.1%	33.0%	10.3%
Hungary		0.1%	2.9%	-12.1%
Columbia		0.0%	-13.5%	-39.2%
Egypt		0.0%	-3.6%	-2.6%
Total Emerging Countries		**27.7%**	**4.0%**	**-10.7%**
Total ACWIxUS Countries		**100.0%**	**6.9%**	**-5.1%**

Source: Morningstar Direct, MSCI Global Index Monitor (Returns are Net in USD)
As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency, post creation of the Communication Services sector.

- After a challenging 2022 in fixed income markets brought on by the largest and most rapid increase in interest rates since the early 80's, the 1st quarter's positive bond benchmark results were a welcome relief. Despite two additional rate increases during the quarter, bond prices were aided by softening inflation and expectations that the Fed was nearing the end of its historic rate hiking cycle.
- The BB US Aggregate Bond Index, the bellwether US investment grade benchmark, returned a solid 3.0% for the period. Performance across the investment grade index's segments was also positive during the period with the US Corporate Investment Grade Index returning 3.5% and the US Mortgage Index component posting a return of 2.5%. Outside of the aggregate index's components, high yield bonds rose 3.6% and US TIPS posted a return of 3.3% for the quarter. The Bloomberg Global Aggregate ex US Index posted a similar return to the US bond benchmark with a return of 3.1% for the quarter.



- Over the trailing 1-year period, the BB US Aggregate Bond Index declined by -4.8% and each of the benchmark's sub-components fell in a narrow band above and below the broad index's return. US TIPS, which are excluded from the aggregate index, dropped by -6.1% for the year. Lower quality high yield corporate bonds, which have a much shorter duration, were down less than their investment grade counterparts with the Bloomberg US High Yield Index returning -3.3% for the year.
- Performance for non-US bonds was also negative for the year with the developed market Bloomberg Global Aggregate ex US Index falling by -10.7%. The combination of rising interest rates, elevated inflation, geopolitical risks, and USD strength earlier in the year hindered non-US index performance.



Source: Bloomberg

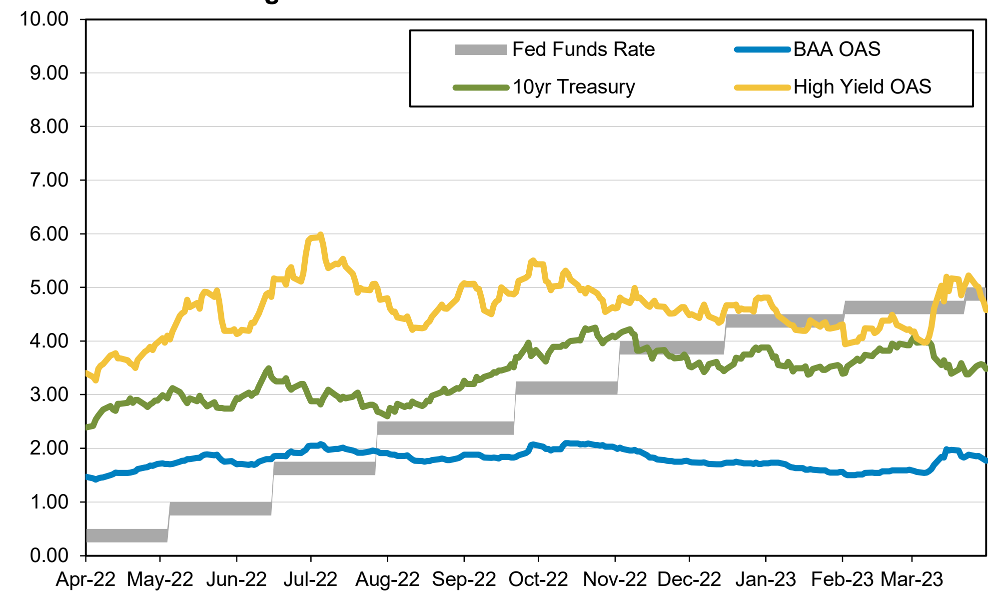
- The gray band across the graph illustrates the range of the current Fed Funds Rate. During the 1st quarter the Fed raised the lower end of its target rate range from 4.25% to 4.75% through two successive 0.25% increases in February and March. After its March meeting, the Federal Open Market Committee (FOMC) altered a phrase in its press release that had been included since the beginning of this rate increase cycle. Their revised release stated - "some additional policy firming may be appropriate" and it removed "ongoing increases in the target range will be appropriate." The FOMC also stated that it would continue its policy of removing liquidity from the market by allowing bonds held on its balance sheet to mature without reinvesting those proceeds. While subtle, the capital market interpreted this change favorably in terms of the future path of interest rates.

- The yield on the US 10-year Treasury (green line) ended the period slightly lower as concerns over the state of the economy and March's banking disruption drove yields. The closing yield on the 10-Year Treasury was 3.88% at year-end but finished the quarter 0.40% lower at 3.48%. The benchmark's rate peaked in October, cresting at just over 4.00% before pulling back to its current level.

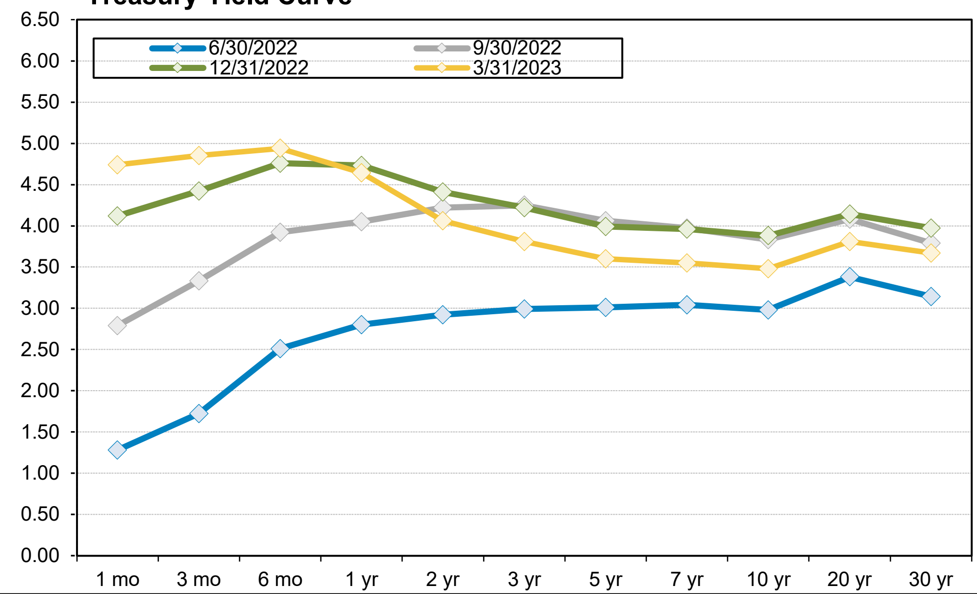
- The blue line illustrates changes in the BAA OAS (Option Adjusted Spread). This measure quantifies the additional yield premium that investors require to purchase and hold non-US Treasury investment grade issues. For the full year, the spread widened slightly from 1.42% to 1.80%. High Yield OAS spreads rose from roughly 3.27% at the beginning of the year to 4.74% at year-end. High yield spreads reached their highs in July 2022 at a level of 5.80% before trading lower the remainder of the year. A spike in both the BAA OAS and High Yield spreads is visible in March following a short-lived banking crisis of confidence addressed quickly by the FDIC and supported further by the Fed's aggressive short-term par loan program. Both spread measures traded lower on the news of the Government's intervention but were still elevated from pre-crisis levels at the end of the quarter.

- The lower graph provides a snapshot of the US Treasury yield curve at the end of each of the last four quarters. Short-term rates continued to rise during the 1st quarter as the Fed increased interest rates twice to combat elevated inflation. Despite these short-term rate increases, at the end of the quarter both intermediate and longer-term yields were slightly lower than they were at the end of the 3rd quarter of 2022. The yield curve remains inverted (short-term rates higher than long-term rates) between 2-year and 10-year maturities. Historically, a persistent inversion of these two key rates has been a precursor of an economic recession within 6- to 24-months.

1-Year Trailing Market Rates



Treasury Yield Curve



Source: US Department of Treasury, FRED (Federal Reserve of St. Louis)

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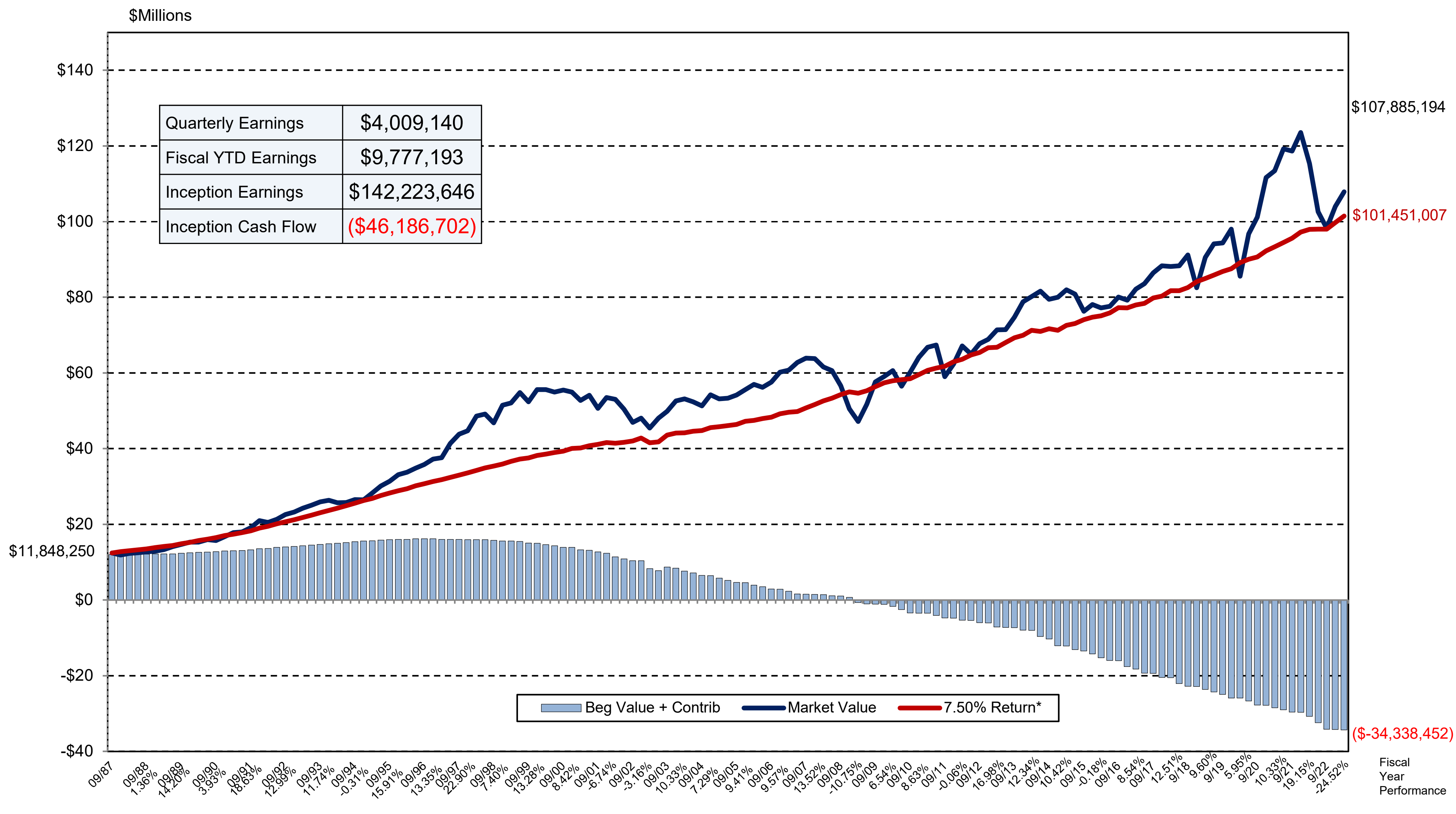
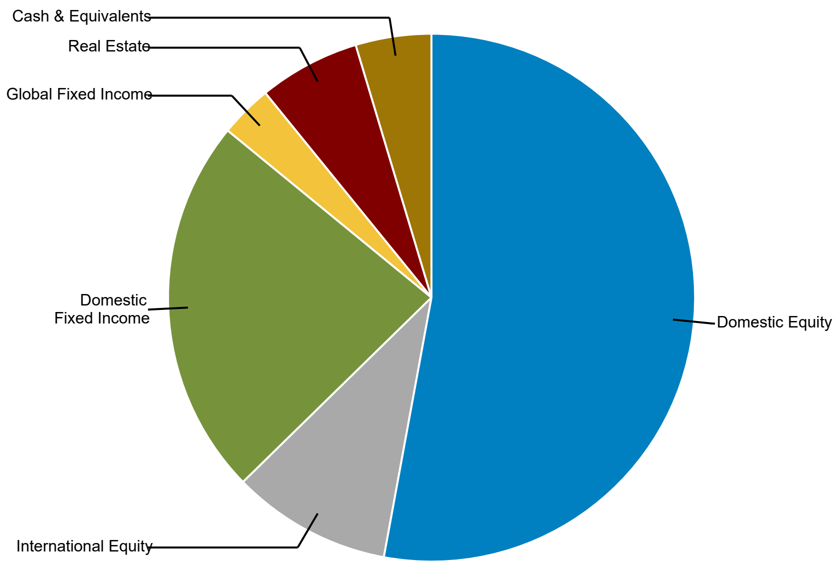


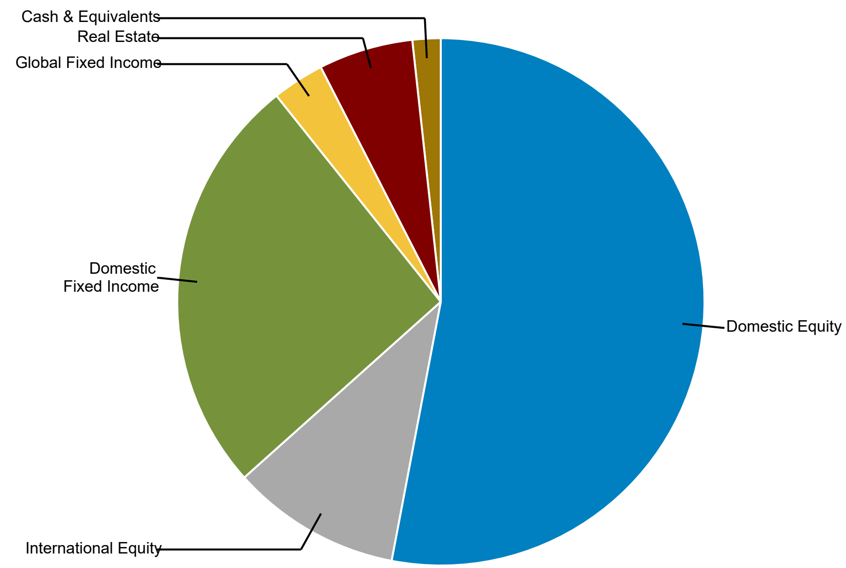
Quarterly Earnings	$4,009,140
Fiscal YTD Earnings	$9,777,193
Inception Earnings	$142,223,646
Inception Cash Flow	($46,186,702)

Fiscal 1988 to Present (34 yrs) Annualized Return = 11.08%

*The 7.50% hypothetical portfolio growth rate was calculated using a "beginning of period" cash flow assumption
The assumed rate of return was changed from 8% to 7.9% effective 10/01/2016, to 7.75% effective 10/01/2019, to 7.60% effective 10/01/2020, and to 7.50% effective 10/01/2021.

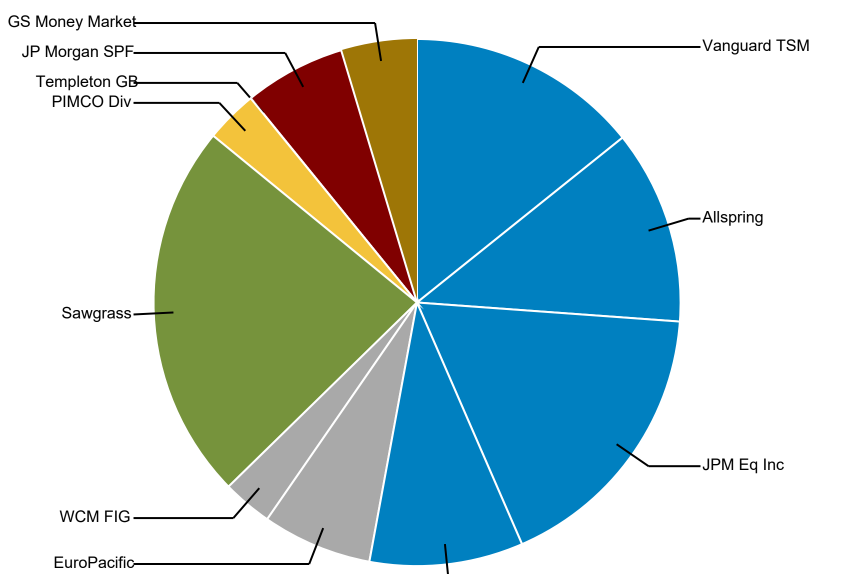
Dec-2022 : $103,983,099	Mar-2023 : $107,885,194

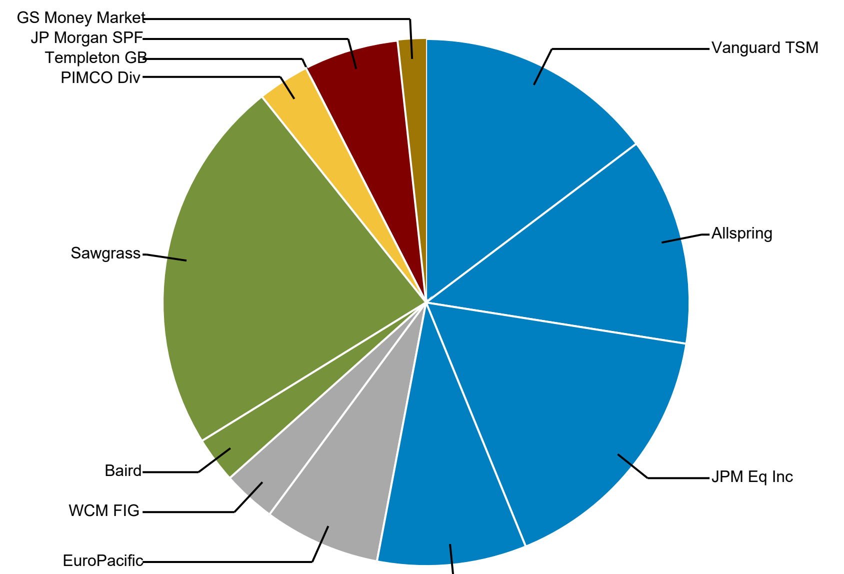




Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Domestic Equity	55,001,516	52.9	Domestic Equity	57,172,527	53.0
International Equity	10,189,363	9.8	International Equity	11,217,761	10.4
Domestic Fixed Income	24,144,680	23.2	Domestic Fixed Income	27,934,026	25.9
Global Fixed Income	3,350,366	3.2	Global Fixed Income	3,437,581	3.2
Real Estate	6,464,233	6.2	Real Estate	6,254,193	5.8
Cash & Equivalents	4,832,940	4.6	Cash & Equivalents	1,869,105	1.7

Dec-2022 : $103,983,099	Mar-2023 : $107,885,194





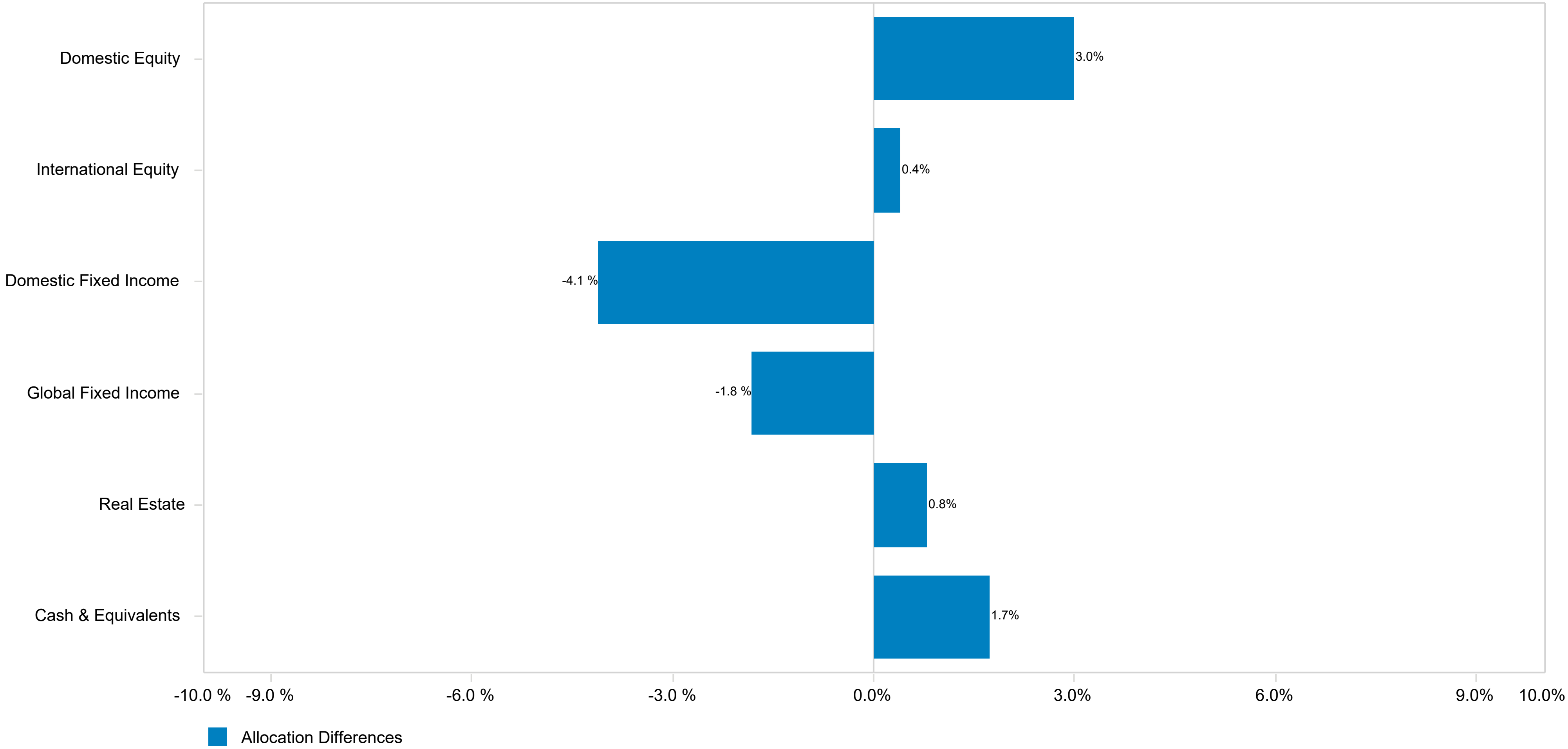
Allocation

	Market Value	Allocation
Vanguard TSM	14,802,799	14.2
Allspring	12,390,915	11.9
JPM Eq Inc	18,013,425	17.3
Eaton Vance SMID	9,794,377	9.4
EuroPacific	7,005,401	6.7
WCM FIG	3,183,962	3.1
Baird	-	0.0
Sawgrass	24,144,680	23.2
PIMCO Div	3,336,833	3.2
Templeton GB	13,533	0.0
JP Morgan SPF	6,464,233	6.2
GS Money Market	4,832,940	4.6

Allocation

	Market Value	Allocation
Vanguard TSM	15,861,503	14.7
Allspring	13,806,296	12.8
JPM Eq Inc	17,613,856	16.3
Eaton Vance SMID	9,890,873	9.2
EuroPacific	7,696,940	7.1
WCM FIG	3,520,821	3.3
Baird	3,028,950	2.8
Sawgrass	24,905,076	23.1
PIMCO Div	3,423,790	3.2
Templeton GB	13,791	0.0
JP Morgan SPF	6,254,193	5.8
GS Money Market	1,869,105	1.7

Asset Allocation vs. Target Allocation



	Market Value $	Allocation (%)	Target (%)
Domestic Equity	57,172,527	53.0	50.0
International Equity	11,217,761	10.4	10.0
Domestic Fixed Income	27,934,026	25.9	30.0
Global Fixed Income	3,437,581	3.2	5.0
Real Estate	6,254,193	5.8	5.0
Cash & Equivalents	1,869,105	1.7	0.0
Total Fund	**107,885,194**	**100.0**	**100.0**

Asset Allocation Attributes

	Domestic Equity		International Equity		Domestic Fixed Income		Global Fixed Income		Real Estate		Cash Equivalent		Total Fund	
	($)	%	($)	%	($)	%	($)	%	($)	%	($)	%	($)	%
Total Equity	**56,909,416**	**83.21**	**11,217,761**	**16.40**	**-**	**-**	**-**	**-**	**-**	**-**	**263,111**	**0.38**	**68,390,288**	**63.39**
Total Domestic Equity	**56,909,416**	**99.54**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**263,111**	**0.46**	**57,172,527**	**52.99**
Vanguard Total Stk Mkt Index (VITSX)	15,861,503	100.00	-	-	-	-	-	-	-	-	-	-	15,861,503	14.70
Allspring	13,543,185	98.09	-	-	-	-	-	-	-	-	263,111	1.91	13,806,296	12.80
JP Morgan Equity Income R6 (OIEJX)	17,613,856	100.00	-	-	-	-	-	-	-	-	-	-	17,613,856	16.33
Eaton Vance Atlanta Cap SMID R6 (ERASX)	9,890,873	100.00	-	-	-	-	-	-	-	-	-	-	9,890,873	9.17
Total International Equity	**-**	**-**	**11,217,761**	**100.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11,217,761**	**10.40**
EuroPacific Growth Fund (RERGX)	-	-	7,696,940	100.00	-	-	-	-	-	-	-	-	7,696,940	7.13
WCM Focused Int'l Growth (WCMIX)	-	-	3,520,821	100.00	-	-	-	-	-	-	-	-	3,520,821	3.26
Total Fixed Income	**-**	**-**	**-**	**-**	**27,787,026**	**88.57**	**3,437,581**	**10.96**	**-**	**-**	**147,001**	**0.47**	**31,371,608**	**29.08**
Total Domestic Fixed Income	**-**	**-**	**-**	**-**	**27,787,026**	**99.47**	**-**	**-**	**-**	**-**	**147,001**	**0.53**	**27,934,026**	**25.89**
Baird Short-Term Bond Fund (BSBIX)	-	-	-	-	3,028,950	100.00	-	-	-	-	-	-	3,028,950	2.81
Sawgrass	-	-	-	-	24,758,076	99.41	-	-	-	-	147,001	0.59	24,905,076	23.08
Total Global Fixed Income	**-**	**-**	**-**	**-**	**-**	**-**	**3,437,581**	**100.00**	**-**	**-**	**-**	**-**	**3,437,581**	**3.19**
PIMCO Diversified Income (PDIIX)	-	-	-	-	-	-	3,423,790	100.00	-	-	-	-	3,423,790	3.17
Templeton Global Bond (FBNRX)	-	-	-	-	-	-	13,791	100.00	-	-	-	-	13,791	0.01
Total Real Estate	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6,254,193**	**100.00**	**1**	**0.00**	**6,254,193**	**5.80**
JP Morgan Strategic Property Fund	-	-	-	-	-	-	-	-	6,254,193	100.00	1	0.00	6,254,193	5.80
Goldman Sachs Fin Sq Money Market	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,869,105**	**100.00**	**1,869,105**	**1.73**
Total Fund	**56,909,416**	**52.75**	**11,217,761**	**10.40**	**27,787,026**	**25.76**	**3,437,581**	**3.19**	**6,254,193**	**5.80**	**2,279,218**	**2.11**	**07,885,194**	**100.00**

Financial Reconciliation Quarter to Date

	Market Value 01/01/2023	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Apprec./ Deprec.	Market Value 03/31/2023
Total Equity	**65,190,880**	**-**	**247**	**-**	**-13,473**	**-2,479**	**183,183**	**3,031,932**	**68,390,288**
Total Domestic Equity	**55,001,516**	**-**	**247**	**-**	**-13,473**	**-2,479**	**183,183**	**2,003,534**	**57,172,527**
Vanguard Total Stk Mkt Index (VITSX)	14,802,799	-	-	-	-	-	60,852	997,851	15,861,503
Allspring	12,390,915	-	247	-	-13,473	-2,479	18,016	1,413,070	13,806,296
JP Morgan Equity Income R6 (OIEJX)	18,013,425	-	-	-	-	-	104,315	-503,884	17,613,856
Eaton Vance Atlanta Capital SMID-Cap R6 (ERASX)	9,794,377	-	-	-	-	-	-	96,496	9,890,873
Total International Equity	**10,189,363**	**-**	**-**	**-**	**-**	**-**	**-**	**1,028,397**	**11,217,761**
EuroPacific Growth Fund (RERGX)	7,005,401	-	-	-	-	-	-	691,539	7,696,940
WCM Focused Int'l Growth (WCMIX)	3,183,962	-	-	-	-	-	-	336,859	3,520,821
Total Fixed Income	**27,495,046**	**3,000,000**	**-**	**-**	**-15,096**	**-4,631**	**233,725**	**662,563**	**31,371,608**
Total Domestic Fixed Income	**24,144,680**	**3,000,000**	**-**	**-**	**-15,096**	**-4,631**	**194,228**	**614,845**	**27,934,026**
Baird Short-Term Bond Fund (BSBIX)	-	3,000,000	-	-	-	-	15,900	13,050	3,028,950
Sawgrass	24,144,680	-	-	-	-15,096	-4,631	178,328	601,795	24,905,076
Total Global Fixed Income	**3,350,366**	**-**	**-**	**-**	**-**	**-**	**39,497**	**47,718**	**3,437,581**
PIMCO Diversified Income (PDIIX)	3,336,833	-	-	-	-	-	39,360	47,597	3,423,790
Templeton Global Bond (FBNRX)	13,533	-	-	-	-	-	138	121	13,791
Total Real Estate	**6,464,233**	**-**	**-**	**-**	**-17,049**	**-**	**-**	**-192,990**	**6,254,193**
JP Morgan Strategic Property Fund	6,464,233	-	-	-	-17,049	-	-	-192,990	6,254,193
Goldman Sachs Fin Sq Money Market	**4,832,940**	**-3,000,000**	**96**	**-**	**-**	**-**	**36,069**	**-**	**1,869,105**
Total Fund	**103,983,099**	**-**	**342**	**-**	**-45,619**	**-7,110**	**452,978**	**3,501,504**	**107,885,194**

Financial Reconciliation Fiscal Year to Date

	Market Value 10/01/2022	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Apprec./ Deprec.	Market Value 03/31/2023
Total Equity	**59,774,234**	**-**	**2,054**	**-**	**-31,060**	**-4,913**	**1,704,649**	**6,945,325**	**68,390,288**
Total Domestic Equity	**50,808,899**	**-**	**2,054**	**-**	**-31,060**	**-4,913**	**1,599,508**	**4,798,040**	**57,172,527**
Vanguard Total Stk Mkt Index (VITSX)	13,814,223	-	-	-	-	-	132,533	1,914,746	15,861,503
Allspring	12,280,959	-	2,054	-	-31,060	-4,913	37,258	1,521,999	13,806,296
JP Morgan Equity Income R6 (OIEJX)	15,940,312	-	-	-	-	-	515,864	1,157,680	17,613,856
Eaton Vance Atlanta Capital SMID-Cap R6 (ERASX)	8,773,405	-	-	-	-	-	913,853	203,615	9,890,873
Total International Equity	**8,965,335**	**-**	**-**	**-**	**-**	**-**	**105,141**	**2,147,285**	**11,217,761**
EuroPacific Growth Fund (RERGX)	6,156,723	-	-	-	-	-	101,800	1,438,417	7,696,940
WCM Focused Int'l Growth (WCMIX)	2,808,611	-	-	-	-	-	3,341	708,868	3,520,821
Total Fixed Income	**26,882,195**	**3,000,000**	**-**	**-**	**-29,898**	**-9,067**	**449,815**	**1,078,563**	**31,371,608**
Total Domestic Fixed Income	**23,684,323**	**3,000,000**	**-**	**-**	**-29,898**	**-9,067**	**352,593**	**936,076**	**27,934,026**
Baird Short-Term Bond Fund (BSBIX)	-	3,000,000	-	-	-	-	15,900	13,050	3,028,950
Sawgrass	23,684,323	-	-	-	-29,898	-9,067	336,693	923,026	24,905,076
Total Global Fixed Income	**3,197,872**	**-**	**-**	**-**	**-**	**-**	**97,223**	**142,487**	**3,437,581**
PIMCO Diversified Income (PDIIX)	3,185,431	-	-	-	-	-	96,938	141,421	3,423,790
Templeton Global Bond (FBNRX)	12,441	-	-	-	-	-	285	1,065	13,791
Total Real Estate	**6,819,792**	**-**	**-**	**-**	**-34,360**	**-**	**13,290**	**-544,529**	**6,254,193**
JP Morgan Strategic Property Fund	6,819,792	-	-	-	-34,360	-	13,290	-544,529	6,254,193
Goldman Sachs Fin Sq Money Market	**4,793,484**	**-3,000,000**	**200**	**-**	**-**	**-**	**75,422**	**-**	**1,869,105**
Total Fund	**98,269,705**	**-**	**2,253**	**-**	**-95,317**	**-13,981**	**2,243,176**	**7,479,358**	**107,885,194**

Comparative Performance Trailing Returns

	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		10 YR		Inception		Inception Date
Total Fund (Gross)	**3.80**	**(76)**	**9.90**	**(62)**	**-5.87**	**(60)**	**9.87**	**(70)**	**6.44**	**(29)**	**7.54**	**(35)**	**7.13**	**(34)**	**5.91**	**(36)**	**07/01/1999**
Total Fund Policy	5.18	(19)	10.87	(42)	-6.46	(79)	9.63	(75)	6.56	(25)	7.53	(35)	7.17	(33)	5.75	(45)	
All Public Plans-Total Fund Median	4.44		10.41		-5.50		10.62		5.96		7.18		6.76		5.66		
Total Fund (Net)	**3.76**		**9.80**		**-6.04**		**9.66**		**6.20**		**7.28**		**6.86**		**5.60**		**07/01/1999**
Total Fund Policy	5.18		10.87		-6.46		9.63		6.56		7.53		7.17		5.75		
Total Equity	**4.93**		**14.47**		**-7.19**		**16.39**		**8.82**		**10.65**		**10.11**		**6.34**		**07/01/1999**
Total Equity Policy	7.15		16.20		-7.82		17.48		9.20		11.06		10.54		6.25		
Total Domestic Equity	**3.98**	**(77)**	**12.59**	**(82)**	**-7.83**	**(64)**	**17.18**	**(67)**	**9.67**	**(67)**	**11.18**	**(71)**	**10.86**	**(83)**	**6.32**	**(97)**	**07/01/1999**
Total Domestic Equity Policy	7.18	(33)	14.88	(55)	-8.58	(81)	18.48	(46)	10.45	(44)	11.99	(51)	11.73	(65)	6.57	(94)	
IM U.S. Large Cap Core Equity (SA+CF) Median	6.38		15.04		-6.96		18.28		10.33		12.07		12.05		7.53		
Vanguard Total Stk Mkt Index (VITSX)	7.15	(29)	14.82	(48)	-8.77	(69)	18.36	(38)	10.37	(21)	11.93	(20)	11.69	(15)	11.69	(15)	04/01/2013
Vanguard Total Stock Market Index	7.15	(29)	14.81	(49)	-8.77	(69)	18.37	(37)	10.37	(21)	11.94	(19)	11.69	(15)	11.69	(15)	
IM U.S. Multi-Cap Core Equity (MF) Median	6.16		14.74		-7.58		17.76		8.92		10.44		10.30		10.30		
Allspring	11.55	(57)	12.71	(90)	-13.94	(79)	12.59	(89)	9.25	(86)	12.34	(81)	N/A		10.67	(85)	06/01/2014
Russell 1000 Growth Index	14.37	(31)	16.88	(45)	-10.90	(52)	18.58	(23)	13.66	(18)	15.01	(21)	14.59	(23)	13.55	(20)	
IM U.S. Large Cap Growth Equity (SA+CF) Median	12.34		16.57		-10.55		16.37		11.79		13.66		13.53		12.39		
JP Morgan Equity Income R6 (OIEJX)	-2.22	(97)	10.50	(92)	-4.05	(37)	18.16	(50)	N/A		N/A		N/A		10.32	(41)	06/01/2019
Russell 1000 Value Index	1.01	(33)	13.55	(48)	-5.91	(67)	17.93	(54)	7.50	(67)	9.02	(68)	9.13	(58)	9.21	(68)	
IM U.S. Large Cap Value Equity (MF) Median	0.15		13.51		-4.96		18.15		8.02		9.60		9.36		10.06		
Eaton Vance Atlanta Capital SMID-Cap R6 (ERASX)	0.99	(78)	12.74	(51)	-3.30	(19)	19.95	(41)	9.61	(4)	11.57	(2)	11.91	(1)	13.33	(1)	09/01/2011
Russell 2500 Index	3.39	(36)	11.07	(76)	-10.39	(86)	19.42	(52)	6.65	(54)	9.46	(33)	9.07	(34)	10.67	(29)	
IM U.S. Mid Cap Core Equity (MF) Median	2.31		12.78		-6.60		19.49		6.91		8.51		8.47		10.04		

Returns for periods greater than one year are annualized. Returns are expressed as percentages.
Long-term results are a blend of A-share returns up to 3/1/2010 and then R6-share returns.

	QTR	FYTD	1 YR	3 YR	5 YR	7 YR	10 YR	Inception	Inception Date
Total International Equity	**10.09 (6)**	**25.12 (60)**	**-3.78 (71)**	**12.56 (62)**	**4.67 (4)**	**7.99 (3)**	**6.38 (5)**	**6.19 (1)**	**07/01/1999**
Total International Equity Policy	7.00 (73)	22.38 (85)	-4.56 (80)	12.32 (68)	2.97 (36)	6.37 (19)	4.65 (48)	4.18 (37)	
IM International Multi-Cap Core Equity (MF) Median	7.84	25.98	-2.43	12.94	2.53	5.79	4.61	4.00	
EuroPacific Growth Fund (RERGX)	9.87 (8)	25.02 (61)	-3.26 (65)	12.13 (72)	3.25 (28)	7.02 (6)	5.99 (6)	4.05 (4)	06/01/2007
Total International Equity Policy	7.00 (73)	22.38 (85)	-4.56 (80)	12.32 (68)	2.97 (36)	6.37 (19)	4.65 (48)	2.16 (49)	
IM International Multi-Cap Core Equity (MF) Median	7.84	25.98	-2.43	12.94	2.53	5.79	4.61	2.11	
WCM Focused Int'l Growth (WCMIX)	10.58 (31)	25.36 (50)	-4.89 (68)	13.68 (14)	8.51 (2)	10.54 (3)	N/A	8.97 (1)	06/01/2015
MSCI AC World ex USA	7.00 (86)	22.38 (79)	-4.56 (66)	12.32 (39)	2.97 (66)	6.37 (53)	4.65 (74)	3.97 (57)	
IM International Large Cap Growth Equity (MF) Median	9.63	25.34	-3.35	11.75	3.59	6.46	5.31	4.15	
Total Fixed Income	**3.05**	**5.47**	**-4.32**	**-2.41**	**0.90**	**1.19**	**1.45**	**4.08**	**07/01/1999**
Total Fixed Income Policy	3.01	4.85	-5.53	-3.75	0.29	0.37	0.95	3.72	
Total Domestic Fixed Income	**3.09 (65)**	**5.18 (38)**	**-4.27 (21)**	**-2.37 (76)**	**1.39 (41)**	**1.39 (53)**	**1.69 (66)**	**4.16 (82)**	**07/01/1999**
Total Domestic Fixed Income Policy	2.92 (84)	4.41 (90)	-4.85 (70)	-3.50 (100)	0.73 (100)	0.60 (100)	1.18 (100)	3.85 (99)	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	3.17	5.07	-4.68	-1.78	1.34	1.41	1.78	4.42	
Baird Short-Term Bond Fund (BSBIX)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.03 (31)	03/01/2023
Blmbg. 1-3 Year Gov/Credit	1.51 (50)	2.41 (62)	0.26 (49)	-0.38 (92)	1.26 (61)	1.04 (74)	1.01 (62)	1.46 (5)	
IM U.S. Short Term Investment Grade (MF) Median	1.50	2.57	0.23	1.30	1.38	1.35	1.12	0.72	
Sawgrass	3.23 (41)	5.33 (25)	-4.14 (16)	-2.32 (75)	1.42 (38)	1.41 (51)	1.70 (64)	3.68 (76)	07/01/2002
BofA Merrill Lynch Domestic Master A or Better	2.92 (84)	4.41 (90)	-4.85 (70)	-3.50 (100)	0.73 (100)	0.60 (100)	1.18 (100)	3.25 (99)	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	3.17	5.07	-4.68	-1.78	1.34	1.41	1.78	3.84	
Total Global Fixed Income	**2.60 (62)**	**7.50 (37)**	**-4.75 (40)**	**-2.78 (73)**	**-2.33 (91)**	**-0.17 (76)**	**-0.21 (82)**	**1.17 (50)**	**12/01/2010**
Total Global Fixed Income Policy	3.51 (8)	7.47 (37)	-9.55 (87)	-5.29 (99)	-2.35 (91)	-1.06 (94)	-0.60 (90)	0.06 (93)	
IM Global Fixed Income (MF) Median	2.76	6.15	-6.10	-1.50	-0.41	0.40	0.35	1.14	
PIMCO Diversified Income (PDIIX)	2.61 (62)	7.48 (37)	-4.75 (40)	N/A	N/A	N/A	N/A	-3.14 (27)	09/01/2020
Blmbg. Global Multiverse	3.02 (33)	7.87 (31)	-7.90 (67)	-3.06 (80)	-1.23 (63)	-0.06 (74)	0.22 (60)	-6.03 (67)	
IM Global Fixed Income (MF) Median	2.76	6.15	-6.10	-1.50	-0.41	0.40	0.35	-4.59	
Total Real Estate	**-2.99 (56)**	**-7.82 (39)**	**-4.70 (64)**	**7.03 (74)**	**6.57 (75)**	**6.96 (75)**	**N/A**	**7.19 (N/A)**	**11/01/2015**
NCREIF Fund Index-ODCE (EW)	-3.31 (68)	-8.04 (45)	-2.93 (54)	9.07 (23)	8.03 (44)	8.14 (48)	9.73 (55)	8.50 (N/A)	
IM U.S. Open End Private Real Estate (SA+CF) Median	-2.98	-8.52	-2.86	8.58	7.94	8.11	9.85	N/A	

Returns for periods greater than one year are annualized. Returns are expressed as percentages.
Long-term results are a blend of A-share returns up to 3/1/2010 and then R6-share returns.

	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		10 YR		Inception		Inception Date
JP Morgan Strategic Property Fund	-2.99	(56)	-7.82	(39)	-4.70	(64)	7.03	(74)	6.57	(75)	6.96	(75)	N/A		7.19	(N/A)	11/01/2015
NCREIF Fund Index-ODCE (EW)	-3.31	(68)	-8.04	(45)	-2.93	(54)	9.07	(23)	8.03	(44)	8.14	(48)	9.73	(55)	8.50	(N/A)	
IM U.S. Open End Private Real Estate (SA+CF) Median	-2.98		-8.52		-2.86		8.58		7.94		8.11		9.85		N/A		

Returns for periods greater than one year are annualized. Returns are expressed as percentages.
Long-term results are a blend of A-share returns up to 3/1/2010 and then R6-share returns.

Comparative Performance Fiscal Year Returns

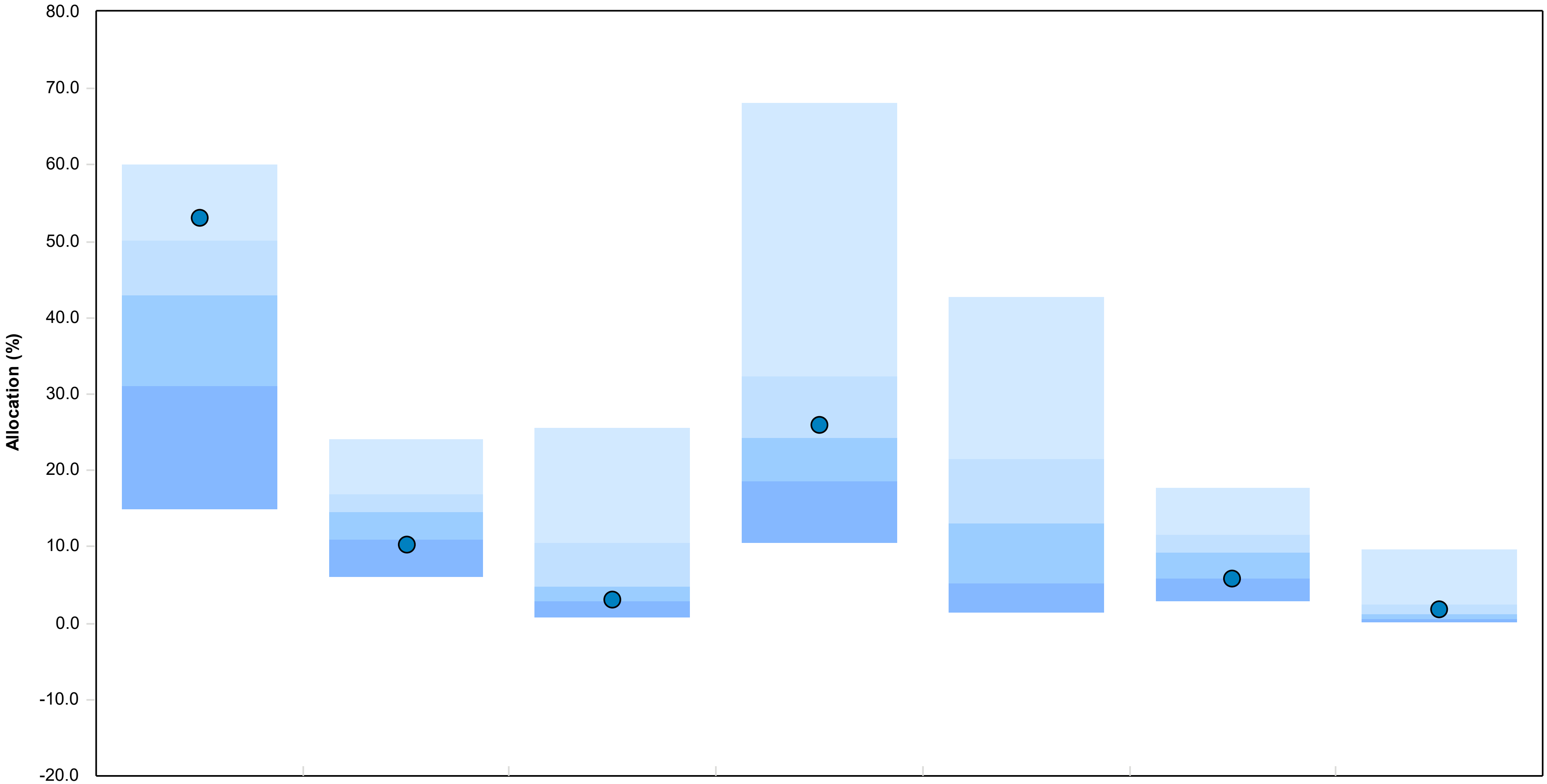
	FYTD		FY2022		FY2021		FY2020		FY2019		FY2018		FY2017		FY2016		FY2015		FY2014		FY2013	
Total Fund (Gross)	**9.90**	**(62)**	**-15.92**	**(64)**	**19.15**	**(63)**	**10.33**	**(30)**	**5.95**	**(7)**	**9.60**	**(19)**	**12.51**	**(33)**	**8.54**	**(70)**	**-0.18**	**(34)**	**10.42**	**(34)**	**12.34**	**(43)**
Total Fund Policy	10.87	(42)	-15.51	(59)	17.79	(79)	11.98	(13)	5.60	(11)	8.78	(33)	11.21	(66)	10.87	(12)	-0.27	(36)	10.02	(43)	10.00	(79)
All Public Plans-Total Fund Median	10.41		-14.76		19.92		8.51		3.99		7.88		11.72		9.37		-0.69		9.64		11.85	
Total Fund (Net)	**9.80**		**-16.08**		**18.92**		**10.10**		**5.68**		**9.27**		**12.20**		**8.24**		**-0.46**		**10.14**		**11.99**	
Total Fund Policy	10.87		-15.51		17.79		11.98		5.60		8.78		11.21		10.87		-0.27		10.02		10.00	
Total Equity	**14.47**		**-20.25**		**29.44**		**13.12**		**4.31**		**15.27**		**18.98**		**10.31**		**-1.24**		**14.76**		**22.58**	
Total Equity Policy	16.20		-18.84		30.62		13.00		2.32		14.88		19.01		14.09		-2.46		15.49		20.82	
Total Domestic Equity	**12.59**	**(82)**	**-17.48**	**(76)**	**30.17**	**(55)**	**12.25**	**(54)**	**4.57**	**(35)**	**17.61**	**(48)**	**18.82**	**(54)**	**10.36**	**(81)**	**-0.43**	**(60)**	**17.20**	**(74)**	**23.21**	**(22)**
Total Domestic Equity Policy	14.88	(55)	-17.63	(79)	31.88	(38)	15.00	(41)	2.92	(52)	17.58	(48)	18.71	(56)	14.96	(29)	-0.49	(62)	17.76	(70)	21.60	(37)
IM U.S. Large Cap Core Equity (SA+CF) Median	15.04		-14.92		30.77		13.00		3.15		17.39		19.02		13.18		0.11		19.26		20.55	
Vanguard Total Stk Mkt Index (VITSX)	14.82	(48)	-18.01	(60)	32.10	(35)	15.01	(24)	2.89	(38)	17.62	(22)	18.64	(43)	15.00	(11)	-0.57	(38)	17.76	(30)	N/A	
Vanguard Total Stock Market Index	14.81	(49)	-17.98	(59)	32.11	(35)	14.99	(25)	2.92	(36)	17.62	(22)	18.64	(43)	14.99	(11)	-0.55	(37)	17.77	(30)	21.50	(58)
IM U.S. Multi-Cap Core Equity (MF) Median	14.74		-17.30		30.66		11.15		1.49		15.61		18.24		11.19		-1.56		16.33		22.28	
Allspring	12.71	(90)	-32.24	(85)	27.92	(40)	32.12	(59)	4.05	(47)	31.58	(12)	21.11	(50)	7.33	(91)	2.27	(68)	N/A		N/A	
Russell 1000 Growth Index	16.88	(45)	-22.59	(40)	27.32	(49)	37.53	(31)	3.71	(52)	26.30	(39)	21.94	(39)	13.76	(22)	3.17	(58)	19.15	(39)	19.27	(65)
IM U.S. Large Cap Growth Equity (SA+CF) Median	16.57		-25.12		27.23		33.78		3.80		24.84		21.08		11.85		3.89		18.17		20.28	
JP Morgan Equity Income R6 (OIEJX)	10.50	(92)	-5.35	(9)	30.30	(70)	-1.84	(40)	N/A		N/A		N/A		N/A		N/A		N/A		N/A	
Russell 1000 Value Index	13.55	(48)	-11.36	(67)	35.01	(41)	-5.03	(72)	4.00	(41)	9.45	(70)	15.12	(80)	16.19	(20)	-4.42	(48)	18.89	(15)	22.30	(50)
IM U.S. Large Cap Value Equity (MF) Median	13.51		-9.58		33.01		-2.87		3.14		11.93		17.34		13.33		-4.54		17.04		22.25	
Eaton Vance Atlanta Capital SMID-Cap R6 (ERASX)	12.74	(51)	-10.30	(23)	35.19	(70)	-4.86	(58)	8.64	(6)	23.40	(1)	17.45	(24)	16.60	(11)	10.23	(1)	6.42	(98)	28.93	(34)
Russell 2500 Index	11.07	(76)	-21.11	(94)	45.03	(16)	2.22	(29)	-4.04	(86)	16.19	(7)	17.79	(21)	14.44	(25)	0.38	(24)	8.97	(87)	29.79	(30)
IM U.S. Mid Cap Core Equity (MF) Median	12.78		-14.07		37.86		-2.64		1.86		9.96		15.17		11.88		-1.28		12.77		27.41	

Returns for periods greater than one year are annualized. Returns are expressed as percentages.
Long-term results are a blend of A-share returns up to 3/1/2010 and then R6-share returns.

	FYTD	FY2022	FY2021	FY2020	FY2019	FY2018	FY2017	FY2016	FY2015	FY2014	FY2013
Total International Equity	**25.12 (60)**	**-33.14 (99)**	**26.08 (32)**	**17.64 (1)**	**2.98 (3)**	**3.92 (9)**	**19.54 (39)**	**10.02 (13)**	**-5.38 (21)**	**3.35 (76)**	**19.56 (57)**
Total International Equity Policy	22.38 (85)	-24.79 (28)	24.45 (58)	3.45 (25)	-0.72 (16)	2.25 (33)	20.15 (28)	9.80 (15)	-11.78 (89)	5.22 (32)	16.98 (77)
IM International Multi-Cap Core Equity (MF) Median	25.98	-25.66	24.90	1.13	-2.76	1.53	19.08	6.44	-7.80	4.44	20.58
EuroPacific Growth Fund (RERGX)	25.02 (61)	-32.85 (99)	24.76 (53)	14.97 (1)	1.14 (8)	1.47 (52)	20.63 (22)	8.52 (30)	-4.93 (18)	6.98 (12)	18.28 (66)
Total International Equity Policy	22.38 (85)	-24.79 (28)	24.45 (58)	3.45 (25)	-0.72 (16)	2.25 (33)	20.15 (28)	9.80 (15)	-11.78 (89)	5.22 (32)	16.98 (77)
IM International Multi-Cap Core Equity (MF) Median	25.98	-25.66	24.90	1.13	-2.76	1.53	19.08	6.44	-7.80	4.44	20.58
WCM Focused Int'l Growth (WCMIX)	25.36 (50)	-33.75 (82)	29.48 (8)	24.57 (10)	8.07 (2)	11.23 (1)	16.14 (74)	14.84 (5)	N/A	N/A	N/A
MSCI AC World ex USA	22.38 (79)	-24.79 (9)	24.45 (29)	3.45 (91)	-0.72 (71)	2.25 (54)	20.15 (15)	9.80 (19)	-11.78 (94)	5.22 (38)	16.98 (72)
IM International Large Cap Growth Equity (MF) Median	25.34	-28.73	20.62	14.87	1.35	2.48	17.62	7.50	-5.60	4.36	19.50
Total Fixed Income	**5.47**	**-14.48**	**-0.66**	**6.37**	**9.60**	**-0.75**	**2.27**	**5.32**	**1.24**	**3.85**	**-0.61**
Total Fixed Income Policy	4.85	-15.16	-2.15	7.04	9.87	-1.30	-0.85	5.35	2.64	3.08	-2.19
Total Domestic Fixed Income	**5.18 (38)**	**-14.03 (24)**	**-1.34 (95)**	**7.81 (40)**	**10.94 (20)**	**-0.56 (32)**	**0.69 (45)**	**6.06 (31)**	**2.40 (84)**	**3.52 (95)**	**-1.13 (43)**
Total Domestic Fixed Income Policy	4.41 (90)	-13.95 (22)	-1.95 (99)	7.08 (71)	10.16 (77)	-1.27 (95)	-0.55 (100)	4.63 (95)	3.58 (11)	3.53 (95)	-1.90 (90)
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	5.07	-14.51	-0.04	7.54	10.42	-0.74	0.62	5.66	3.02	4.43	-1.28
Baird Short-Term Bond Fund (BSBIX)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Blmbg. 1-3 Year Gov/Credit	2.41 (62)	-5.07 (48)	0.30 (77)	3.73 (19)	4.64 (24)	0.20 (79)	0.66 (83)	1.31 (67)	1.19 (11)	0.77 (67)	0.62 (41)
IM U.S. Short Term Investment Grade (MF) Median	2.57	-5.21	0.96	2.67	3.94	0.84	1.25	1.66	0.37	1.09	0.45
Sawgrass	5.33 (25)	-14.03 (24)	-1.34 (95)	7.81 (40)	10.94 (20)	-0.56 (32)	0.69 (45)	6.06 (31)	2.39 (85)	3.52 (95)	-1.13 (43)
BofA Merrill Lynch Domestic Master A or Better	4.41 (90)	-13.95 (22)	-1.95 (99)	7.08 (71)	10.16 (77)	-1.27 (95)	-0.55 (100)	4.63 (95)	3.58 (11)	3.53 (95)	-1.90 (90)
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	5.07	-14.51	-0.04	7.54	10.42	-0.74	0.62	5.66	3.02	4.43	-1.28
Total Global Fixed Income	**7.50 (37)**	**-17.63 (51)**	**4.45 (8)**	**-3.51 (100)**	**1.16 (100)**	**-1.95 (65)**	**13.36 (1)**	**0.84 (100)**	**-7.57 (92)**	**6.46 (10)**	**3.52 (3)**
Total Global Fixed Income Policy	7.47 (37)	-22.14 (80)	-3.33 (99)	6.77 (12)	8.13 (39)	-1.54 (54)	-2.69 (94)	9.71 (20)	-3.83 (50)	-0.07 (96)	-4.60 (82)
IM Global Fixed Income (MF) Median	6.15	-17.63	0.89	5.39	7.65	-1.33	1.10	7.40	-3.88	3.35	-1.81
PIMCO Diversified Income (PDIIX)	7.48 (37)	-17.64 (51)	4.82 (6)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Blmbg. Global Multiverse	7.87 (31)	-20.34 (63)	-0.45 (79)	5.99 (33)	7.54 (51)	-1.32 (50)	-0.56 (78)	9.23 (25)	-3.56 (42)	1.40 (79)	-2.22 (57)
IM Global Fixed Income (MF) Median	6.15	-17.63	0.89	5.39	7.65	-1.33	1.10	7.40	-3.88	3.35	-1.81
Total Real Estate	**-7.82 (39)**	**19.06 (64)**	**14.05 (63)**	**1.77 (43)**	**3.92 (90)**	**8.01 (72)**	**7.58 (54)**	**N/A**	**N/A**	**N/A**	**N/A**
NCREIF Fund Index-ODCE (EW)	-8.04 (45)	22.76 (41)	15.75 (52)	1.74 (44)	6.17 (69)	8.82 (58)	7.81 (51)	10.62 (68)	14.71 (56)	12.39 (69)	12.47 (66)
IM U.S. Open End Private Real Estate (SA+CF) Median	-8.52	20.46	15.91	1.62	6.80	8.98	7.83	11.18	15.20	12.90	13.22
JP Morgan Strategic Property Fund	-7.82 (39)	19.06 (64)	14.05 (63)	1.77 (43)	3.92 (90)	8.01 (72)	7.58 (54)	N/A	N/A	N/A	N/A
NCREIF Fund Index-ODCE (EW)	-8.04 (45)	22.76 (41)	15.75 (52)	1.74 (44)	6.17 (69)	8.82 (58)	7.81 (51)	10.62 (68)	14.71 (56)	12.39 (69)	12.47 (66)
IM U.S. Open End Private Real Estate (SA+CF) Median	-8.52	20.46	15.91	1.62	6.80	8.98	7.83	11.18	15.20	12.90	13.22

Returns for periods greater than one year are annualized. Returns are expressed as percentages.
Long-term results are a blend of A-share returns up to 3/1/2010 and then R6-share returns.

Plan Sponsor TF Asset Allocation vs. All Public Plans-Total Fund



	US Equity	Global ex-US Equity	Global Fixed Income	US Fixed	Alternatives	Total Real Estate	Cash & Equivalents
● Total Fund	52.99 (16)	10.40 (80)	3.19 (73)	25.89 (43)	N/A	5.80 (77)	1.73 (39)
5th Percentile	60.02	24.10	25.46	68.11	42.70	17.75	9.58
1st Quartile	50.13	16.93	10.45	32.32	21.60	11.51	2.50
Median	42.85	14.45	4.80	24.34	13.07	9.18	1.29
3rd Quartile	31.13	10.83	2.98	18.46	5.23	5.89	0.53
95th Percentile	15.00	6.03	0.80	10.54	1.30	2.84	0.06
Population	466	439	154	472	220	317	410

Parentheses contain percentile rankings.
Calculation based on <Periodicity> periodicity.

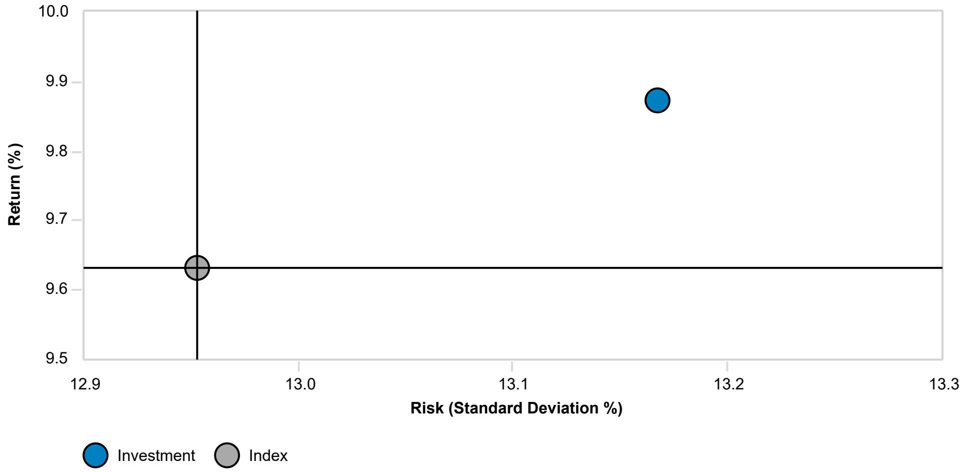
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	9.87	13.17	0.72	100.54	8	97.87	4
Index	9.63	12.95	0.71	100.00	8	100.00	4

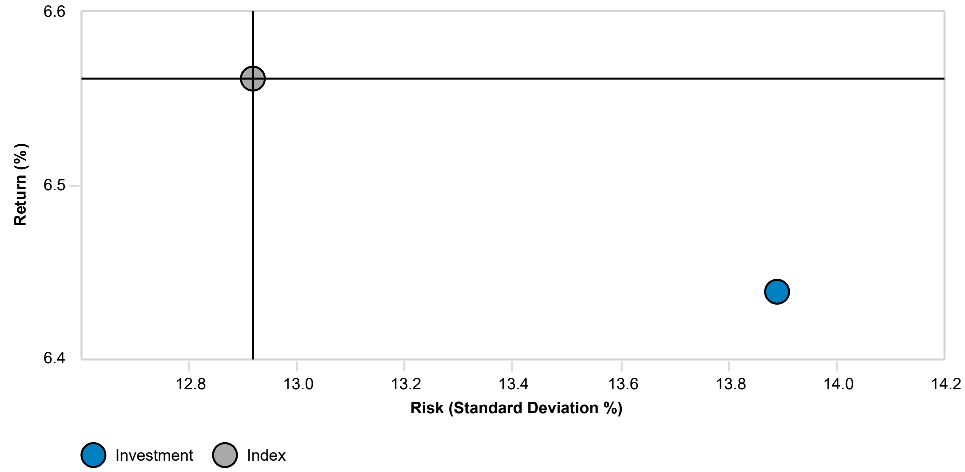
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	6.44	13.89	0.42	104.12	14	107.69	6
Index	6.56	12.92	0.45	100.00	14	100.00	6

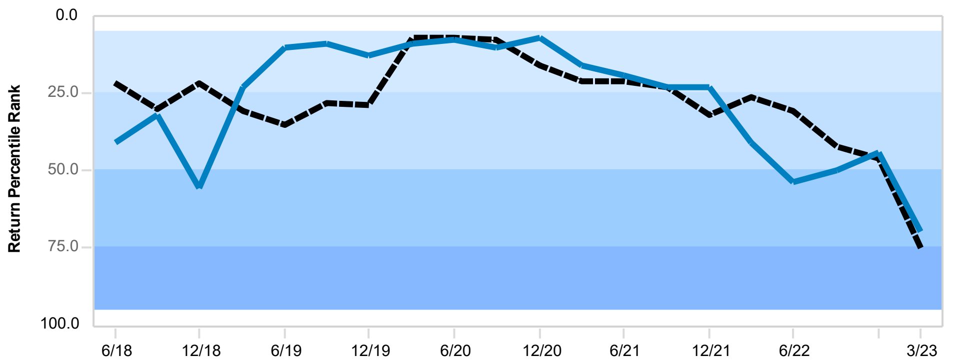
Risk and Return 3 Years



Risk and Return 5 Years

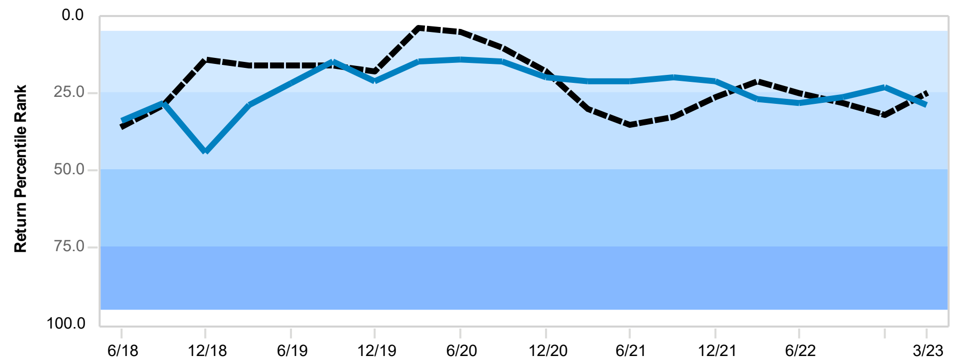


3 Year Rolling Percentile Rank All Public Plans-Total Fund



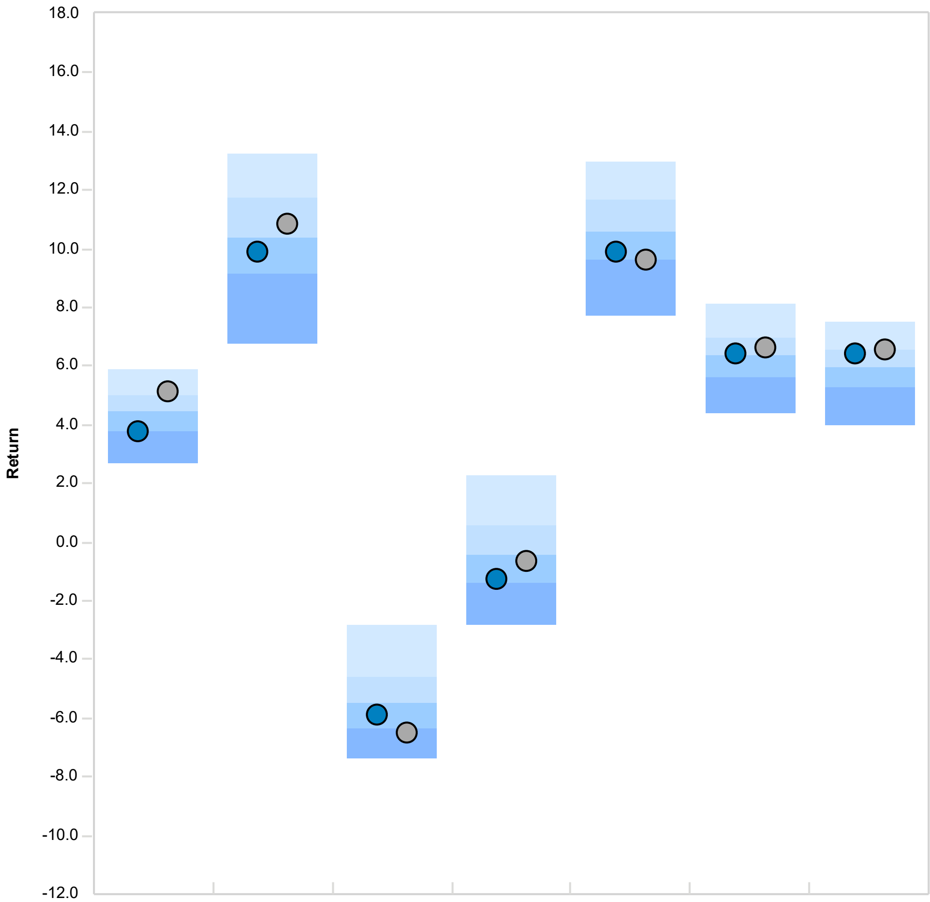
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	12 (60%)	5 (25%)	3 (15%)	0 (0%)
Index	20	9 (45%)	10 (50%)	1 (5%)	0 (0%)

5 Year Rolling Percentile Rank All Public Plans-Total Fund



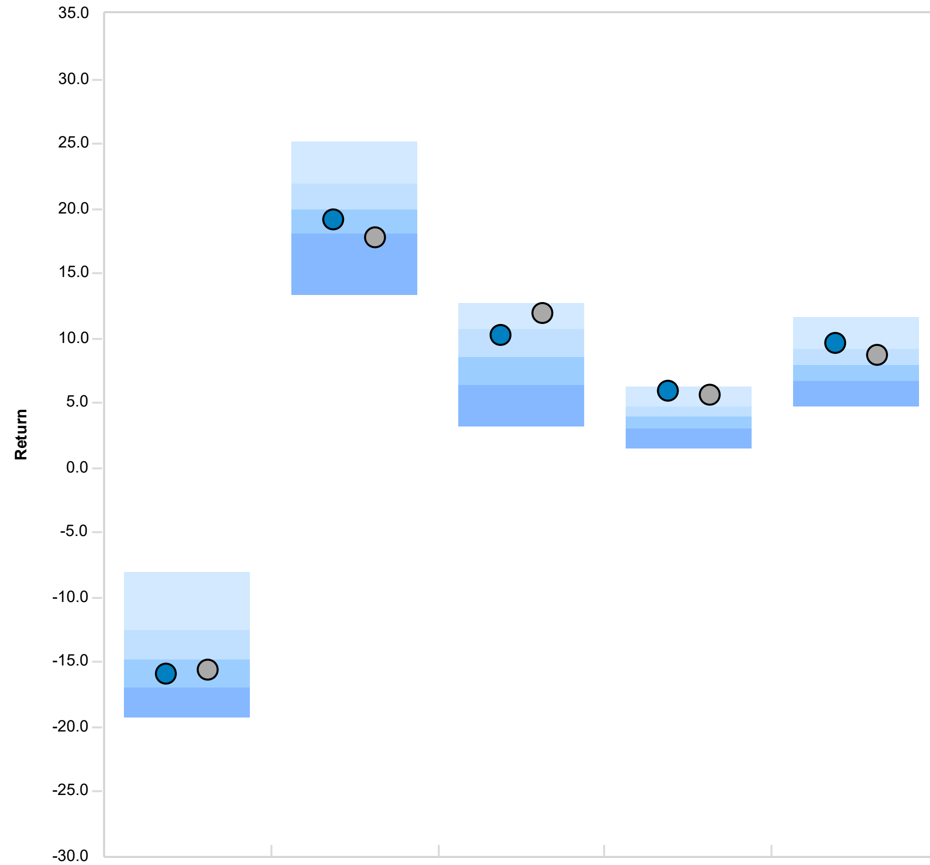
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	12 (60%)	8 (40%)	0 (0%)	0 (0%)
Index	20	12 (60%)	8 (40%)	0 (0%)	0 (0%)

Plan Sponsor Peer Group Analysis vs. All Public Plans-Total Fund



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	3.80 (76)	9.90 (62)	-5.87 (60)	-1.23 (72)	9.87 (70)	6.46 (46)	6.44 (29)
Index	5.18 (19)	10.87 (42)	-6.46 (79)	-0.63 (54)	9.63 (75)	6.66 (35)	6.56 (25)
Median	4.44	10.41	-5.50	-0.43	10.62	6.36	5.96

Plan Sponsor Peer Group Analysis vs. All Public Plans-Total Fund



	4 Quarters Ending Sep-2022	4 Quarters Ending Sep-2021	4 Quarters Ending Sep-2020	4 Quarters Ending Sep-2019	4 Quarters Ending Sep-2018
Investment	-15.92 (64)	19.15 (63)	10.33 (30)	5.95 (7)	9.60 (19)
Index	-15.51 (59)	17.79 (79)	11.98 (13)	5.60 (11)	8.78 (33)
Median	-14.76	19.92	8.51	3.99	7.88

Comparative Performance

	1 Qtr Ending Dec-2022	1 Qtr Ending Sep-2022	1 Qtr Ending Jun-2022	1 Qtr Ending Mar-2022	1 Qtr Ending Dec-2021	1 Qtr Ending Sep-2021
Investment	**5.87 (43)**	**-4.21 (44)**	**-10.58 (47)**	**-5.78 (72)**	**4.18 (64)**	**-0.02 (42)**
Index	5.41 (59)	-5.02 (78)	-11.17 (64)	-4.79 (45)	5.18 (23)	-0.06 (45)
Median	5.67	-4.32	-10.65	-4.93	4.51	-0.13

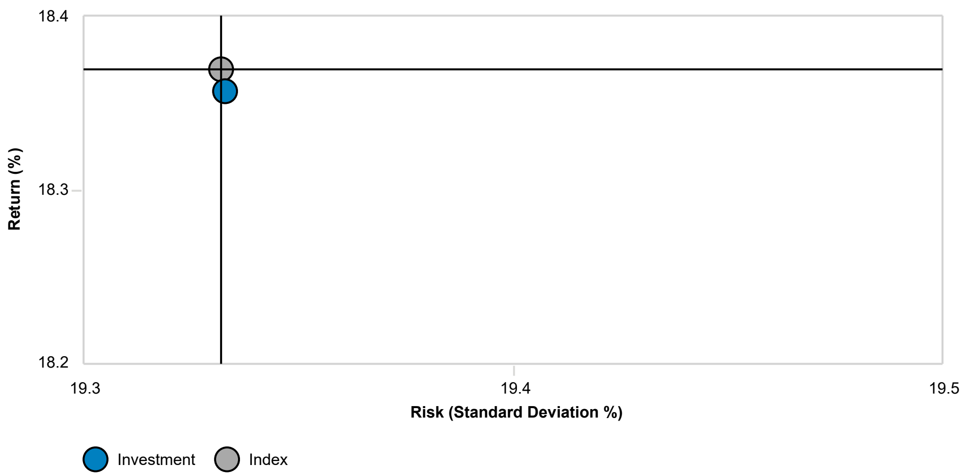
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	18.36	19.33	0.93	99.98	8	100.03	4
Index	18.37	19.33	0.93	100.00	8	100.00	4

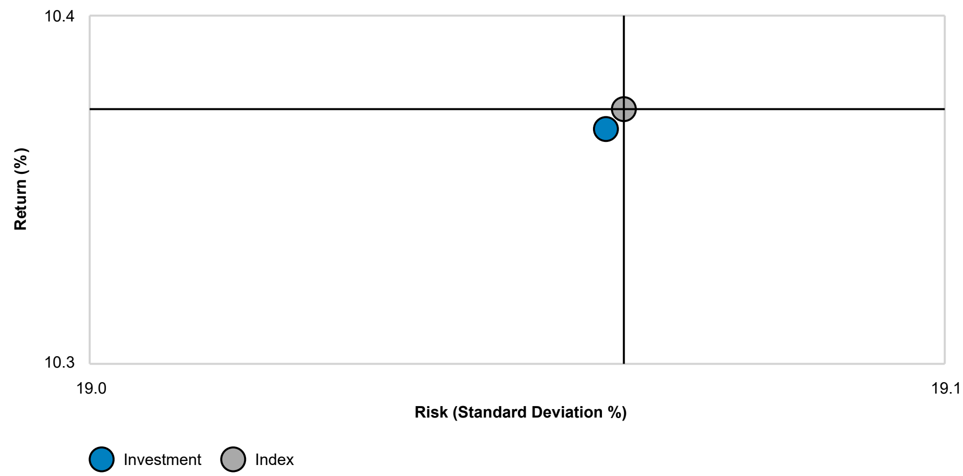
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	10.37	19.06	0.54	99.98	14	100.00	6
Index	10.37	19.06	0.54	100.00	14	100.00	6

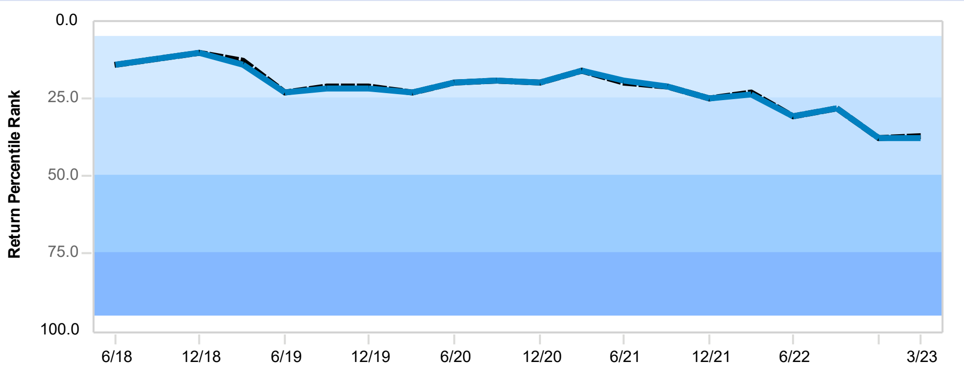
Risk and Return 3 Years



Risk and Return 5 Years

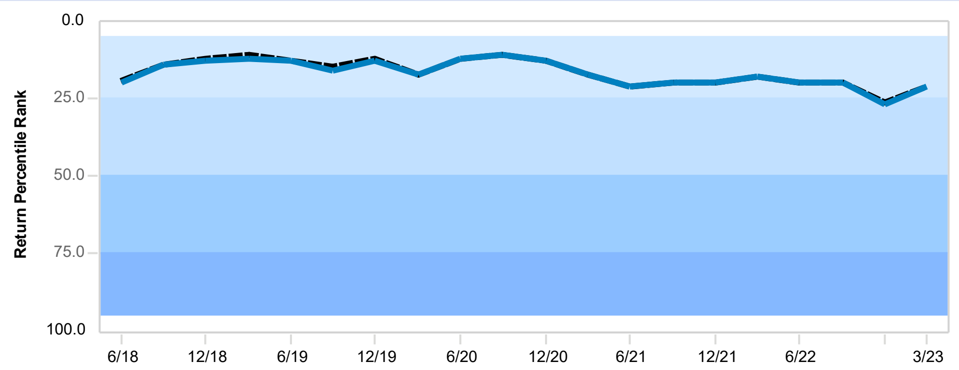


3 Year Rolling Percentile Rank IM U.S. Multi-Cap Core Equity (MF)



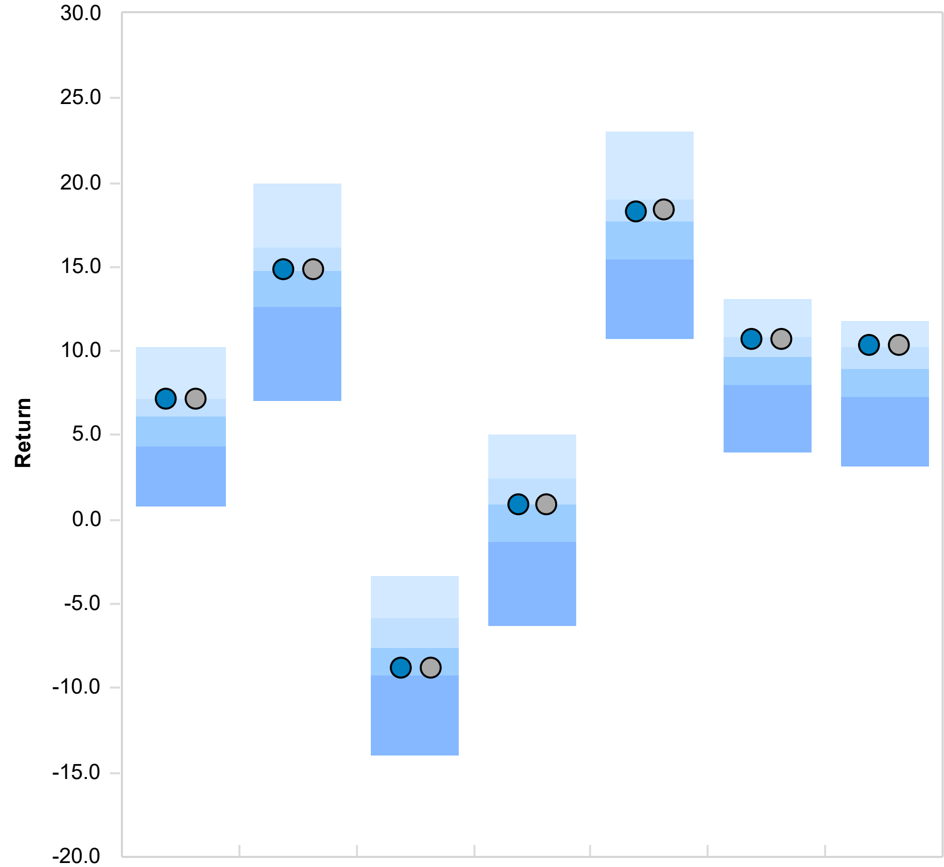
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	16 (80%)	4 (20%)	0 (0%)	0 (0%)
Index	20	16 (80%)	4 (20%)	0 (0%)	0 (0%)

5 Year Rolling Percentile Rank IM U.S. Multi-Cap Core Equity (MF)



	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	19 (95%)	1 (5%)	0 (0%)	0 (0%)
Index	20	19 (95%)	1 (5%)	0 (0%)	0 (0%)

Peer Group Analysis - IM U.S. Multi-Cap Core Equity (MF)



	QTR		FYTD		1 YR		2 YR		3 YR		4 YR		5 YR	
Investment	7.15	(29)	14.82	(48)	-8.77	(69)	0.94	(49)	18.36	(38)	10.76	(30)	10.37	(21)
Index	7.15	(29)	14.81	(49)	-8.77	(69)	0.95	(49)	18.37	(37)	10.77	(29)	10.37	(21)
Median	6.16		14.74		-7.58		0.90		17.76		9.71		8.92	

Peer Group Analysis - IM U.S. Multi-Cap Core Equity (MF)

	Oct-2021 To Sep-2022		Oct-2020 To Sep-2021		Oct-2019 To Sep-2020		Oct-2018 To Sep-2019		Oct-2017 To Sep-2018		Oct-2016 To Sep-2017	
Investment	-18.01	(60)	32.10	(35)	15.01	(24)	2.89	(38)	17.62	(22)	18.64	(43)
Index	-17.98	(59)	32.11	(35)	14.99	(25)	2.92	(36)	17.62	(22)	18.64	(43)
Median	-17.30		30.66		11.15		1.49		15.61		18.24	

Comparative Performance

	1 Qtr Ending Dec-2022		1 Qtr Ending Sep-2022		1 Qtr Ending Jun-2022		1 Qtr Ending Mar-2022		1 Qtr Ending Dec-2021		1 Qtr Ending Sep-2021	
Investment	7.16	(63)	-4.46	(41)	-16.84	(78)	-5.46	(43)	9.16	(49)	-0.06	(41)
Index	7.15	(64)	-4.44	(39)	-16.85	(79)	-5.44	(42)	9.16	(50)	-0.06	(41)
Median	8.06		-4.63		-15.83		-5.87		9.15		-0.23	

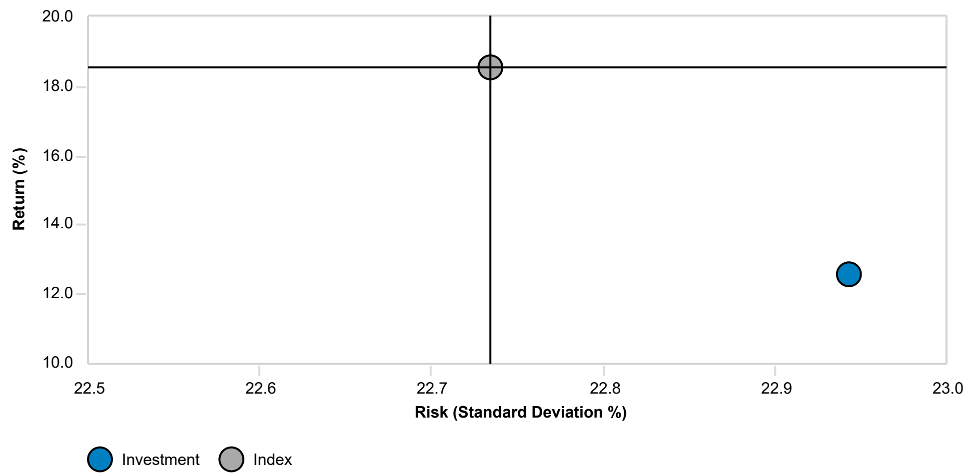
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	12.59	22.94	0.59	84.09	9	92.36	3
Index	18.58	22.73	0.83	100.00	9	100.00	3

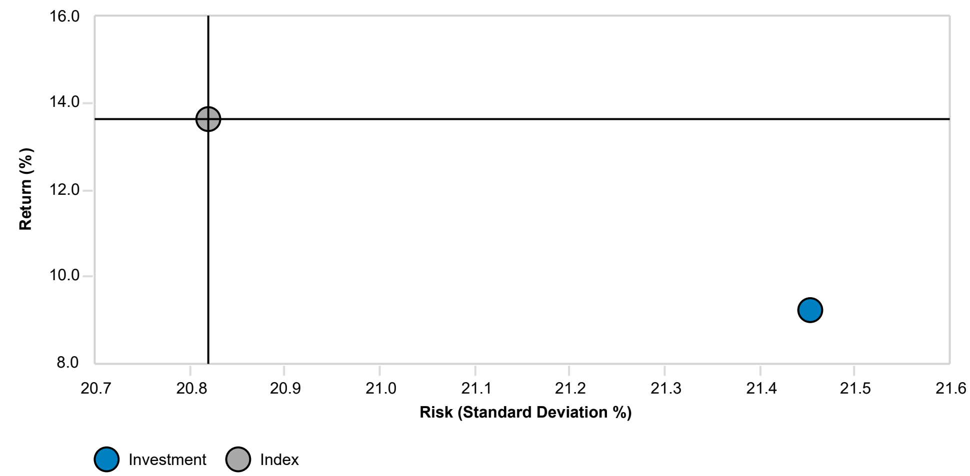
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	9.25	21.45	0.46	88.37	14	97.43	6
Index	13.66	20.82	0.65	100.00	15	100.00	5

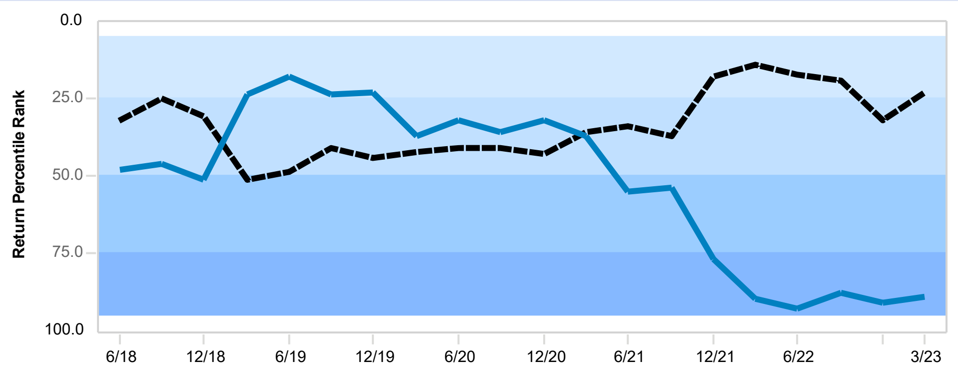
Risk and Return 3 Years



Risk and Return 5 Years

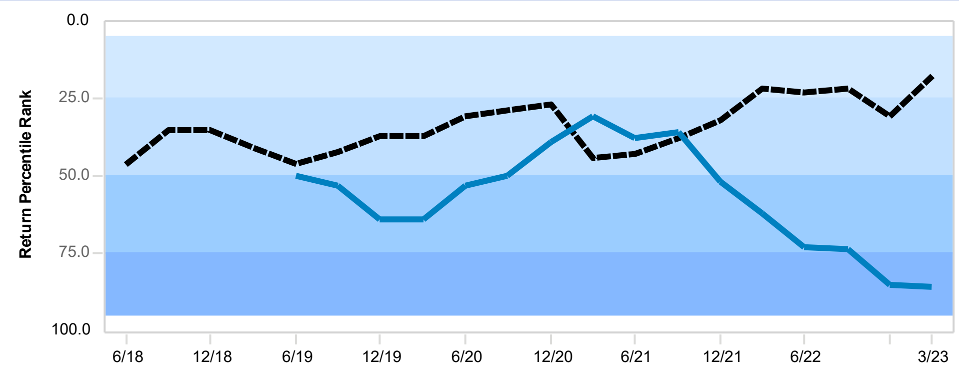


3 Year Rolling Percentile Rank IM U.S. Large Cap Growth Equity (SA+CF)



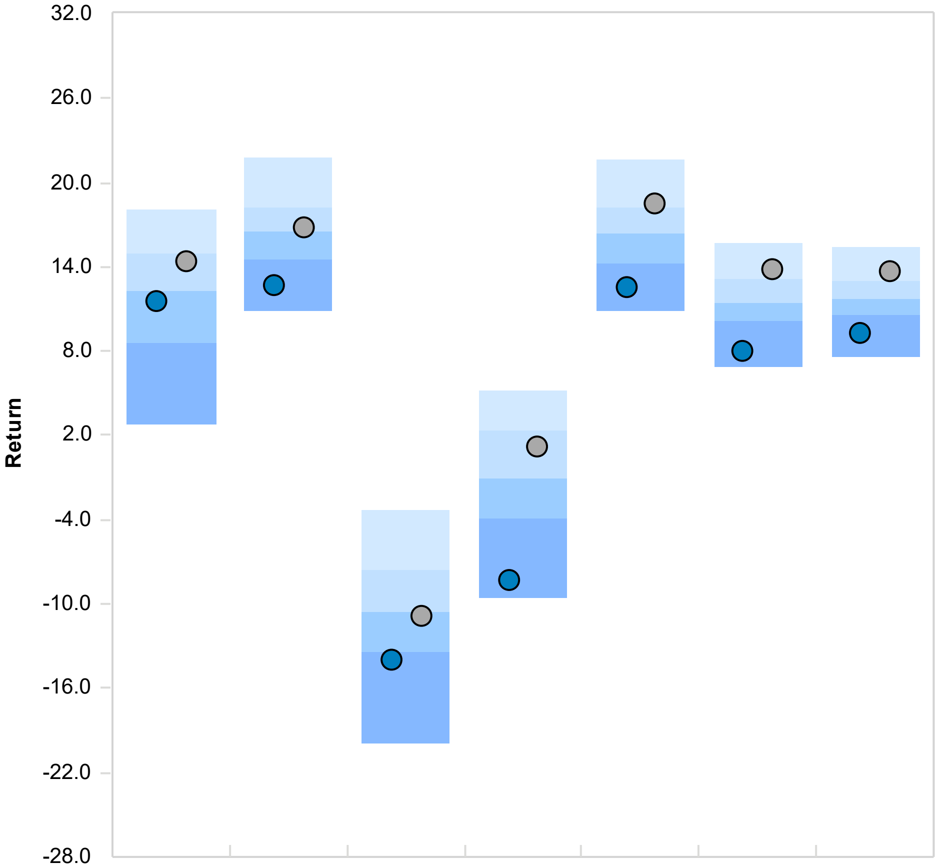
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	4 (20%)	7 (35%)	3 (15%)	6 (30%)
Index	20	6 (30%)	13 (65%)	1 (5%)	0 (0%)

5 Year Rolling Percentile Rank IM U.S. Large Cap Growth Equity (SA+CF)



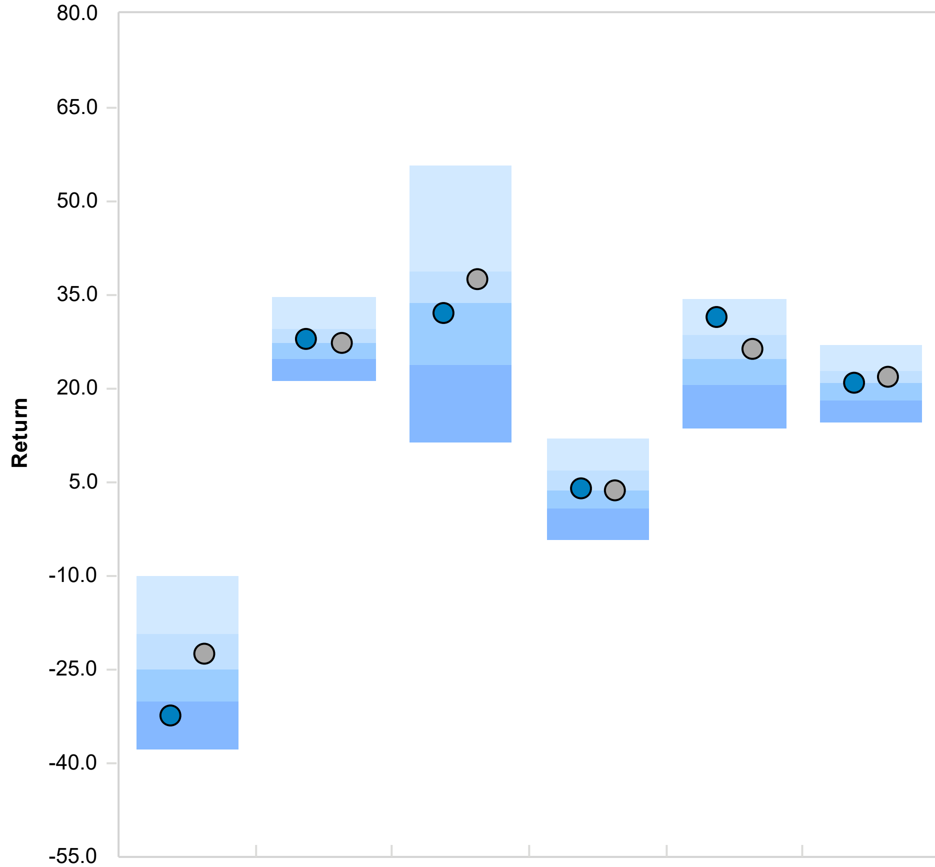
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	16	0 (0%)	6 (38%)	8 (50%)	2 (13%)
Index	20	4 (20%)	16 (80%)	0 (0%)	0 (0%)

Peer Group Analysis - IM U.S. Large Cap Growth Equity (SA+CF)



	QTR		FYTD		1 YR		2 YR		3 YR		4 YR		5 YR	
● Investment	11.55	(57)	12.71	(90)	-13.94	(79)	-8.23	(94)	12.59	(89)	8.02	(91)	9.25	(86)
● Index	14.37	(31)	16.88	(45)	-10.90	(52)	1.21	(36)	18.58	(23)	13.89	(18)	13.66	(18)
Median	12.34		16.57		-10.55		-0.98		16.37		11.38		11.79	

Peer Group Analysis - IM U.S. Large Cap Growth Equity (SA+CF)



	Oct-2021 To Sep-2022		Oct-2020 To Sep-2021		Oct-2019 To Sep-2020		Oct-2018 To Sep-2019		Oct-2017 To Sep-2018		Oct-2016 To Sep-2017	
● Investment	-32.24	(85)	27.92	(40)	32.12	(59)	4.05	(47)	31.58	(12)	21.11	(50)
● Index	-22.59	(40)	27.32	(49)	37.53	(31)	3.71	(52)	26.30	(39)	21.94	(39)
Median	-25.12		27.23		33.78		3.80		24.84		21.08	

Comparative Performance

	1 Qtr Ending Dec-2022		1 Qtr Ending Sep-2022		1 Qtr Ending Jun-2022		1 Qtr Ending Mar-2022		1 Qtr Ending Dec-2021		1 Qtr Ending Sep-2021	
Investment	1.04	(81)	-3.01	(26)	-21.27	(59)	-12.56	(80)	1.49	(96)	1.03	(42)
Index	2.20	(71)	-3.60	(37)	-20.92	(57)	-9.04	(37)	11.64	(23)	1.16	(38)
Median	3.89		-4.14		-20.29		-10.21		9.29		0.73	

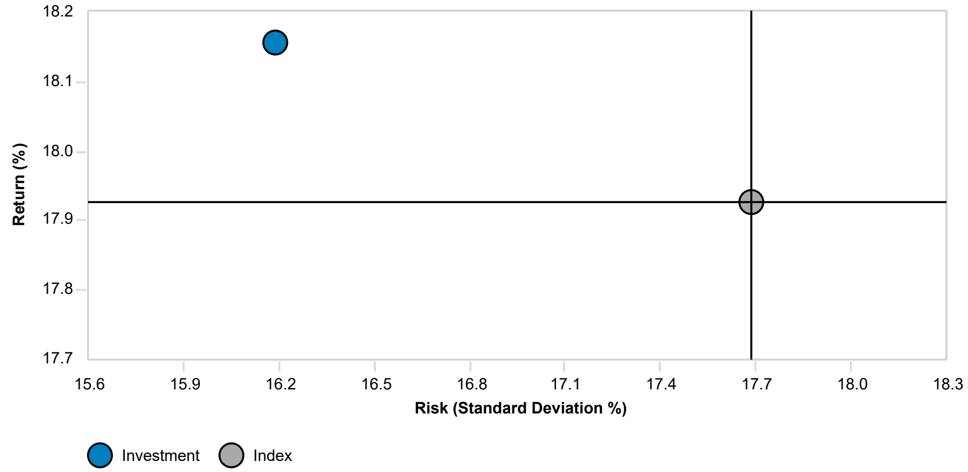
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	18.16	16.19	1.06	94.26	8	88.49	4
Index	17.93	17.68	0.97	100.00	8	100.00	4

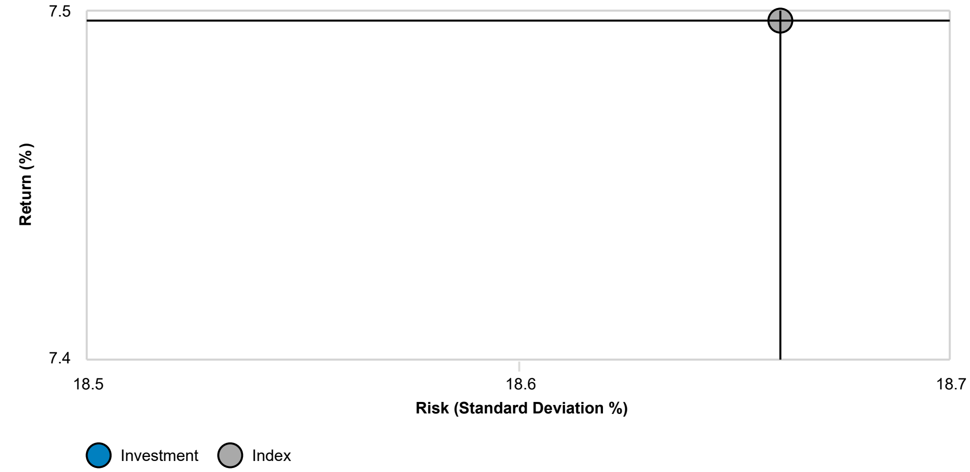
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Index	7.50	18.66	0.41	100.00	14	100.00	6

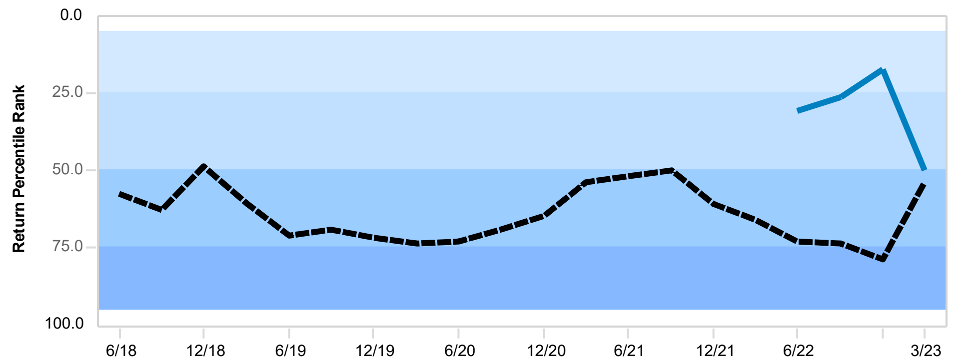
Risk and Return 3 Years



Risk and Return 5 Years

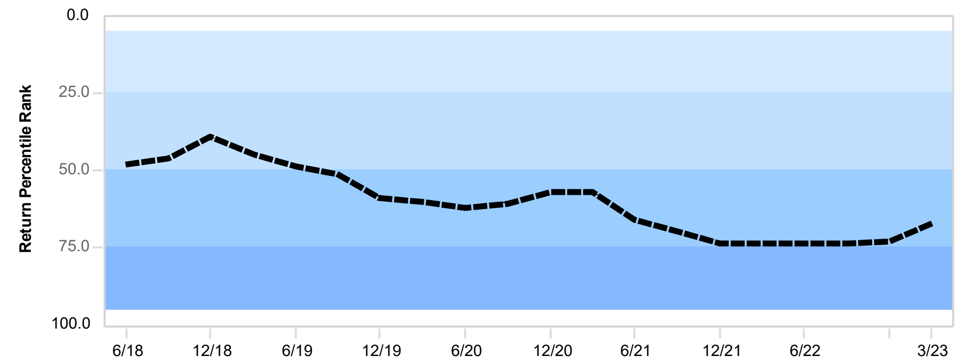


3 Year Rolling Percentile Rank IM U.S. Large Cap Value Equity (MF)



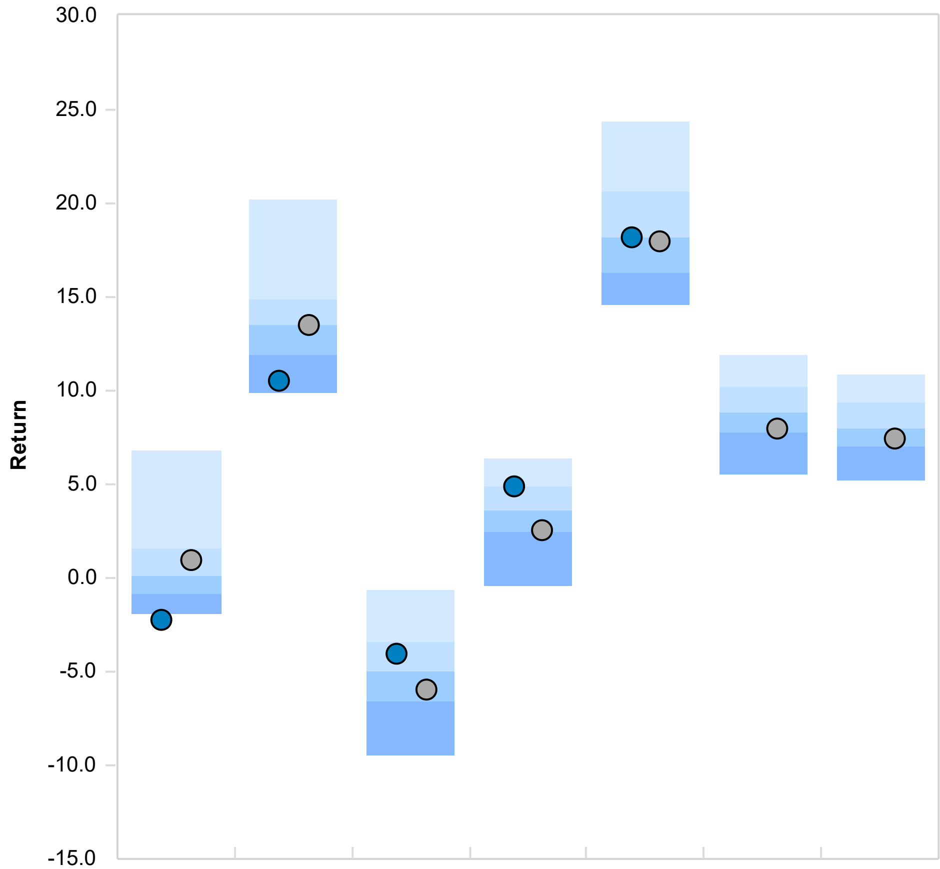
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	4	1 (25%)	3 (75%)	0 (0%)	0 (0%)
Index	20	0 (0%)	2 (10%)	17 (85%)	1 (5%)

5 Year Rolling Percentile Rank IM U.S. Large Cap Value Equity (MF)



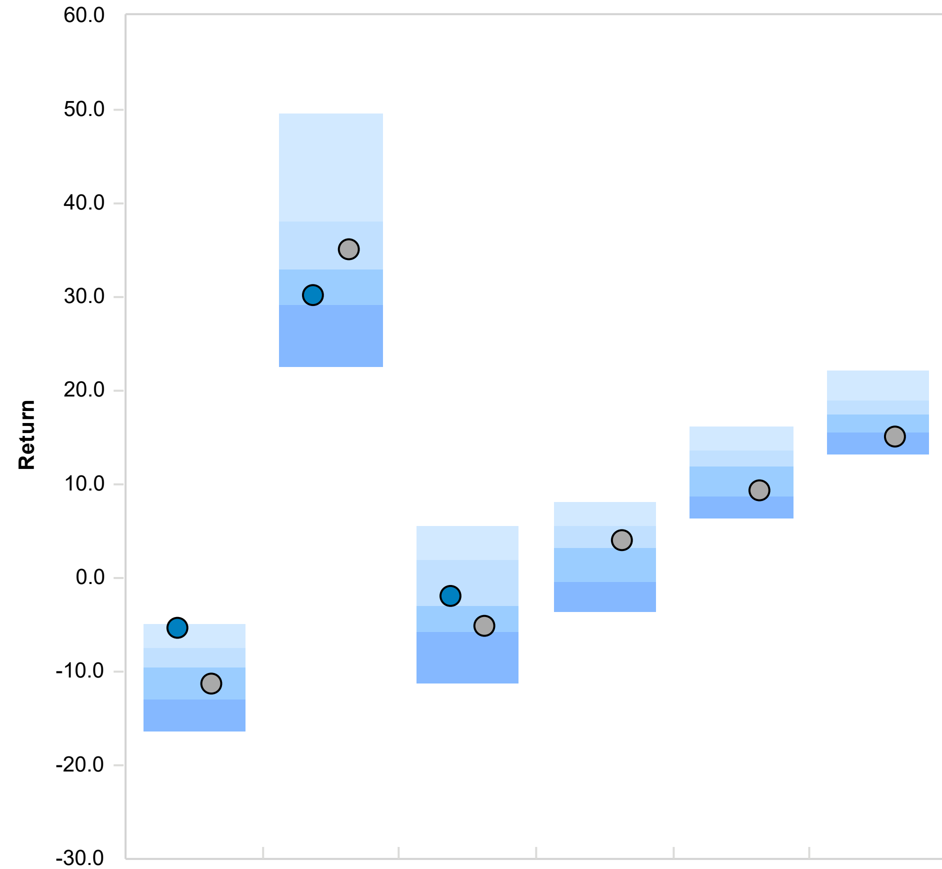
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	0	0	0	0	0
Index	20	0 (0%)	5 (25%)	15 (75%)	0 (0%)

Peer Group Analysis - IM U.S. Large Cap Value Equity (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Investment	-2.22 (97)	10.50 (92)	-4.05 (37)	4.93 (25)	18.16 (50)	N/A	N/A
● Index	1.01 (33)	13.55 (48)	-5.91 (67)	2.50 (73)	17.93 (54)	7.96 (73)	7.50 (67)
Median	0.15	13.51	-4.96	3.58	18.15	8.83	8.02

Peer Group Analysis - IM U.S. Large Cap Value Equity (MF)



	Oct-2021 To Sep-2022	Oct-2020 To Sep-2021	Oct-2019 To Sep-2020	Oct-2018 To Sep-2019	Oct-2017 To Sep-2018	Oct-2016 To Sep-2017
● Investment	-5.35 (9)	30.30 (70)	-1.84 (40)	N/A	N/A	N/A
● Index	-11.36 (67)	35.01 (41)	-5.03 (72)	4.00 (41)	9.45 (70)	15.12 (80)
Median	-9.58	33.01	-2.87	3.14	11.93	17.34

Comparative Performance

	1 Qtr Ending Dec-2022	1 Qtr Ending Sep-2022	1 Qtr Ending Jun-2022	1 Qtr Ending Mar-2022	1 Qtr Ending Dec-2021	1 Qtr Ending Sep-2021
Investment	13.01 (48)	-4.66 (25)	-8.93 (9)	0.24 (25)	8.74 (33)	-0.90 (71)
Index	12.42 (59)	-5.62 (52)	-12.21 (63)	-0.74 (57)	7.77 (63)	-0.78 (68)
Median	12.88	-5.57	-11.35	-0.58	8.32	-0.43

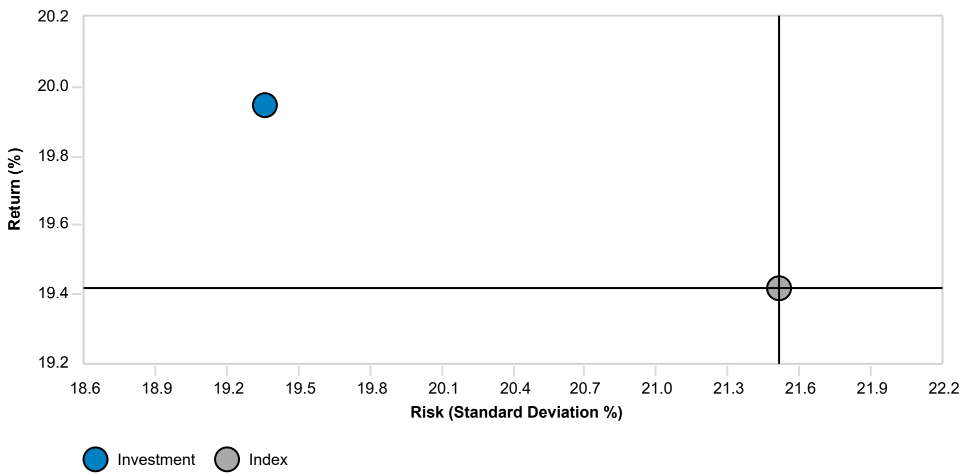
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	19.95	19.36	0.99	90.59	8	81.38	4
Index	19.42	21.51	0.89	100.00	8	100.00	4

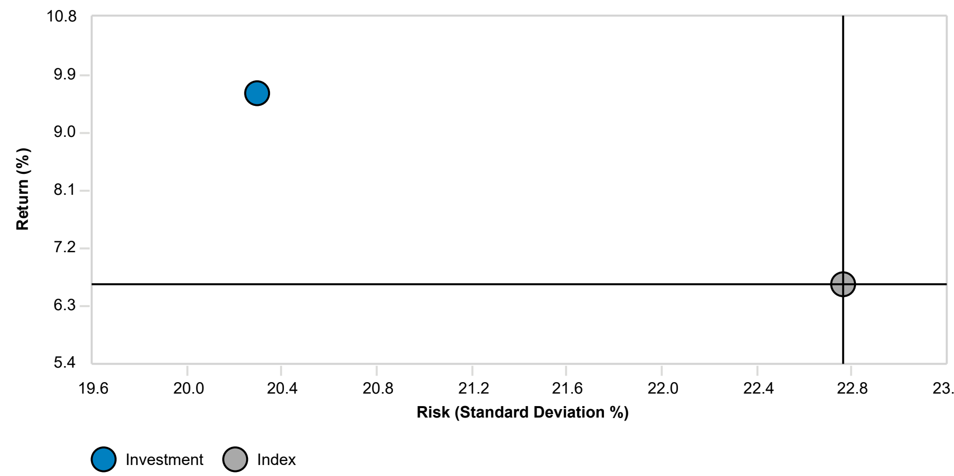
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	9.61	20.30	0.49	90.83	14	79.04	6
Index	6.65	22.76	0.34	100.00	13	100.00	7

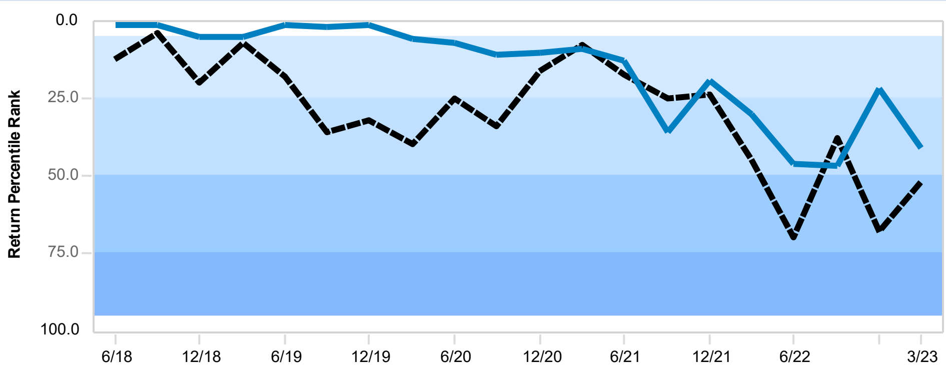
Risk and Return 3 Years



Risk and Return 5 Years

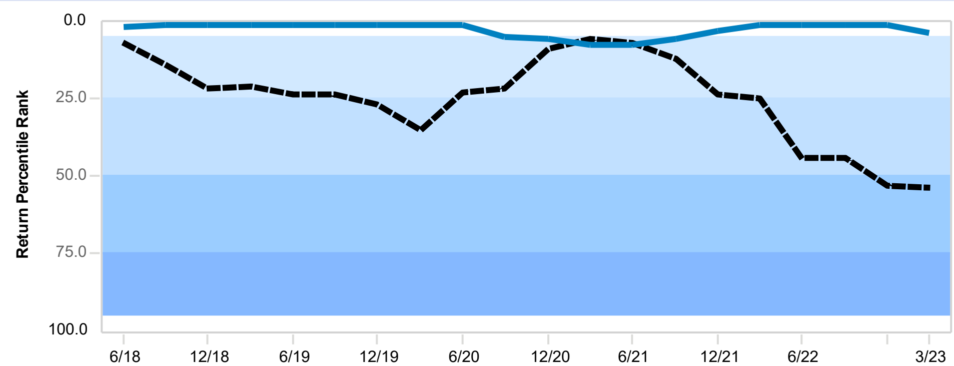


3 Year Rolling Percentile Rank IM U.S. Mid Cap Core Equity (MF)



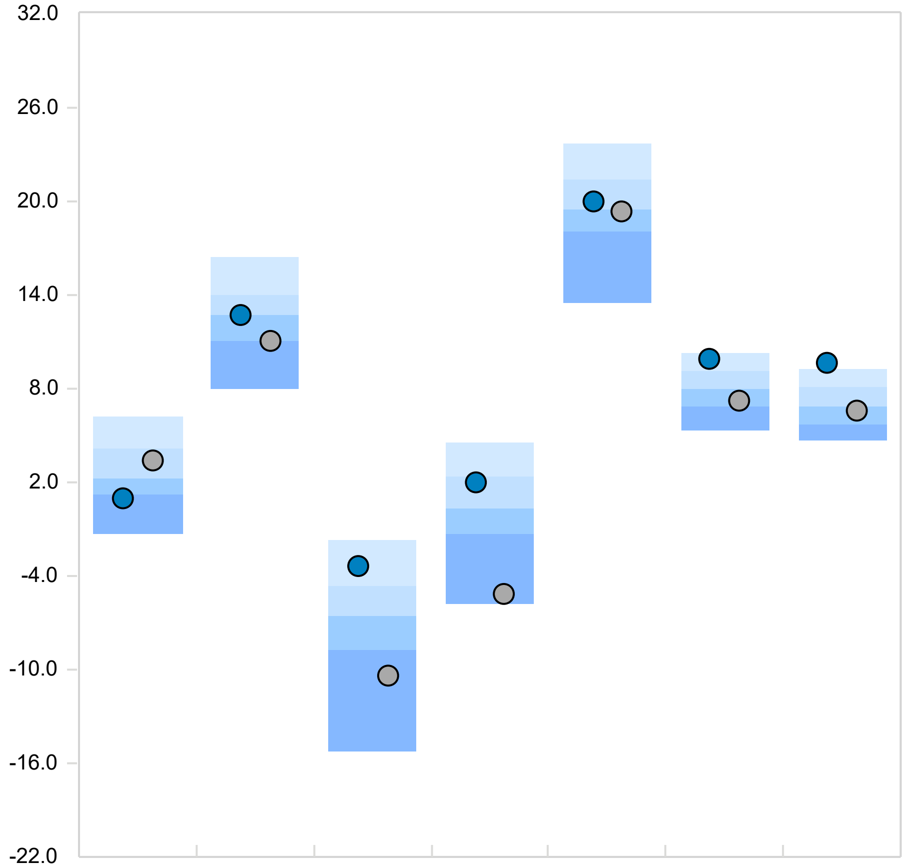
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	15 (75%)	5 (25%)	0 (0%)	0 (0%)
Index	20	11 (55%)	6 (30%)	3 (15%)	0 (0%)

5 Year Rolling Percentile Rank IM U.S. Mid Cap Core Equity (MF)



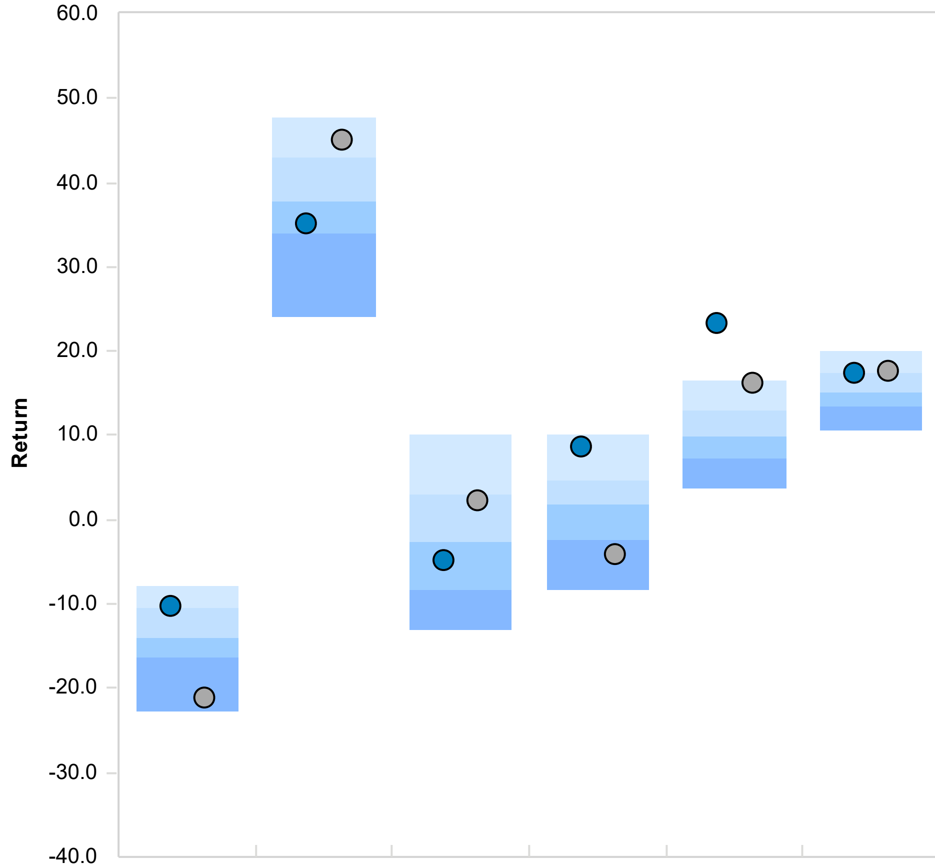
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	20 (100%)	0 (0%)	0 (0%)	0 (0%)
Index	20	14 (70%)	4 (20%)	2 (10%)	0 (0%)

Peer Group Analysis - IM U.S. Mid Cap Core Equity (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	0.99 (78)	12.74 (51)	-3.30 (19)	1.95 (32)	19.95 (41)	9.86 (12)	9.61 (4)
Index	3.39 (36)	11.07 (76)	-10.39 (86)	-5.18 (92)	19.42 (52)	7.19 (65)	6.65 (54)
Median	2.31	12.78	-6.60	0.35	19.49	8.04	6.91

Peer Group Analysis - IM U.S. Mid Cap Core Equity (MF)



	Oct-2021 To Sep-2022	Oct-2020 To Sep-2021	Oct-2019 To Sep-2020	Oct-2018 To Sep-2019	Oct-2017 To Sep-2018	Oct-2016 To Sep-2017
Investment	-10.30 (23)	35.19 (70)	-4.86 (58)	8.64 (6)	23.40 (1)	17.45 (24)
Index	-21.11 (94)	45.03 (16)	2.22 (29)	-4.04 (86)	16.19 (7)	17.79 (21)
Median	-14.07	37.86	-2.64	1.86	9.96	15.17

Comparative Performance

	1 Qtr Ending Dec-2022	1 Qtr Ending Sep-2022	1 Qtr Ending Jun-2022	1 Qtr Ending Mar-2022	1 Qtr Ending Dec-2021	1 Qtr Ending Sep-2021
Investment	11.64 (27)	-2.77 (21)	-11.78 (27)	-4.71 (57)	9.75 (20)	-2.41 (87)
Index	7.43 (88)	-2.82 (21)	-16.98 (93)	-5.82 (80)	3.82 (98)	-2.68 (93)
Median	9.63	-4.32	-13.63	-4.08	8.20	-0.87

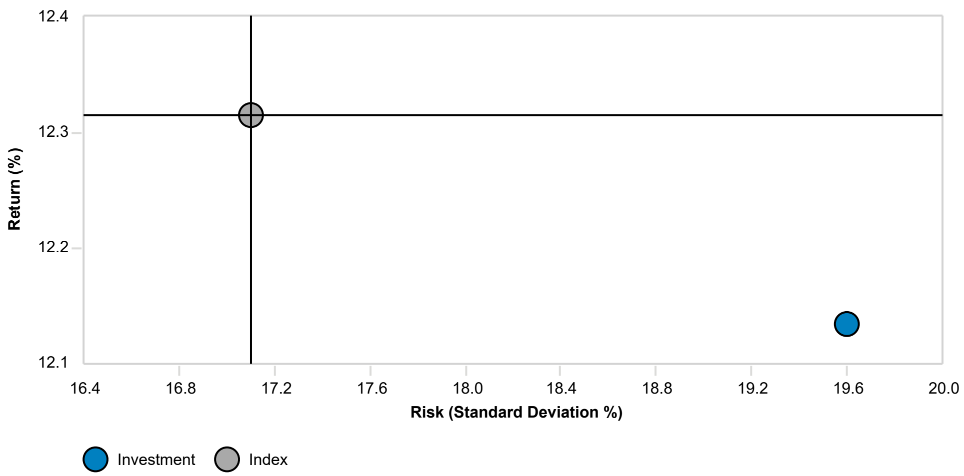
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	12.13	19.60	0.64	112.13	6	119.59	6
Index	12.32	17.10	0.72	100.00	8	100.00	4

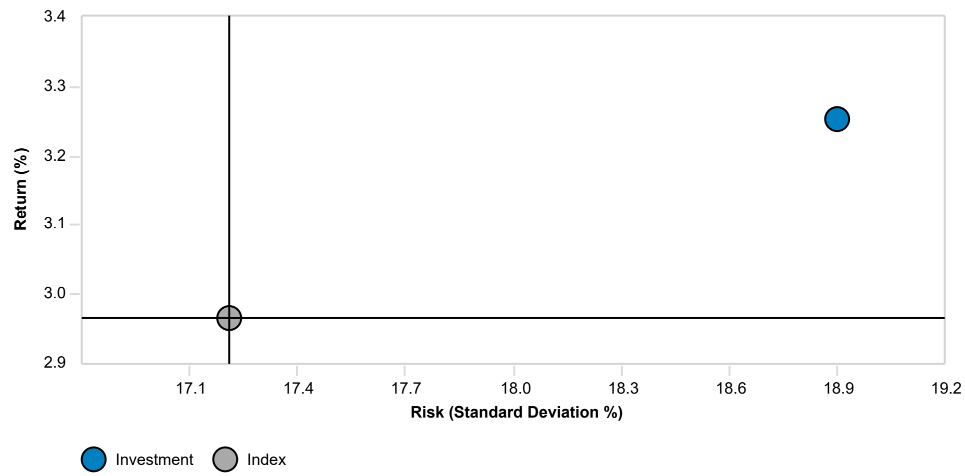
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	3.25	18.90	0.19	109.76	9	109.06	11
Index	2.97	17.21	0.18	100.00	12	100.00	8

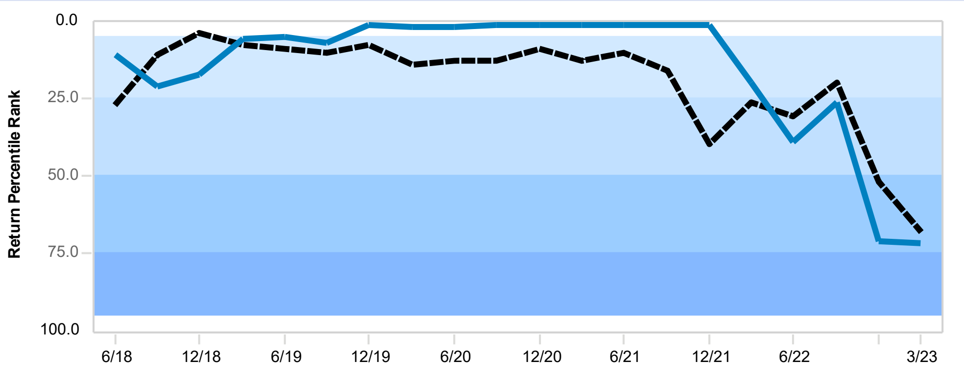
Risk and Return 3 Years



Risk and Return 5 Years

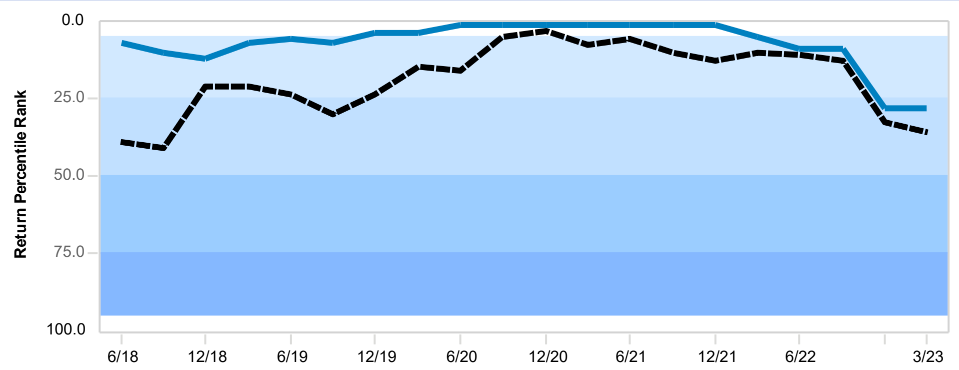


3 Year Rolling Percentile Rank IM International Multi-Cap Core Equity (MF)



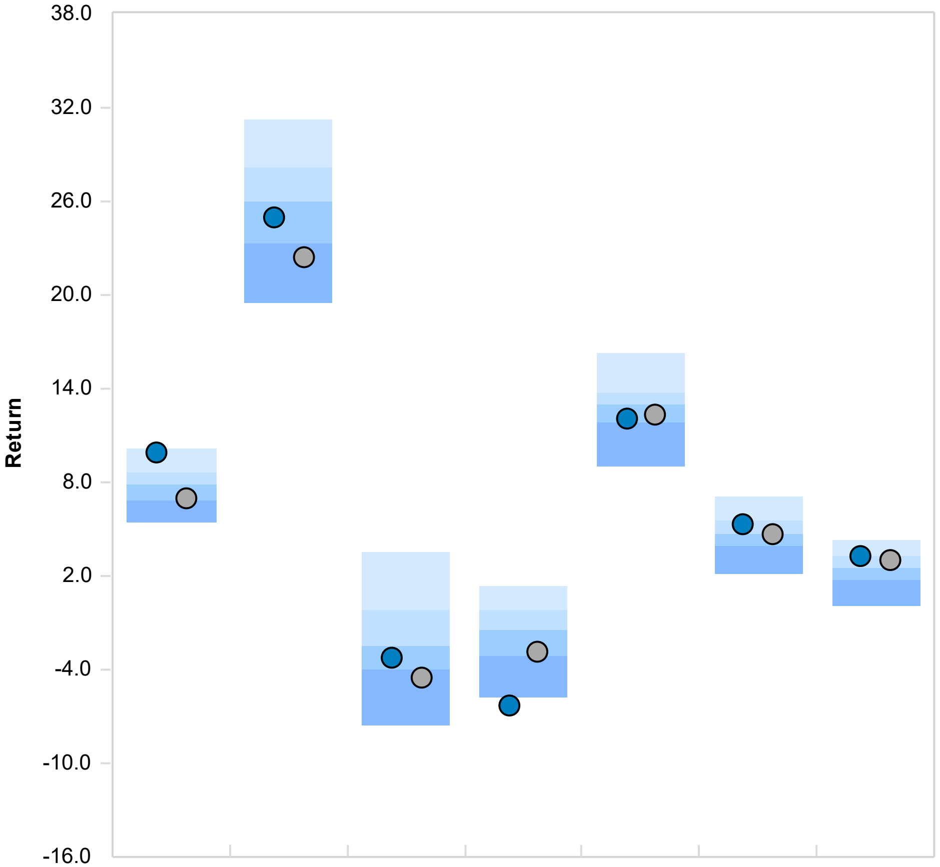
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	16 (80%)	2 (10%)	2 (10%)	0 (0%)
Index	20	14 (70%)	4 (20%)	2 (10%)	0 (0%)

5 Year Rolling Percentile Rank IM International Multi-Cap Core Equity (MF)



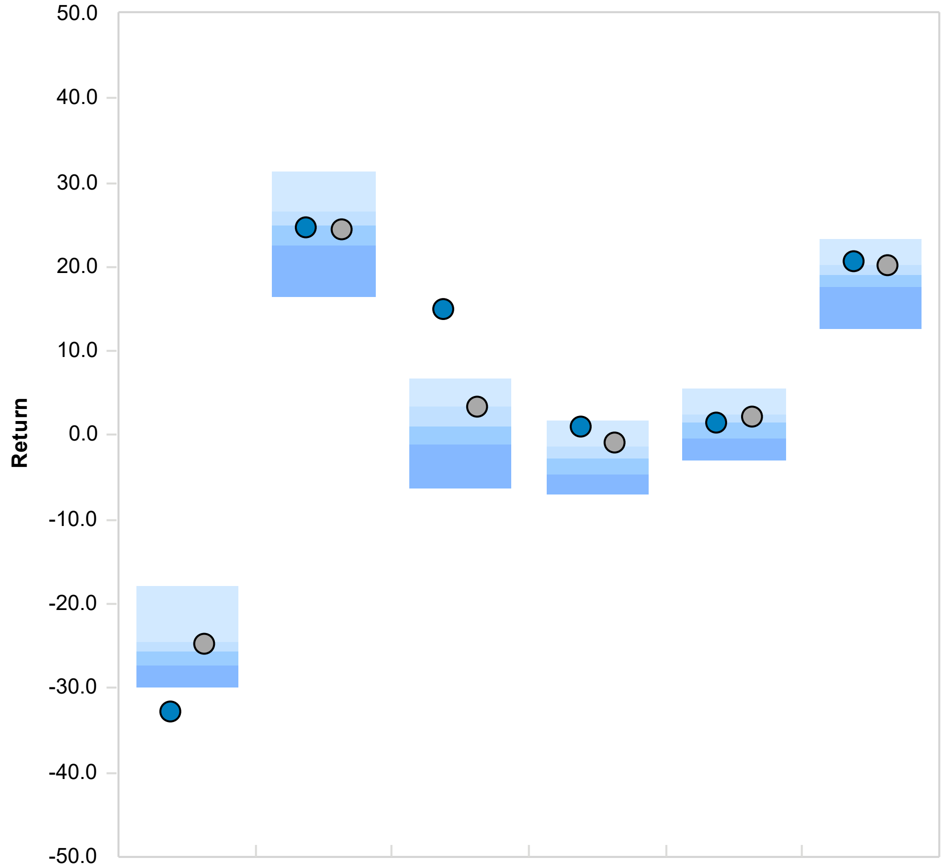
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	18 (90%)	2 (10%)	0 (0%)	0 (0%)
Index	20	15 (75%)	5 (25%)	0 (0%)	0 (0%)

Peer Group Analysis - IM International Multi-Cap Core Equity (MF)



	QTR		FYTD		1 YR		2 YR		3 YR		4 YR		5 YR	
Investment	9.87	(8)	25.02	(61)	-3.26	(65)	-6.36	(97)	12.13	(72)	5.33	(33)	3.25	(28)
Index	7.00	(73)	22.38	(85)	-4.56	(80)	-2.82	(68)	12.32	(68)	4.72	(51)	2.97	(36)
Median	7.84		25.98		-2.43		-1.40		12.94		4.72		2.53	

Peer Group Analysis - IM International Multi-Cap Core Equity (MF)



	Oct-2021 To Sep-2022		Oct-2020 To Sep-2021		Oct-2019 To Sep-2020		Oct-2018 To Sep-2019		Oct-2017 To Sep-2018		Oct-2016 To Sep-2017	
Investment	-32.85	(99)	24.76	(53)	14.97	(1)	1.14	(8)	1.47	(52)	20.63	(22)
Index	-24.79	(28)	24.45	(58)	3.45	(25)	-0.72	(16)	2.25	(33)	20.15	(28)
Median	-25.66		24.90		1.13		-2.76		1.53		19.08	

Comparative Performance

	1 Qtr Ending Dec-2022		1 Qtr Ending Sep-2022		1 Qtr Ending Jun-2022		1 Qtr Ending Mar-2022		1 Qtr Ending Dec-2021		1 Qtr Ending Sep-2021	
Investment	13.78	(92)	-9.33	(23)	-14.65	(88)	-12.24	(100)	-1.13	(100)	-2.35	(67)
Index	14.37	(89)	-9.80	(33)	-13.54	(57)	-5.33	(21)	1.88	(67)	-2.88	(74)
Median	16.91		-10.43		-13.29		-6.46		2.51		-1.56	

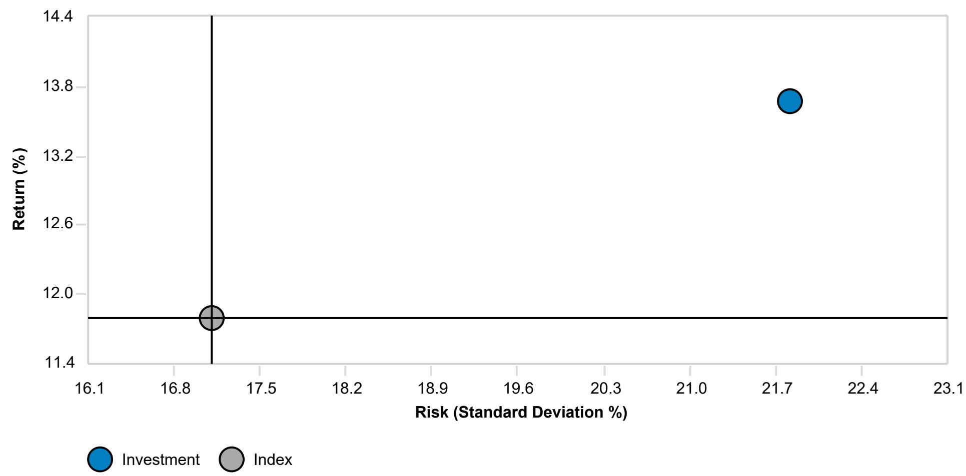
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	13.68	21.81	0.66	124.53	8	127.24	4
Index	11.80	17.11	0.69	100.00	8	100.00	4

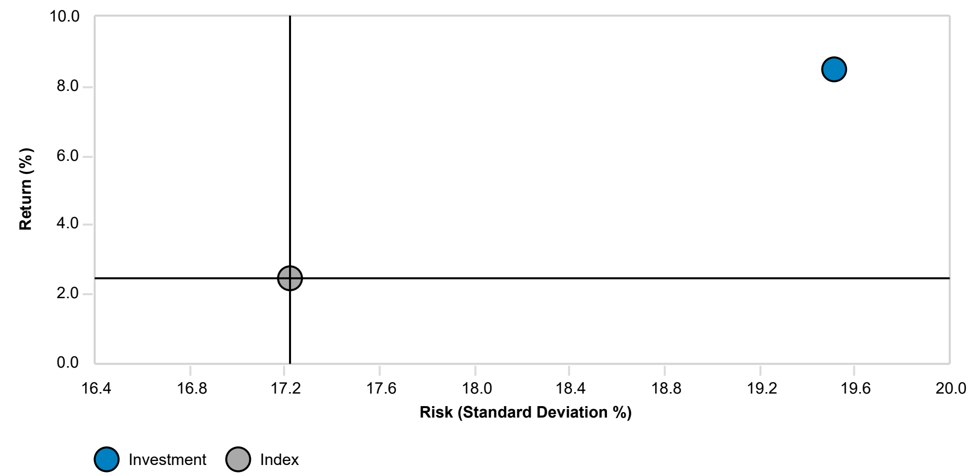
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	8.51	19.51	0.45	117.23	13	91.35	7
Index	2.47	17.22	0.15	100.00	12	100.00	8

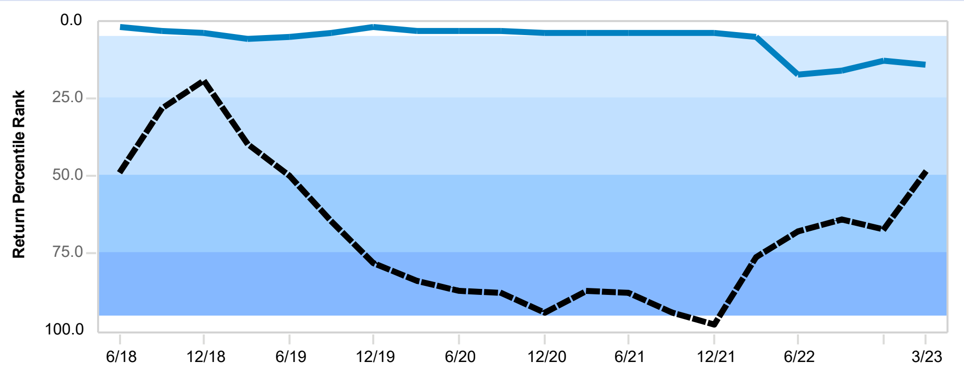
Risk and Return 3 Years



Risk and Return 5 Years

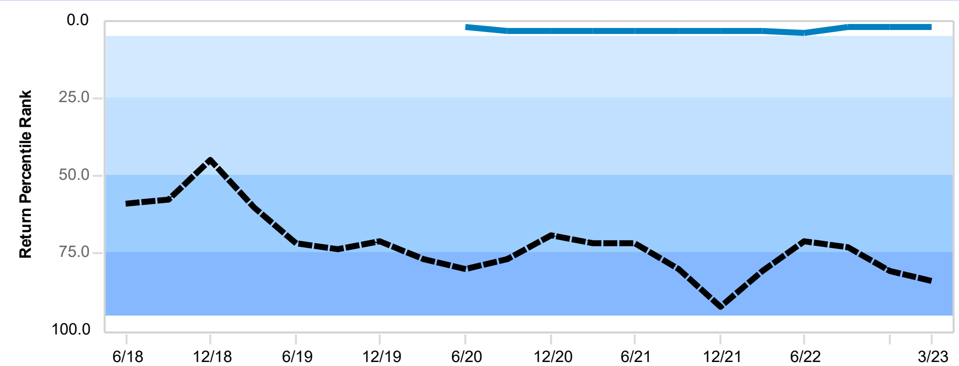


3 Year Rolling Percentile Rank IM International Large Cap Growth Equity (MF)



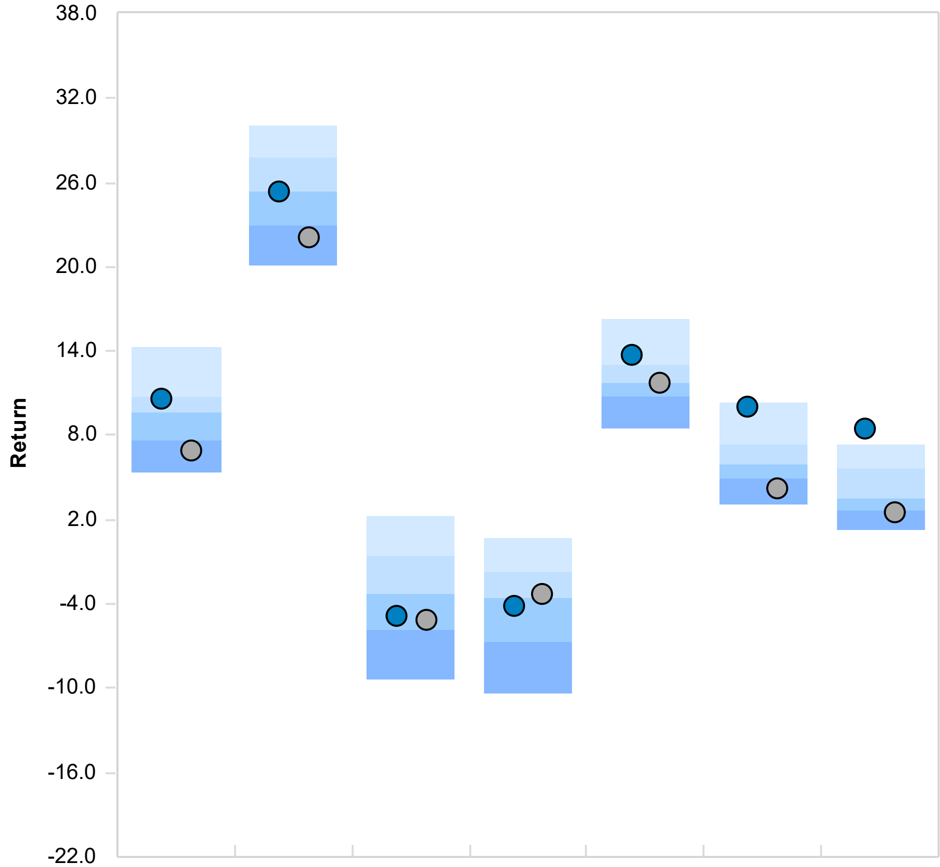
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	20 (100%)	0 (0%)	0 (0%)	0 (0%)
Index	20	1 (5%)	5 (25%)	4 (20%)	10 (50%)

5 Year Rolling Percentile Rank IM International Large Cap Growth Equity (MF)



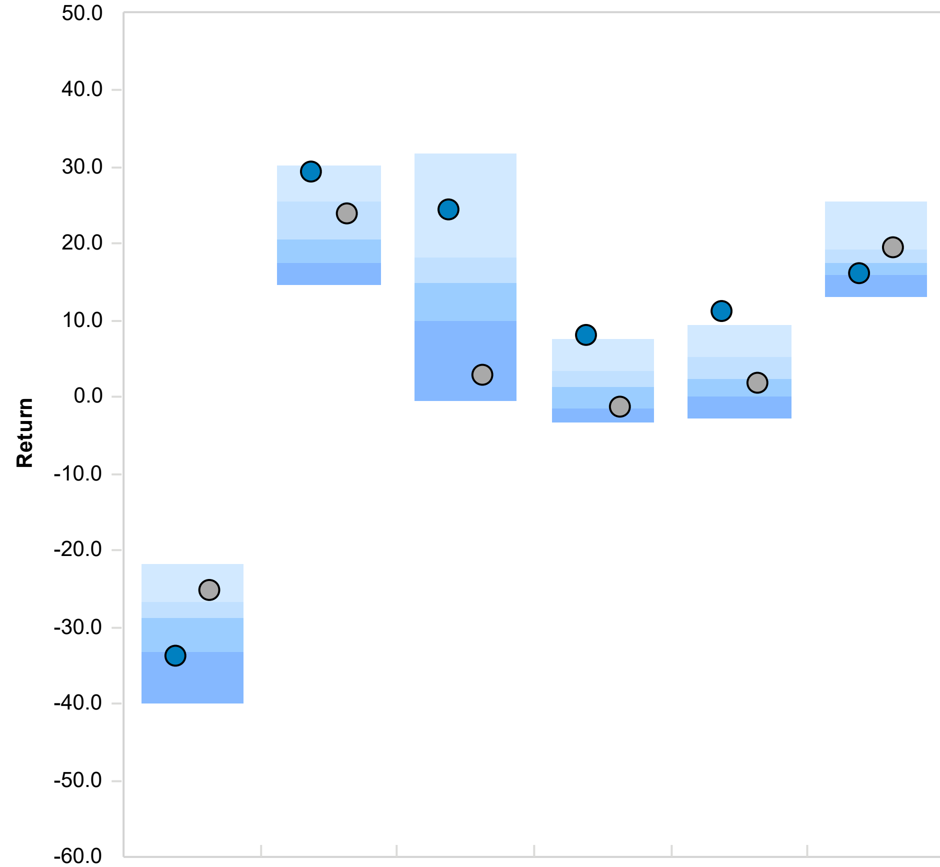
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	12	12 (100%)	0 (0%)	0 (0%)	0 (0%)
Index	20	0 (0%)	1 (5%)	11 (55%)	8 (40%)

Peer Group Analysis - IM International Large Cap Growth Equity (MF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	10.58 (31)	25.36 (50)	-4.89 (68)	-4.06 (58)	13.68 (14)	10.00 (6)	8.51 (2)
Index	6.87 (87)	22.13 (80)	-5.07 (70)	-3.29 (48)	11.80 (49)	4.22 (87)	2.47 (84)
Median	9.63	25.34	-3.35	-3.56	11.75	6.01	3.59

Peer Group Analysis - IM International Large Cap Growth Equity (MF)



	Oct-2021 To Sep-2022	Oct-2020 To Sep-2021	Oct-2019 To Sep-2020	Oct-2018 To Sep-2019	Oct-2017 To Sep-2018	Oct-2016 To Sep-2017
Investment	-33.75 (82)	29.48 (8)	24.57 (10)	8.07 (2)	11.23 (1)	16.14 (74)
Index	-25.17 (10)	23.92 (32)	3.00 (91)	-1.23 (73)	1.76 (59)	19.61 (20)
Median	-28.73	20.62	14.87	1.35	2.48	17.62

Comparative Performance

	1 Qtr Ending Dec-2022	1 Qtr Ending Sep-2022	1 Qtr Ending Jun-2022	1 Qtr Ending Mar-2022	1 Qtr Ending Dec-2021	1 Qtr Ending Sep-2021
Investment	13.36 (77)	-8.10 (12)	-17.44 (84)	-17.34 (95)	5.63 (6)	0.15 (17)
Index	14.28 (53)	-9.91 (67)	-13.73 (32)	-5.44 (5)	1.82 (74)	-2.99 (68)
Median	14.64	-9.57	-14.68	-10.99	3.17	-1.61

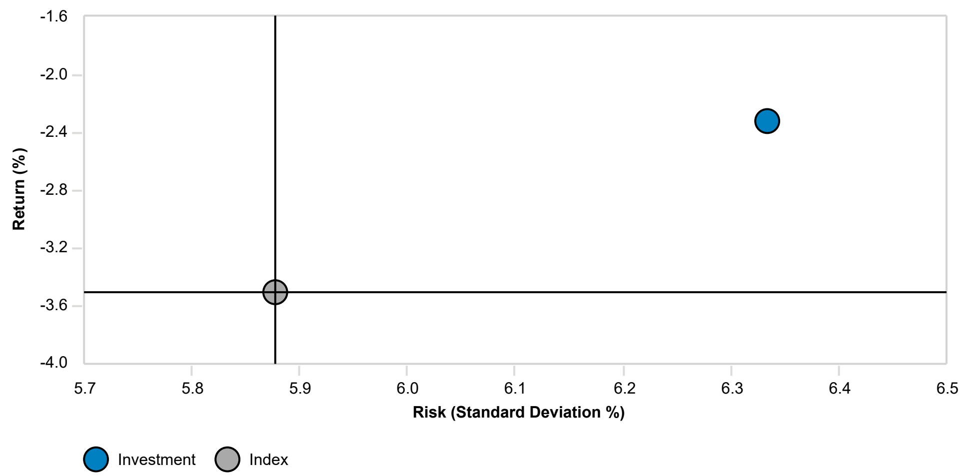
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	-2.32	6.33	-0.48	119.37	7	99.46	5
Index	-3.50	5.88	-0.73	100.00	6	100.00	6

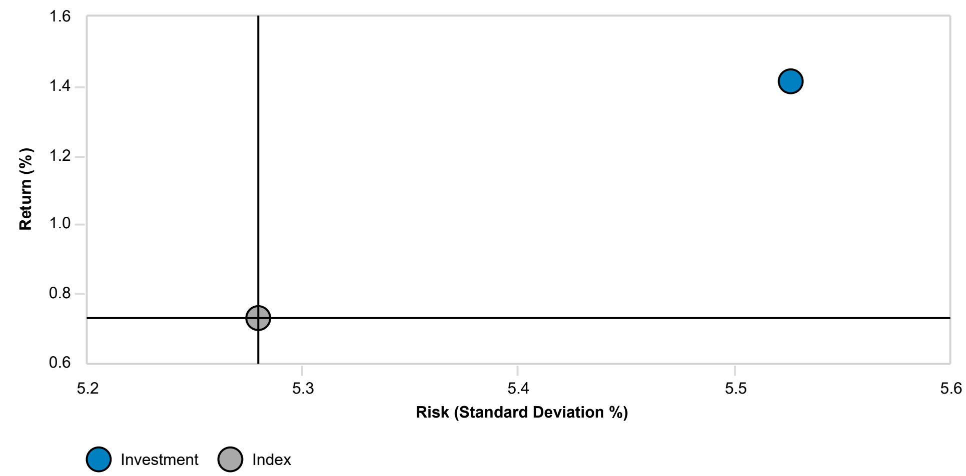
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	1.42	5.53	0.03	106.90	14	97.05	6
Index	0.73	5.28	-0.10	100.00	12	100.00	8

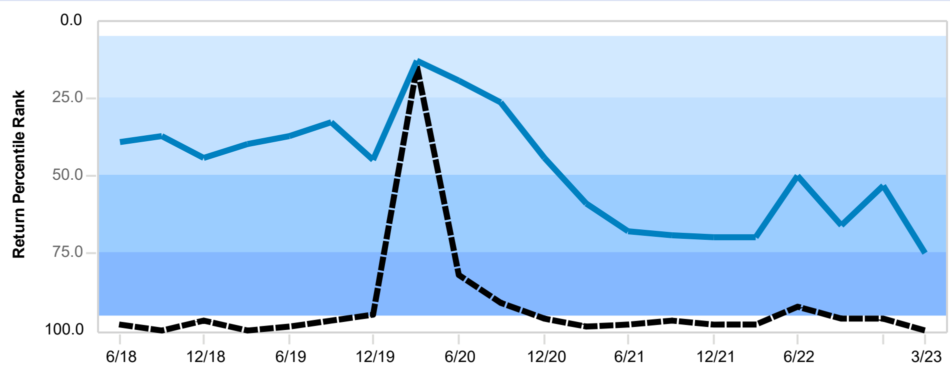
Risk and Return 3 Years



Risk and Return 5 Years

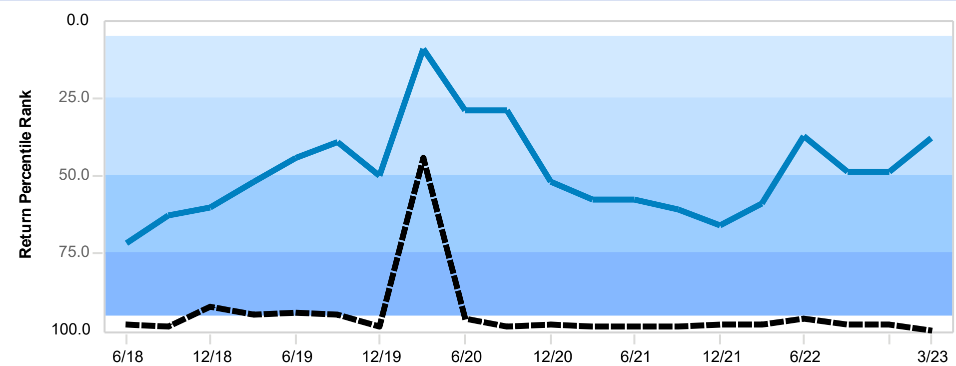


3 Year Rolling Percentile Rank IM U.S. Broad Market Core Fixed Income (SA+CF)



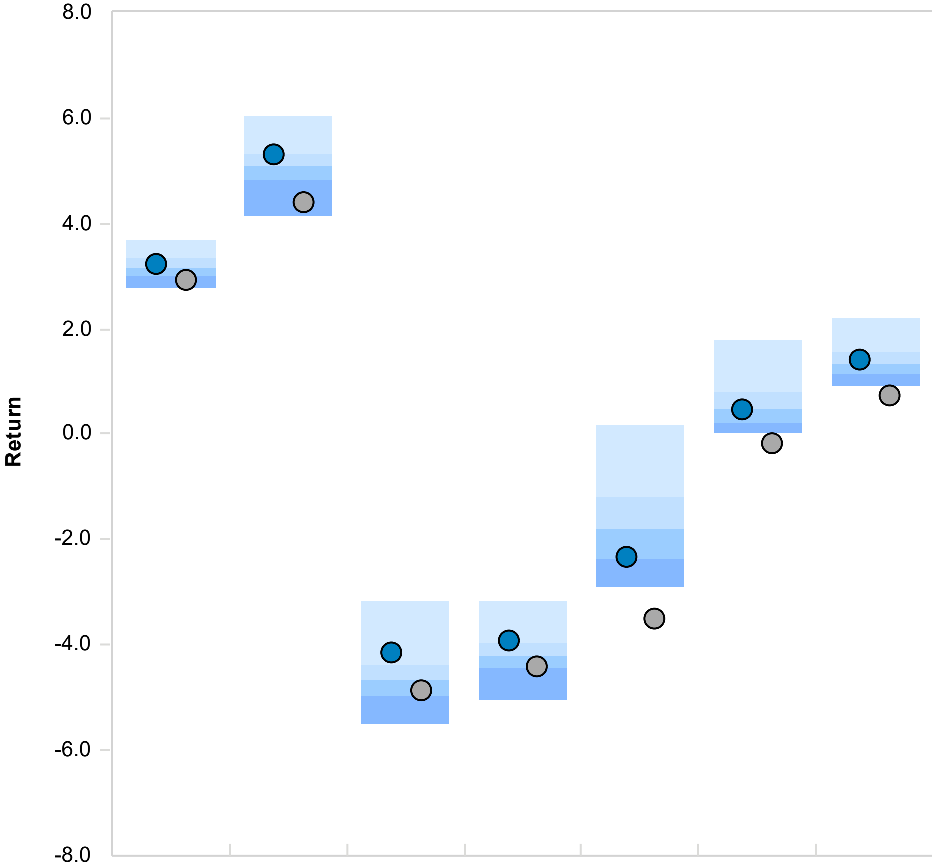
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	2 (10%)	10 (50%)	8 (40%)	0 (0%)
Index	20	1 (5%)	0 (0%)	0 (0%)	19 (95%)

5 Year Rolling Percentile Rank IM U.S. Broad Market Core Fixed Income (SA+CF)



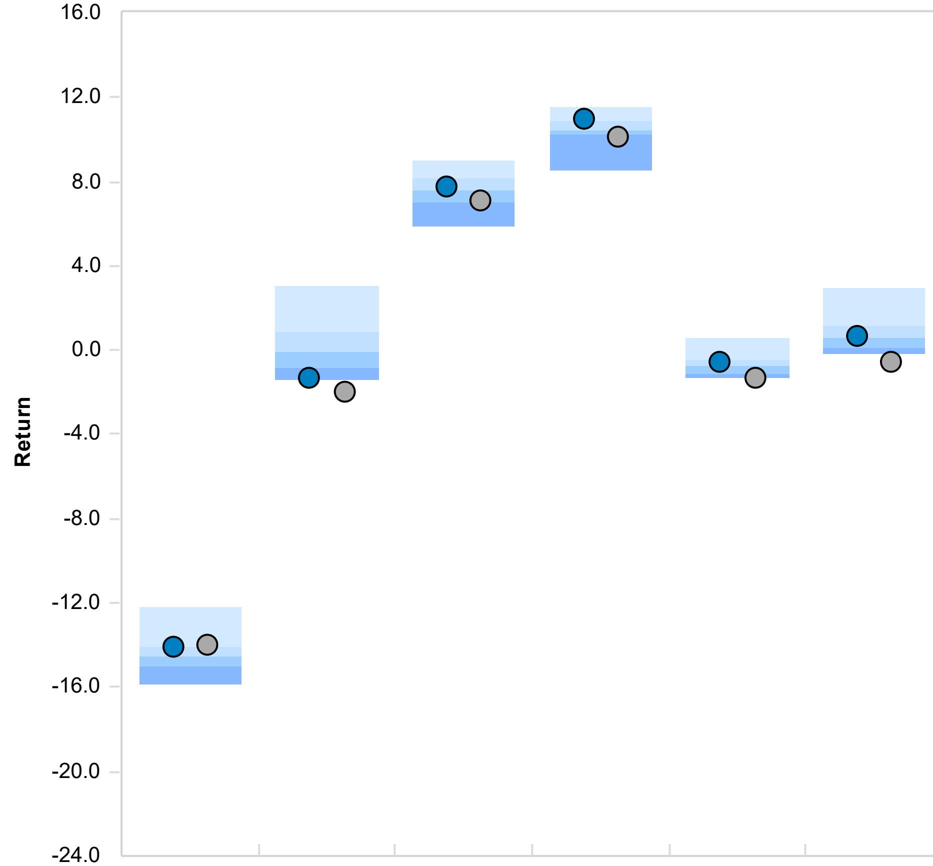
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	1 (5%)	9 (45%)	10 (50%)	0 (0%)
Index	20	0 (0%)	1 (5%)	0 (0%)	19 (95%)

Peer Group Analysis - IM U.S. Broad Market Core Fixed Income (SA+CF)



	QTR		FYTD		1 YR		2 YR		3 YR		4 YR		5 YR	
Investment	3.23	(41)	5.33	(25)	-4.14	(16)	-3.92	(23)	-2.32	(75)	0.46	(56)	1.42	(38)
Index	2.92	(84)	4.41	(90)	-4.85	(70)	-4.40	(65)	-3.50	(100)	-0.18	(100)	0.73	(100)
Median	3.17		5.07		-4.68		-4.21		-1.78		0.49		1.34	

Peer Group Analysis - IM U.S. Broad Market Core Fixed Income (SA+CF)



	Oct-2021 To Sep-2022		Oct-2020 To Sep-2021		Oct-2019 To Sep-2020		Oct-2018 To Sep-2019		Oct-2017 To Sep-2018		Oct-2016 To Sep-2017	
Investment	-14.03	(24)	-1.34	(95)	7.81	(40)	10.94	(20)	-0.56	(32)	0.69	(45)
Index	-13.95	(22)	-1.95	(99)	7.08	(71)	10.16	(77)	-1.27	(95)	-0.55	(100)
Median	-14.51		-0.04		7.54		10.42		-0.74		0.62	

Comparative Performance

	1 Qtr Ending Dec-2022		1 Qtr Ending Sep-2022		1 Qtr Ending Jun-2022		1 Qtr Ending Mar-2022		1 Qtr Ending Dec-2021		1 Qtr Ending Sep-2021	
Investment	2.03	(28)	-4.96	(93)	-4.24	(15)	-5.48	(19)	-0.06	(61)	0.10	(50)
Index	1.45	(85)	-4.92	(92)	-4.16	(11)	-5.65	(32)	0.09	(14)	-0.03	(88)
Median	1.80		-4.60		-4.75		-5.82		-0.04		0.10	

Historical Statistics 3 Years

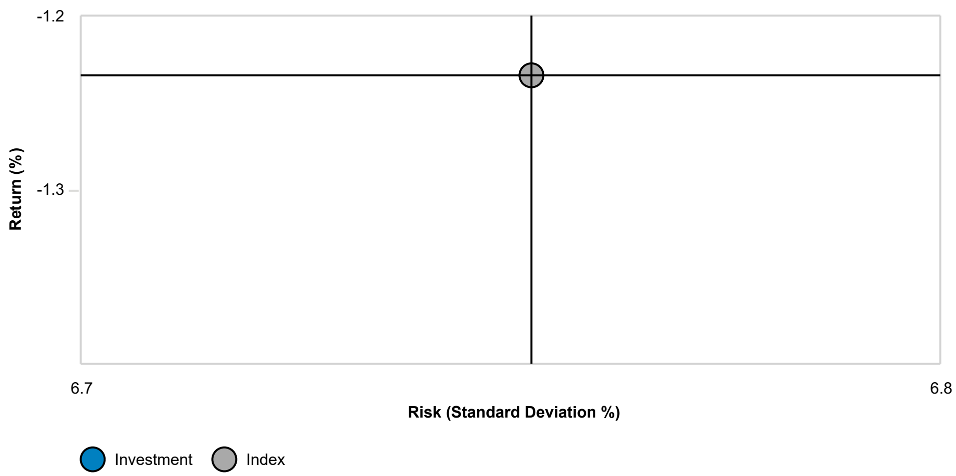
	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Index	-3.06	7.98	-0.46	100.00	6	100.00	6

Historical Statistics 5 Years

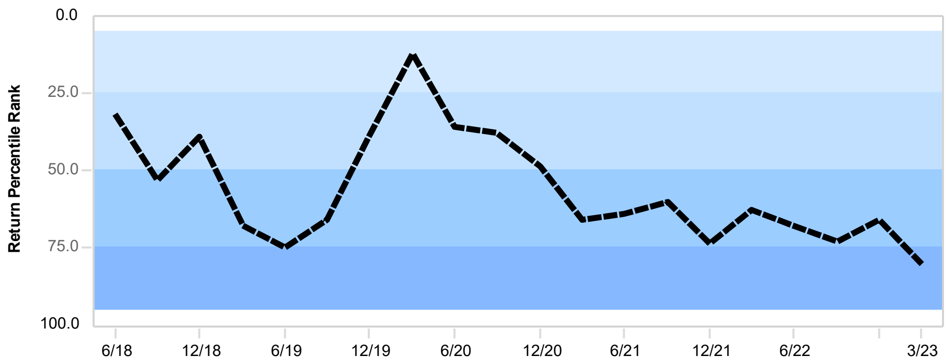
	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Index	-1.23	6.75	-0.36	100.00	11	100.00	9

Risk and Return 3 Years

Risk and Return 5 Years

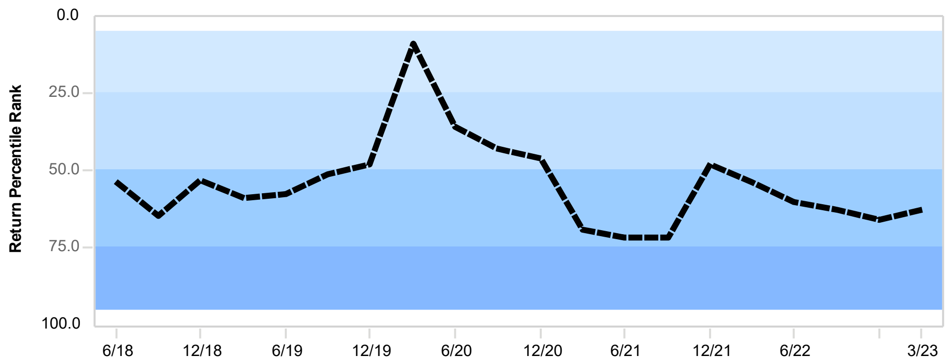


3 Year Rolling Percentile Rank IM Global Fixed Income (MF)



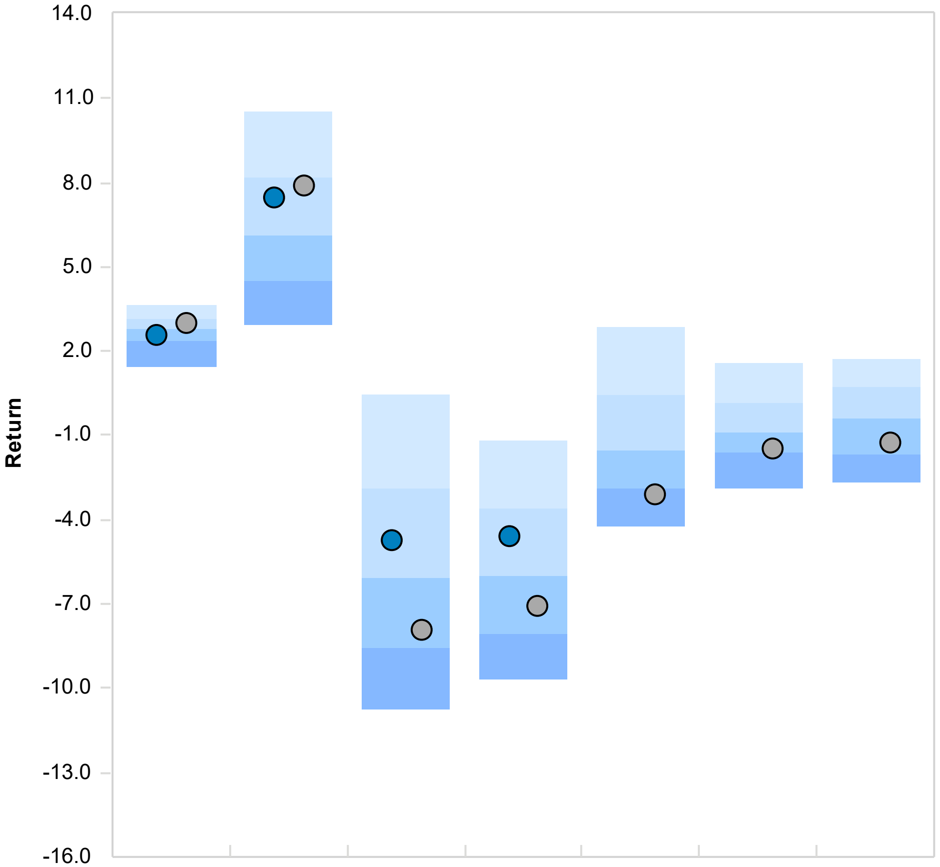
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	0	0	0	0	0
Index	20	1 (5%)	6 (30%)	12 (60%)	1 (5%)

5 Year Rolling Percentile Rank IM Global Fixed Income (MF)



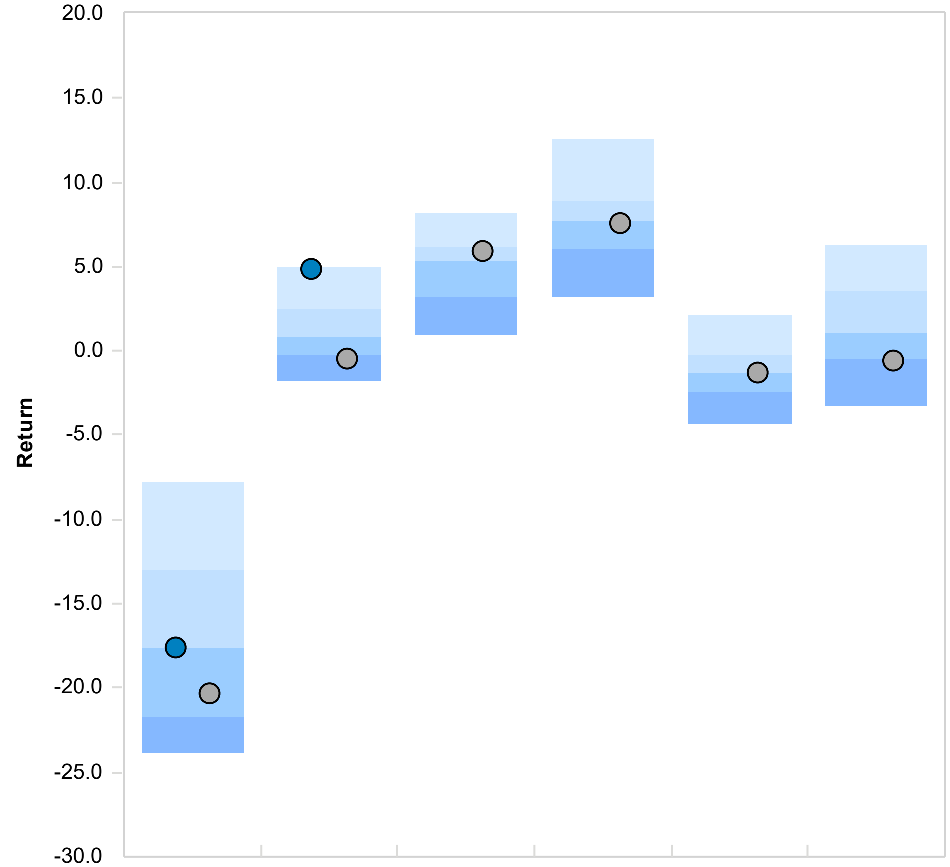
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	0	0	0	0	0
Index	20	1 (5%)	5 (25%)	14 (70%)	0 (0%)

Peer Group Analysis - IM Global Fixed Income (MF)



	QTR		FYTD		1 YR		2 YR		3 YR		4 YR		5 YR	
Investment	2.61	(62)	7.48	(37)	-4.75	(40)	-4.56	(37)	N/A		N/A		N/A	
Index	3.02	(33)	7.87	(31)	-7.90	(67)	-7.06	(59)	-3.06	(80)	-1.47	(71)	-1.23	(63)
Median	2.76		6.15		-6.10		-5.96		-1.50		-0.87		-0.41	

Peer Group Analysis - IM Global Fixed Income (MF)



	Oct-2021 To Sep-2022		Oct-2020 To Sep-2021		Oct-2019 To Sep-2020		Oct-2018 To Sep-2019		Oct-2017 To Sep-2018		Oct-2016 To Sep-2017	
Investment	-17.64	(51)	4.82	(6)	N/A		N/A		N/A		N/A	
Index	-20.34	(63)	-0.45	(79)	5.99	(33)	7.54	(51)	-1.32	(50)	-0.56	(78)
Median	-17.63		0.89		5.39		7.65		-1.33		1.10	

Comparative Performance

	1 Qtr Ending Dec-2022		1 Qtr Ending Sep-2022		1 Qtr Ending Jun-2022		1 Qtr Ending Mar-2022		1 Qtr Ending Dec-2021		1 Qtr Ending Sep-2021	
Investment	4.75	(34)	-2.51	(25)	-9.10	(77)	-7.17	(84)	0.12	(6)	0.12	(17)
Index	4.71	(34)	-6.76	(71)	-8.43	(68)	-6.05	(59)	-0.70	(50)	-0.91	(71)
Median	3.81		-4.13		-7.00		-5.48		-0.70		-0.40	

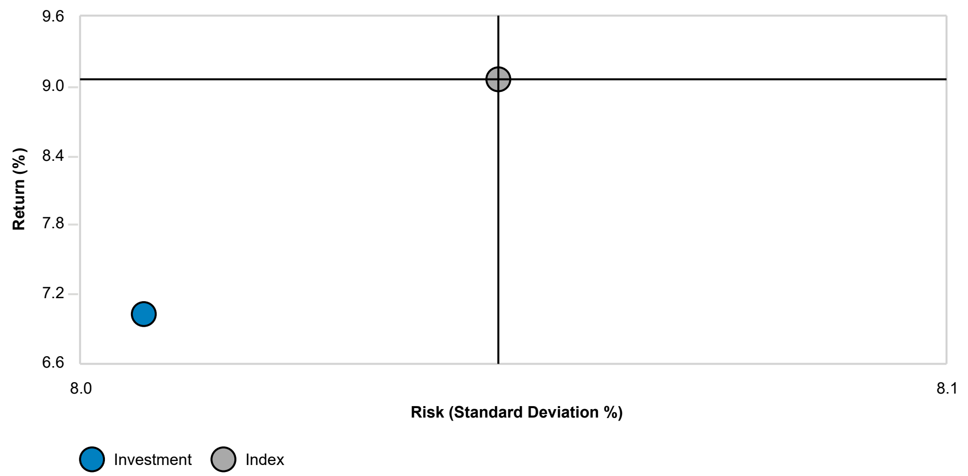
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	7.03	8.01	0.74	85.66	7	105.35	5
Index	9.07	8.05	0.96	100.00	9	100.00	3

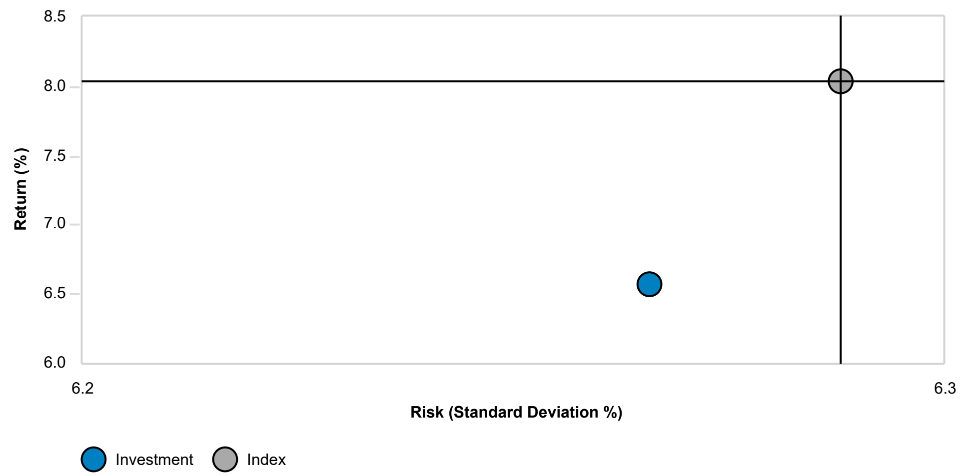
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	6.57	6.27	0.78	86.96	15	105.35	5
Index	8.03	6.29	0.98	100.00	17	100.00	3

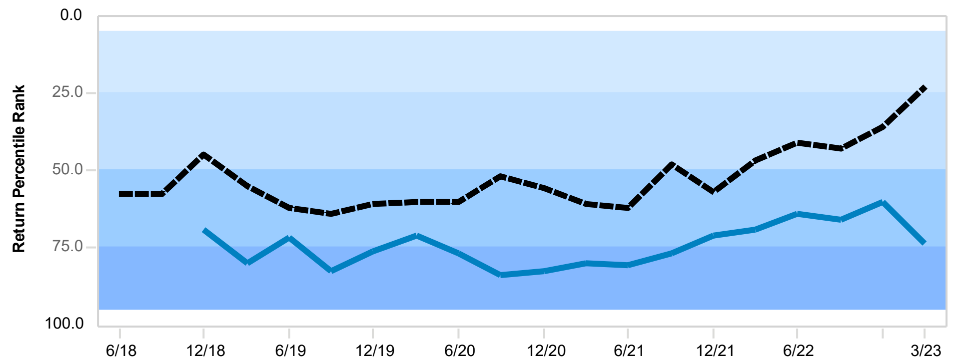
Risk and Return 3 Years



Risk and Return 5 Years

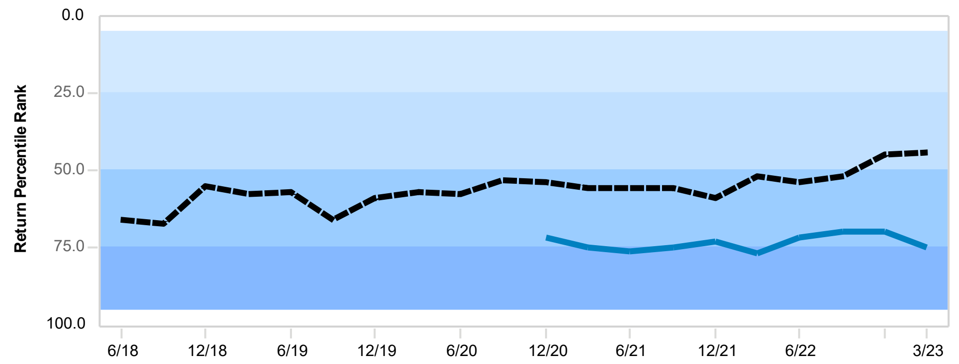


3 Year Rolling Percentile Rank IM U.S. Open End Private Real Estate (SA+CF)



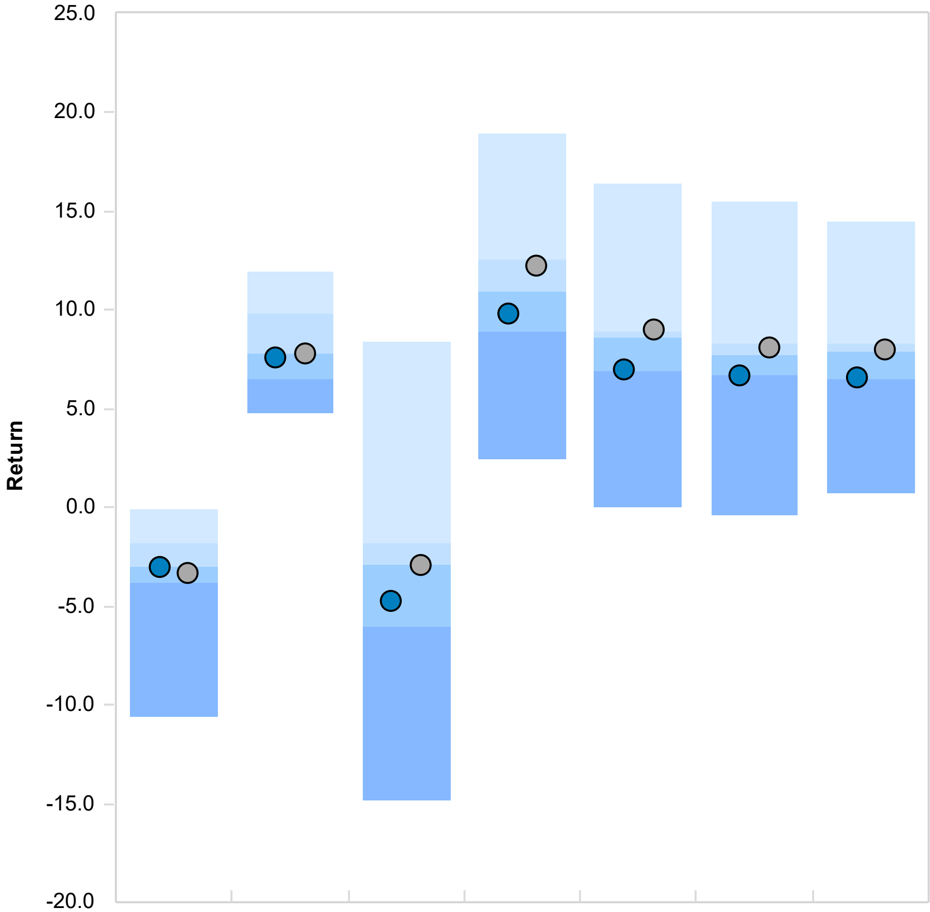
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	18	0 (0%)	0 (0%)	9 (50%)	9 (50%)
Index	20	1 (5%)	6 (30%)	13 (65%)	0 (0%)

5 Year Rolling Percentile Rank IM U.S. Open End Private Real Estate (SA+CF)



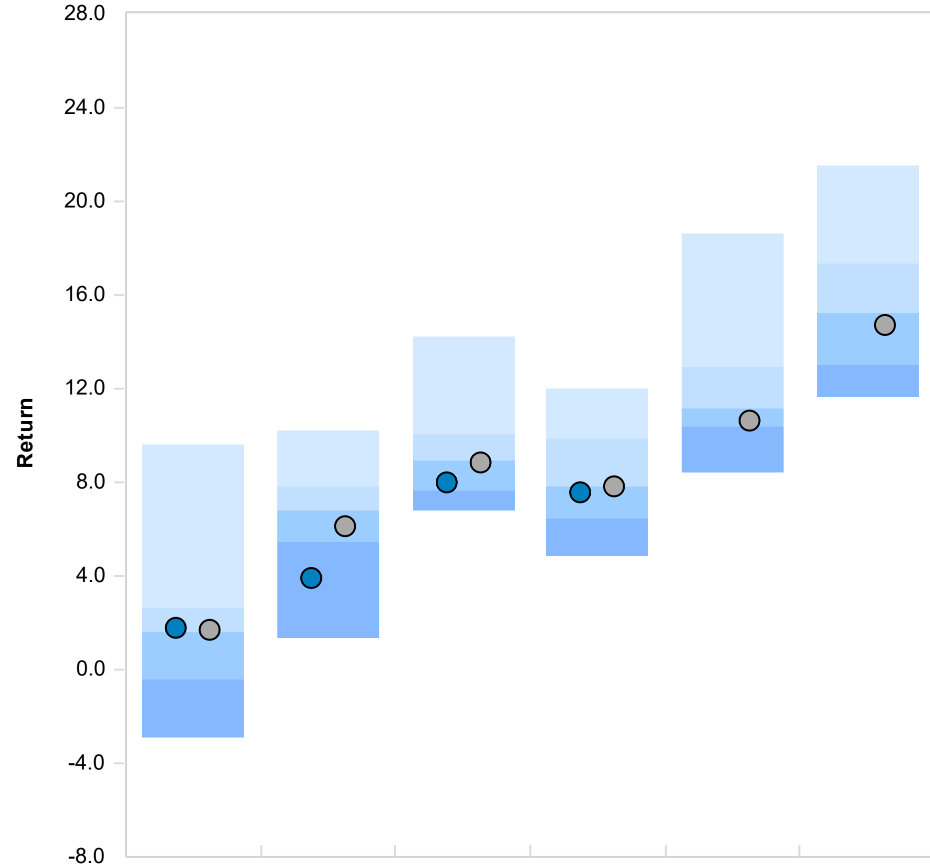
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	10	0 (0%)	0 (0%)	8 (80%)	2 (20%)
Index	20	0 (0%)	2 (10%)	18 (90%)	0 (0%)

Peer Group Analysis - IM U.S. Open End Private Real Estate (SA+CF)



	QTD	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	-2.99 (56)	7.58 (54)	-4.70 (64)	9.79 (64)	7.03 (74)	6.66 (75)	6.57 (75)
Index	-3.31 (68)	7.81 (51)	-2.93 (54)	12.27 (33)	9.07 (23)	8.11 (41)	8.03 (44)
Median	-2.98	7.83	-2.86	10.95	8.58	7.70	7.94

Peer Group Analysis - IM U.S. Open End Private Real Estate (SA+CF)



	Oct-2019 To Sep-2020	Oct-2018 To Sep-2019	Oct-2017 To Sep-2018	Oct-2016 To Sep-2017	Oct-2015 To Sep-2016	Oct-2014 To Sep-2015
Investment	1.77 (43)	3.92 (90)	8.01 (72)	7.58 (54)	N/A	N/A
Index	1.74 (44)	6.17 (69)	8.82 (58)	7.81 (51)	10.62 (68)	14.71 (56)
Median	1.62	6.80	8.98	7.83	11.18	15.20

Comparative Performance

	1 Qtr Ending Dec-2022	1 Qtr Ending Sep-2022	1 Qtr Ending Jun-2022	1 Qtr Ending Mar-2022	1 Qtr Ending Dec-2021	1 Qtr Ending Sep-2021
Investment	-4.97 (43)	-1.27 (81)	4.71 (38)	6.51 (61)	8.13 (39)	6.72 (39)
Index	-4.90 (40)	0.96 (42)	4.55 (41)	7.99 (17)	7.70 (47)	6.96 (32)
Median	-5.18	0.63	4.39	6.86	7.58	6.33

Total Fund Compliance:	Yes	No	N/A
1. The total plan return equaled or exceeded the total plan benchmark over the trailing three year period.	✓		
2. The total plan return equaled or exceeded the total plan benchmark over the trailing five year period.		✓	
3. The total plan return ranked within the top 40th percentile of its peer group over the trailing three year period.		✓	
4. The total plan return ranked within the top 40th percentile of its peer group over the trailing five year period.	✓		
5. The total plan return equaled or exceeded the actuarial earnings assumption over the trailing three year period.	✓		
6. The total plan return equaled or exceeded the actuarial earnings assumption over the trailing five year period.		✓	

Equity Compliance:	Yes	No	N/A
1. Total domestic equity returns meet or exceed the benchmark over the trailing three year period.		✓	
2. Total domestic equity returns meet or exceed the benchmark over the trailing five year period.		✓	
3. Total domestic equity returns ranked within the top 40th percentile of its peer group over the trailing three and five year periods.		✓	
4. Total international equity returns meet or exceed the benchmark over the trailing three and five year periods.	✓		
5. Total international equity returns ranked within the top 40th percentile of its peer group over the trailing three and five year periods.		✓	
6. The total equity allocation was less than or equal to 65% of the total fund value at market.	✓		
7. Foreign securities do not exceed 15% of the total fund value at market.	✓		

Fixed Income Compliance:	Yes	No	N/A
1. Total domestic fixed income returns meet or exceed the benchmark over the trailing three year period.	✓		
2. Total domestic fixed income returns meet or exceed the benchmark over the trailing five year period.	✓		
3. Total domestic fixed income returns ranked within the top 40th percentile of its peer group over the trailing three and five year periods.		✓	
4. Total global fixed income returns meet or exceed the benchmark over the trailing three and five year periods.	✓		
5. Total global fixed income returns ranked within the top 40th percentile of its peer group over the trailing three and five year periods.		✓	
6. The average effective duration of the fixed income portfolio shall not exceed that of the benchmark by more than 20%.	✓		
7. No more than 10% of the market value of a fixed income manager's portfolio was invested in the securities of a single issuer.	✓		

Manager Compliance:	Vanguard TSM**			Allspring			JPM Eq Inc*			Eaton Vance		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
1. Manager outperformed the index over the trailing three and five year periods.		✓			✓		✓			✓		
2. Manager ranked within the top 40th percentile over trailing three and five year	✓				✓			✓			✓	
3. Less than four consecutive quarters of under performance relative to the benchmark.	✓			✓			✓			✓		
4. Three-year down-market capture ratio less than the index.		✓		✓			✓			✓		
5. Standard deviation <= 150% of the index over the trailing three and five year periods	✓			✓			✓			✓		

*3 or 5 yr data not available as of report date
**Index fund

Manager Compliance:	**EuroPacific**			**WCM**			**Baird***			**Sawgrass**		
	Yes	**No**	**N/A**	**Yes**	**No**	**N/A**	**Yes**	**No**	**N/A**	**Yes**	**No**	**N/A**
1. Manager outperformed the index over the trailing three and five year periods.		✓		✓					✓	✓		
2. Manager ranked within the top 40th percentile over trailing three and five year		✓		✓					✓		✓	
3. Less than four consecutive quarters of under performance relative to the benchmark.	✓			✓					✓	✓		
4. Three-year down-market capture ratio less than the index.		✓			✓				✓	✓		
5. Standard deviation <= 150% of the index over the trailing three and five year periods	✓			✓					✓	✓		

Manager Compliance:	**PIMCO Div Inc***			**JPM SPF**								
	Yes	**No**	**N/A**	**Yes**	**No**	**N/A**	**Yes**	**No**	**N/A**	**Yes**	**No**	**N/A**
1. Manager outperformed the index over the trailing three and five year periods.			✓		✓							
2. Manager ranked within the top 40th percentile over trailing three and five year			✓		✓							
3. Less than four consecutive quarters of under performance relative to the benchmark.	✓			✓								
4. Three-year down-market capture ratio less than the index.			✓		✓							
5. Standard deviation <= 150% of the index over the trailing three and five year periods			✓	✓								

*3 or 5 yr data not available as of report date
**Index fund

	Estimated Annual Fee (%)	Market Value ($)	Estimated Annual Fee ($)	Fee Schedule
Vanguard Total Stk Mkt Index (VITSX)	0.04	15,861,503	6,345	0.04 % of Assets
Allspring	0.66	13,806,296	91,122	0.66 % of First $50 M 0.60 % of Next $50 M 0.55 % Thereafter
JP Morgan Equity Income R6 (OIEJX)	0.40	17,613,856	70,455	0.40 % of Assets
Eaton Vance Atlanta Capital SMID-Cap R6 (ERASX)	0.84	9,890,873	83,083	0.84 % of Assets
Total Domestic Equity	**0.44**	**57,172,527**	**251,005**	
EuroPacific Growth Fund (RERGX)	0.49	7,696,940	37,715	0.49 % of Assets
WCM Focused Int'l Growth (WCMIX)	1.03	3,520,821	36,264	1.03 % of Assets
Total International Equity	**0.66**	**11,217,761**	**73,979**	
Baird Short-Term Bond Fund (BSBIX)	0.30	3,028,950	9,087	0.30 % of Assets
Sawgrass	0.25	24,905,076	62,263	0.25 % of Assets
Total Domestic Fixed Income	**0.26**	**27,934,026**	**71,350**	
PIMCO Diversified Income (PDIIX)	0.79	3,423,790	27,048	0.79 % of Assets
Total Global Fixed Income	**0.79**	**3,437,581**	**27,125**	
JP Morgan Strategic Property Fund	1.00	6,254,193	62,542	1.00 % of Assets
Total Real Estate	**1.00**	**6,254,193**	**62,542**	
Total Cash & Equivalents*		**1,869,105**		
Total Fund	**0.45**	**107,885,194**	**486,001**	

*Manager fees associated with money market or cash accounts are not tracked.

Total Fund Policy	
Allocation Mandate	**Weight (%)**
Jan-1973	
S&P 500 Index	45.00
ICE BofAML US Corp & Gov 1-10 Yrs	45.00
MSCI EAFE Index	10.00
Jul-2001	
S&P 500 Index	45.00
BofA Merrill Lynch Domestic Master A or Better	45.00
MSCI EAFE Index	10.00
Jan-2010	
Russell 3000 Index	45.00
BofA Merrill Lynch Domestic Master A or Better	45.00
MSCI AC World ex USA	10.00
Apr-2011	
Russell 3000 Index	45.00
BofA Merrill Lynch Domestic Master A or Better	40.00
MSCI AC World ex USA	10.00
FTSE World Government Bond Index	5.00
Mar-2014	
Russell 3000 Index	50.00
MSCI AC World ex USA	10.00
BofA Merrill Lynch Domestic Master A or Better	35.00
FTSE World Government Bond Index	5.00
Nov-2015	
Russell 3000 Index	50.00
MSCI AC World ex USA	10.00
BofA Merrill Lynch Domestic Master A or Better	30.00
FTSE World Government Bond Index	5.00
NCREIF Fund Index-Open End Diversified Core (EW)	5.00

Total Equity Policy	
Allocation Mandate	**Weight (%)**
Jan-1970	
S&P 500 Index	80.00
MSCI EAFE Index	20.00
Jan-2010	
Russell 3000 Index	80.00
MSCI AC World ex USA	20.00
Apr-2011	
Russell 3000 Index	82.00
MSCI AC World ex USA	18.00
Mar-2014	
Russell 3000 Index	83.00
MSCI AC World ex USA	17.00

Total Domestic Equity Policy	
Allocation Mandate	**Weight (%)**
Jan-1970	
S&P 500 Index	100.00
Jan-2010	
Russell 3000 Index	100.00
Apr-2011	
Russell 3000 Index	100.00

Vanguard Total Stock Market Index	
Allocation Mandate	**Weight (%)**
Jun-2003	
MSCI US Broad Market Index	100.00
Jun-2013	
CRSP U.S. Total Market TR Index	100.00

Total International Equity Policy

Allocation Mandate	Weight (%)
Jan-1970	
MSCI EAFE Index	100.00
Jan-2010	
MSCI AC World ex USA	100.00
Apr-2011	
MSCI AC World ex USA	100.00

Total Domestic Fixed Income Policy

Allocation Mandate	Weight (%)
Jul-1999	
ICE BofAML US Corp & Gov 1-10 Yrs	100.00
Jul-2001	
BofA Merrill Lynch Domestic Master A or Better	100.00

Total Fixed Income Policy

Allocation Mandate	Weight (%)
Jul-1999	
ICE BofAML US Corp & Gov 1-10 Yrs	100.00
Jul-2001	
BofA Merrill Lynch Domestic Master A or Better	100.00
Jan-2010	
BofA Merrill Lynch Domestic Master A or Better	100.00
Apr-2011	
BofA Merrill Lynch Domestic Master A or Better	89.00
FTSE World Government Bond Index	11.00
Mar-2014	
BofA Merrill Lynch Domestic Master A or Better	87.50
FTSE World Government Bond Index	12.50
Nov-2015	
BofA Merrill Lynch Domestic Master A or Better	85.70
FTSE World Government Bond Index	14.30

Total Global Fixed Income Policy

Allocation Mandate	Weight (%)
Nov-2010	
FTSE World Government Bond Index	100.00

Investment Manager Long-Term Composite Returns

Comparative Performance Trailing Returns - Manager Composites

	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		10 YR		Inception		Inception Date
Domestic Equity																	
Vanguard TSM Idx;Inst (VITSX)	7.15	(29)	14.82	(48)	-8.77	(69)	18.36	(38)	10.37	(21)	11.93	(20)	11.69	(15)	8.00	(31)	08/01/1997
Vanguard Total Stock Market Index	7.15	(29)	14.81	(49)	-8.77	(69)	18.37	(37)	10.37	(21)	11.94	(19)	11.69	(15)	N/A		
IM U.S. Multi-Cap Core Equity (MF) Median	6.16		14.74		-7.58		17.76		8.92		10.44		10.30		7.40		
Allspring Heritage Premier Growth Equity	11.75	(55)	12.55	(90)	-14.39	(82)	12.94	(86)	9.50	(86)	12.54	(77)	12.02	(84)	12.35	(25)	08/01/1994
Russell 1000 Growth Index	14.37	(31)	16.88	(45)	-10.90	(52)	18.58	(23)	13.66	(18)	15.01	(21)	14.59	(23)	10.34	(93)	
IM U.S. Large Cap Growth Equity (SA+CF) Median	12.34		16.57		-10.55		16.37		11.79		13.66		13.53		11.27		
JPMorgan:Equity Inc;R6 (OIEJX)	-2.22	(97)	10.50	(92)	-4.05	(37)	18.23	(48)	9.24	(29)	10.54	(30)	10.61	(18)	11.46	(20)	02/01/2012
Russell 1000 Value Index	1.01	(33)	13.55	(48)	-5.91	(67)	17.93	(54)	7.50	(67)	9.02	(68)	9.13	(58)	10.49	(48)	
IM U.S. Large Cap Value Equity (MF) Median	0.15		13.51		-4.96		18.15		8.02		9.60		9.36		10.43		
Eaton Vance AC SMID;R6 (ERASX)	0.99	(78)	12.74	(51)	-3.30	(19)	19.95	(41)	9.61	(4)	11.56	(2)	N/A		11.83	(1)	08/01/2014
Russell 2500 Index	3.39	(36)	11.07	(76)	-10.39	(86)	19.42	(52)	6.65	(54)	9.46	(33)	9.07	(34)	8.02	(27)	
IM U.S. Mid Cap Core Equity (MF) Median	2.31		12.78		-6.60		19.49		6.91		8.51		8.47		6.91		
International Equity																	
American Funds EuPc;R6 (RERGX)	9.87	(8)	25.02	(61)	-3.26	(65)	12.13	(72)	3.25	(28)	7.02	(6)	5.99	(6)	7.01	(11)	06/01/2009
Total International Equity Policy	7.00	(73)	22.38	(85)	-4.56	(80)	12.32	(68)	2.97	(36)	6.37	(19)	4.65	(48)	6.02	(39)	
IM International Multi-Cap Core Equity (MF) Median	7.84		25.98		-2.43		12.94		2.53		5.79		4.61		5.80		
WCM Focused Itl Gro;Inst (WCMIX)	10.58	(31)	25.36	(50)	-4.89	(68)	13.68	(14)	8.51	(2)	10.54	(3)	9.26	(1)	8.25	(1)	06/01/2011
MSCI AC World ex USA	7.00	(86)	22.38	(79)	-4.56	(66)	12.32	(39)	2.97	(66)	6.37	(53)	4.65	(74)	3.87	(78)	
IM International Large Cap Growth Equity (MF) Median	9.63		25.34		-3.35		11.75		3.59		6.46		5.31		4.61		
Fixed Income																	
Baird Short-Term Bd;Inst (BSBIX)	1.49	(52)	2.67	(44)	0.44	(44)	0.66	(76)	1.58	(30)	1.45	(41)	1.45	(17)	2.38	(18)	09/01/2004
Blmbg. U.S. Aggregate 1-3 Yrs	1.51	(49)	2.42	(61)	0.24	(50)	-0.51	(94)	1.21	(67)	1.00	(76)	0.99	(65)	2.05	(41)	
IM U.S. Short Term Investment Grade (MF) Median	1.50		2.57		0.23		1.30		1.38		1.35		1.12		1.92		
Sawgrass High-Quality Core Fixed Income	3.18	(47)	5.54	(13)	-4.12	(15)	-2.23	(74)	1.54	(27)	1.47	(46)	1.73	(60)	4.37	(57)	04/01/1998
BofA Merrill Lynch Domestic Master A or Better	2.92	(84)	4.41	(90)	-4.85	(70)	-3.50	(100)	0.73	(100)	0.60	(100)	1.18	(100)	N/A		
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	3.17		5.07		-4.68		-1.78		1.34		1.41		1.78		4.46		
Global Fixed Income																	
PIMCO:Div Income;Inst (PDIIX)	2.61	(62)	7.51	(36)	-4.75	(39)	0.72	(21)	1.21	(14)	3.12	(4)	2.69	(3)	5.59	(1)	08/01/2003
Blmbg. Global Multiverse	3.02	(33)	7.87	(31)	-7.90	(67)	-3.06	(80)	-1.23	(63)	-0.06	(74)	0.22	(60)	2.90	(53)	
IM Global Fixed Income (MF) Median	2.76		6.15		-6.10		-1.50		-0.41		0.40		0.35		2.95		
Real Estate																	
JP Morgan Strategic Property Fund (SPF)	N/A		N/A		N/A		N/A		N/A		N/A		N/A		N/A		01/01/1998
NCREIF Fund Index-Open End Diversified Core (EW)	-3.31	(68)	-8.04	(45)	-2.93	(54)	9.07	(23)	8.03	(44)	8.14	(48)	9.73	(55)	8.50	(N/A)	
IM U.S. Open End Private Real Estate (SA+CF) Median	-2.98		-8.52		-2.86		8.58		7.94		8.11		9.85		N/A		

Returns for periods greater than one year are annualized. Returns are expressed as percentages.

Active Return - Arithmetic difference between the manager’s performance and the designated benchmark return over a specified time period.

Alpha - A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.

Beta - A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.

Consistency - The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product’s performance.

Distributed to Paid In (DPI) - The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against.

Down Market Capture - The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance

Downside Risk - A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.

Excess Return - Arithmetic difference between the manager’s performance and the risk-free return over a specified time period.

Excess Risk - A measure of the standard deviation of a portfolio's performance relative to the risk free return.

Information Ratio - This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.

Public Market Equivalent (PME) - Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index.

R-Squared - The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.

Return - Compounded rate of return for the period.

Sharpe Ratio - Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.

Standard Deviation - A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.

Total Value to Paid In (TVPI) - The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund’s life

Tracking Error - This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.

Treynor Ratio - Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.

Up Market Capture - The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.

AndCo compiled this report for the sole use of the client for which it was prepared. AndCo is responsible for evaluating the performance results of the Total Fund along with the investment advisors by comparing their performance with indices and other related peer universe data that is deemed appropriate. AndCo uses the results from this evaluation to make observations and recommendations to the client.

AndCo uses time-weighted calculations which are founded on standards recommended by the CFA Institute. The calculations and values shown are based on information that is received from custodians. AndCo analyzes transactions as indicated on the custodian statements and reviews the custodial market values of the portfolio. As a result, this provides AndCo with a reasonable basis that the investment information presented is free from material misstatement. This methodology of evaluating and measuring performance provides AndCo with a practical foundation for our observations and recommendations. Nothing came to our attention that would cause AndCo to believe that the information presented is significantly misstated.

This performance report is based on data obtained by the client’s custodian(s), investment fund administrator, or other sources believed to be reliable. While these sources are believed to be reliable, the data providers are responsible for the accuracy and completeness of their statements. Clients are encouraged to compare the records of their custodian(s) to ensure this report fairly and accurately reflects their various asset positions.

The strategies listed may not be suitable for all investors. We believe the information provided here is reliable, but do not warrant its accuracy or completeness. Past performance is not an indication of future performance. Any information contained in this report is for informational purposes only and should not be construed to be an offer to buy or sell any securities, investment consulting, or investment management services.

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International Equity Manager

Analysis

As of 3/31/2023

Jacksonville Beach Retirement System

Purpose for this Manager Evaluation Report

The purpose of this search is to evaluate international equity options to complement American Funds EuroPacific Growth (FEUPX) and WCM Focused Growth International (WCMIX).

Investment Options for this Manager Evaluation Report

Firm Name	Strategy Name	Vehicle	Management Fee	Investment Minimum
Dimensional Fund Advisors L.P.	DFA International Value I (DFIVX)	MF	0.29%	No Minimum
Dodge & Cox	Dodge & Cox International (DODFX)	MF	0.62%	$2,500
Pear Tree Advisors, Inc. Subadvisor: Polaris Capital Management, LLC	Pear Tree Polaris Foreign Value R6 (QFVRX)	MF	0.94%	$100,000

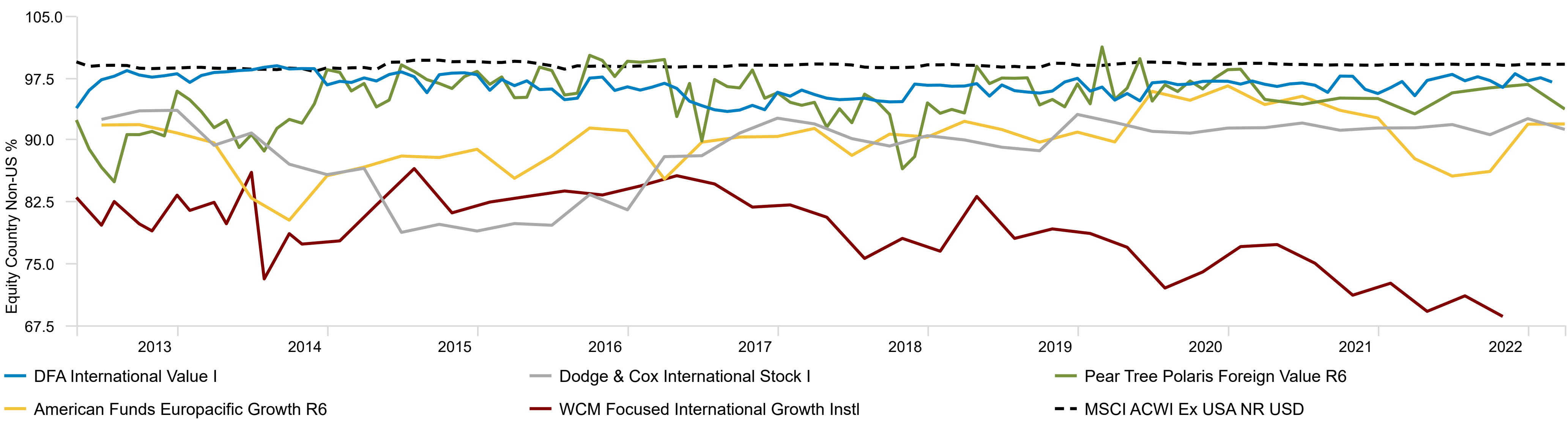
	DFA International Value I	Dodge & Cox International Stock I	Pear Tree Polaris Foreign Value R6	American Funds Europacific Growth R6	WCM Focused International Growth Instl	MSCI ACWI Ex USA NR USD
COMPOSITION						
# of Holdings	545	91	62	377	38	2,262
% Asset in Top 10 Holdings	17.85	31.46	25.14	25.07	37.50	11.47
Asset Alloc Cash %	0.86	2.97	3.45	5.51	1.23	0.00
Asset Alloc Equity %	99.15	97.08	95.68	93.65	98.75	99.85
Asset Alloc Bond %	0.00	0.00	0.00	0.42	0.00	0.00
Asset Alloc Other %	0.00	0.00	0.87	0.42	0.02	0.15
CHARACTERISTICS						
Average Market Cap (mil)	31,211.35	49,566.76	16,543.97	59,237.72	52,544.95	42,851.78
P/E Ratio (TTM)	8.26	10.98	10.65	17.10	31.48	12.84
P/B Ratio (TTM)	0.97	1.21	1.34	3.01	5.01	1.66
LT Earn Growth	8.97	15.43	11.32	12.68	13.61	10.54
Dividend Yield	5.31	3.14	4.09	2.35	1.23	3.65
ROE % (TTM)	12.89	16.27	14.25	19.78	28.37	17.24
GICS SECTORS %						
Energy %						
Materials %						
Industrials %						
Consumer Discretionary %						
Consumer Staples %						
Healthcare %						
Financials %						
Information Technology %						
Communication Services %						
Utilities %						
Real Estate %						
MARKET CAPITALIZATION						
Market Cap Giant %	33.88	44.62	24.13	55.98	36.78	48.39
Market Cap Large %	42.89	41.80	31.14	26.79	43.74	38.51
Market Cap Mid %	18.46	9.68	34.78	10.59	18.23	12.63
Market Cap Small %	0.38	0.43	4.22	0.11	0.00	0.18
Market Cap Micro %	0.00	0.00	1.42	0.00	0.00	0.00

Characteristic data is based on best available data.

Current Portfolio Region Allocation

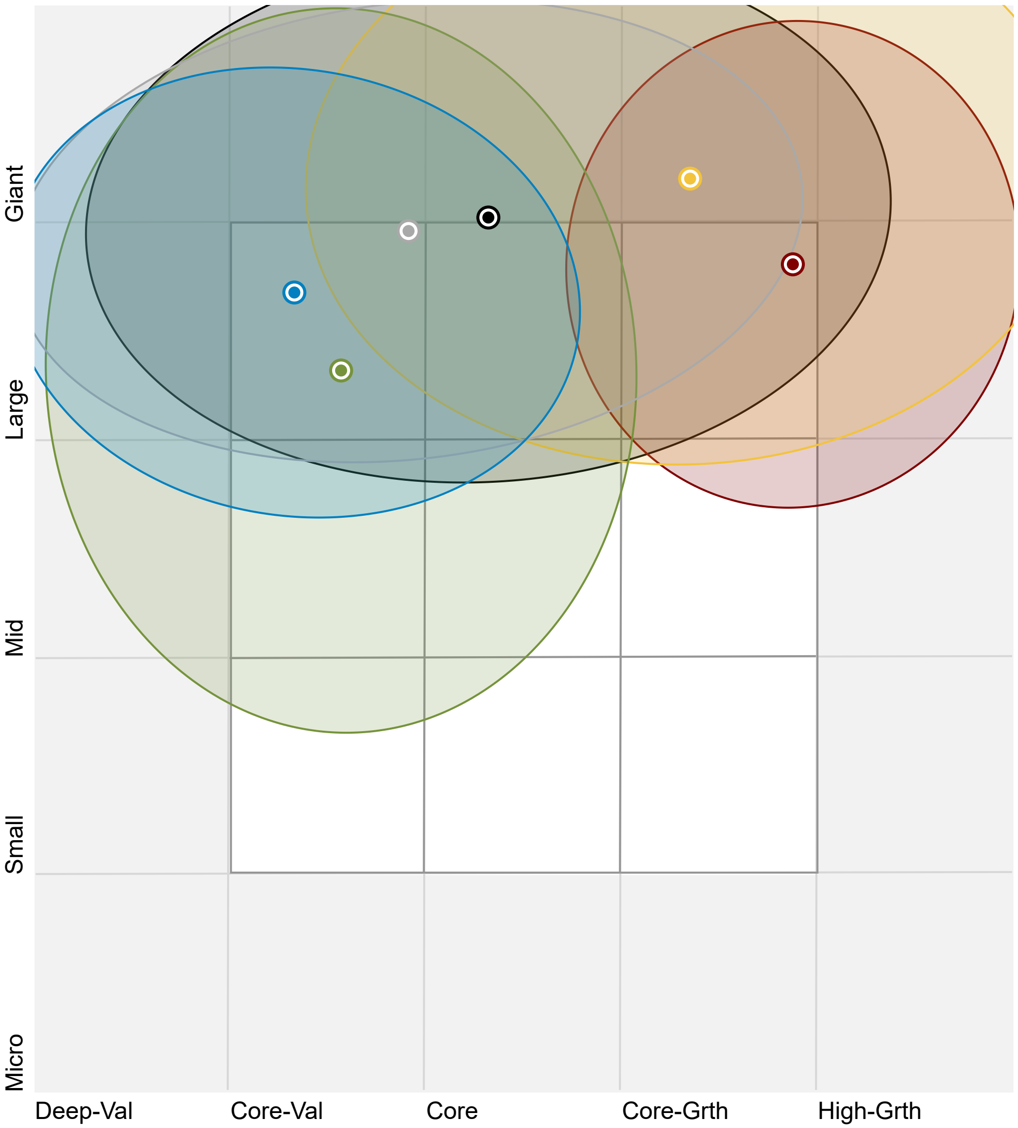
	DFA International Value I	Dodge & Cox International Stock I	Pear Tree Polaris Foreign Value R6	American Funds Europacific Growth R6	WCM Focused International Growth Instl	MSCI ACWI Ex USA NR USD
Portfolio Date	2/28/2023	3/31/2023	3/31/2023	3/31/2023	10/31/2022	3/31/2023
United States %	0.48	5.91	2.00	1.81	30.54	0.64
North America %	9.63	11.98	13.46	9.91	37.86	8.15
Latin America %	0.24	4.18	2.35	3.95	0.00	2.38
United Kingdom %	14.39	16.33	12.79	7.91	3.07	9.29
Europe dev %	45.19	42.04	39.83	40.00	45.51	32.77
Europe emrg %	0.00	0.00	0.00	0.05	0.00	0.46
Japan %	19.42	11.63	12.61	11.49	5.37	13.95
Australasia %	7.43	0.00	0.00	2.71	3.09	4.96
Asia dev %	3.02	4.05	15.13	10.57	2.90	10.45
Asia emrg %	0.19	9.80	3.84	12.41	2.19	14.29
Africa/Middle East %	0.51	0.00	0.00	1.00	0.00	3.31
Developed %	99.58	86.02	95.52	83.44	97.81	80.81
Emerging %	0.42	13.98	4.48	16.56	2.19	19.20

Historical Non-US Portfolio Exposure



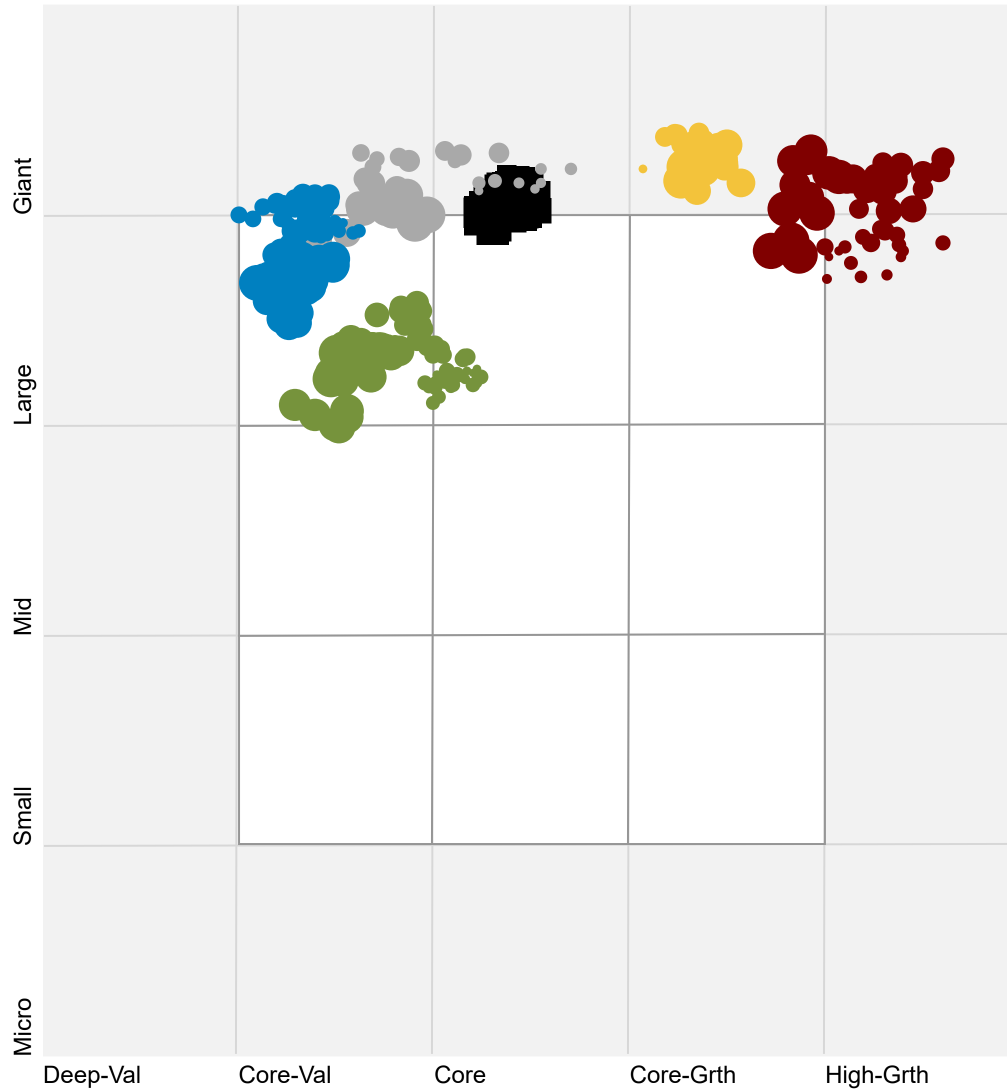
Characteristic data is based on best available data.

Current Portfolio Holdings-Style Map



Historical Holdings-Based Style Trail

Time Period: 4/30/2013 to 3/31/2023



- DFA International Value I
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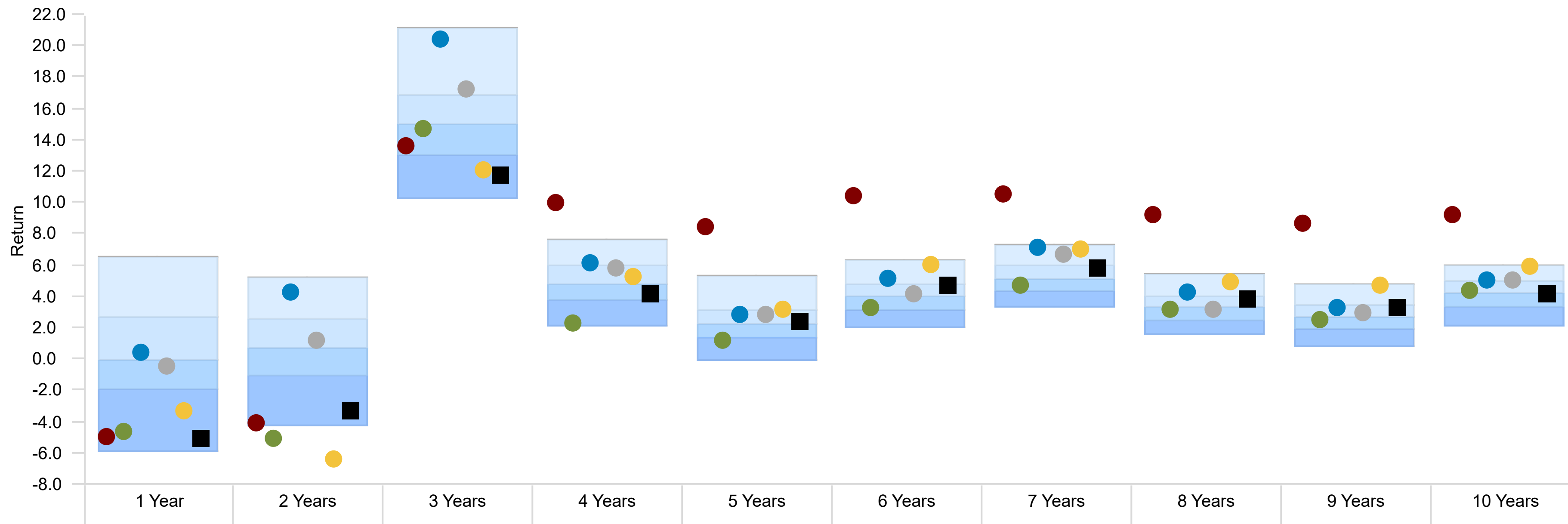
Characteristic data is based on best available data.

As of Date: 3/31/2023   Peer Group (5-95%): Funds - U.S. - Foreign Large Value



	1 Year	Rank	2 Years	Rank	3 Years	Rank	4 Years	Rank	5 Years	Rank	6 Years	Rank	7 Years	Rank	8 Years	Rank	9 Years	Rank	10 Years	Rank
DFA International Value I	0.40	46	4.32	11	20.49	7	6.13	22	2.85	32	5.15	18	7.11	6	4.26	18	3.29	30	5.04	20
Dodge & Cox International Stock I	-0.46	55	1.25	44	17.30	21	5.83	29	2.91	29	4.21	42	6.70	10	3.23	52	3.03	38	5.06	20
Pear Tree Polaris Foreign Value R6	-4.58	89	-5.02	97	14.76	55	2.33	94	1.21	79	3.36	68	4.76	62	3.17	54	2.52	53	4.44	40
American Funds Europacific Growth R6	-3.26	85	-6.36	99	12.13	83	5.33	39	3.25	22	6.04	6	7.02	8	4.98	8	4.74	5	5.99	6
WCM Focused International Growth Instl	-4.89	90	-4.06	94	13.68	66	10.00	2	8.51	1	10.46	1	10.54	1	9.29	1	8.66	1	9.26	1
MSCI ACWI Ex USA NR USD	-5.07	90	-3.29	91	11.80	85	4.22	65	2.47	42	4.69	29	5.86	29	3.85	31	3.30	29	4.17	52

- DFA International Value I
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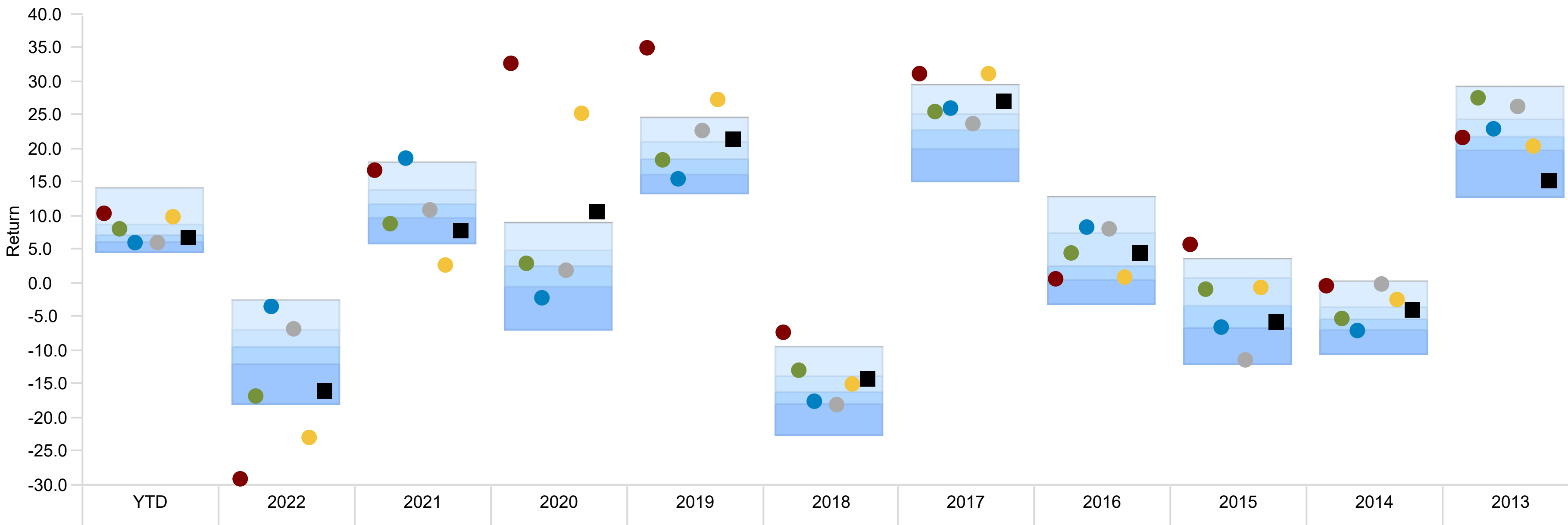
Returns are Net of Fees.

Performance data shown prior to fund's inception date represents extended performance of an older share class of the same strategy.

As of Date: 3/31/2023 Peer Group (5-95%): Funds - U.S. - Foreign Large Value



	YTD	Rank	2022	Rank	2021	Rank	2020	Rank	2019	Rank	2018	Rank	2017	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank
DFA International Value I	6.13	74	-3.48	8	18.69	3	-2.14	84	15.67	79	-17.49	69	26.09	18	8.41	16	-6.31	71	-6.99	73	23.12	37
Dodge & Cox International Stock I	6.15	73	-6.78	25	11.03	58	2.10	55	22.78	12	-17.98	77	23.94	40	8.26	17	-11.35	90	0.08	8	26.31	15
Pear Tree Polaris Foreign Value R6	8.14	34	-16.72	93	8.84	82	3.14	42	18.52	48	-12.93	20	25.65	22	4.54	34	-0.67	34	-5.23	47	27.57	9
American Funds Europacific Growth R6	9.87	17	-22.72	100	2.84	99	25.27	2	27.40	1	-14.91	31	31.17	1	1.01	69	-0.48	34	-2.29	16	20.58	65
WCM Focused International Growth Instl	10.58	13	-28.90	100	17.02	9	32.82	2	35.18	1	-7.30	3	31.24	1	0.67	73	5.79	2	-0.30	10	21.72	52
MSCI ACWI Ex USA NR USD	6.87	62	-16.00	92	7.82	88	10.65	3	21.51	18	-14.20	26	27.19	12	4.50	36	-5.66	68	-3.87	28	15.29	86

● DFA International Value I ● Dodge & Cox International Stock I ● Pear Tree Polaris Foreign Value R6

● American Funds Europacific Growth R6 ● WCM Focused International Growth Instl ■ MSCI ACWI Ex USA NR USD

Correlation Matrix

Time Period: 4/1/2013 to 3/31/2023

	1	2	3	4	5	6
1 DFA International Value I	1.00					
2 Dodge & Cox International Stock I	0.97	1.00				
3 Pear Tree Polaris Foreign Value R6	0.95	0.94	1.00			
4 American Funds Europacific Growth R6	0.88	0.91	0.91	1.00		
5 WCM Focused International Growth Instl	0.75	0.77	0.81	0.93	1.00	
6 MSCI ACWI Ex USA NR USD	0.94	0.95	0.94	0.96	0.88	1.00

Correlation Matrix (Excess Returns vs. MSCI ACWI Ex USA NR USD)

Time Period: 4/1/2013 to 3/31/2023

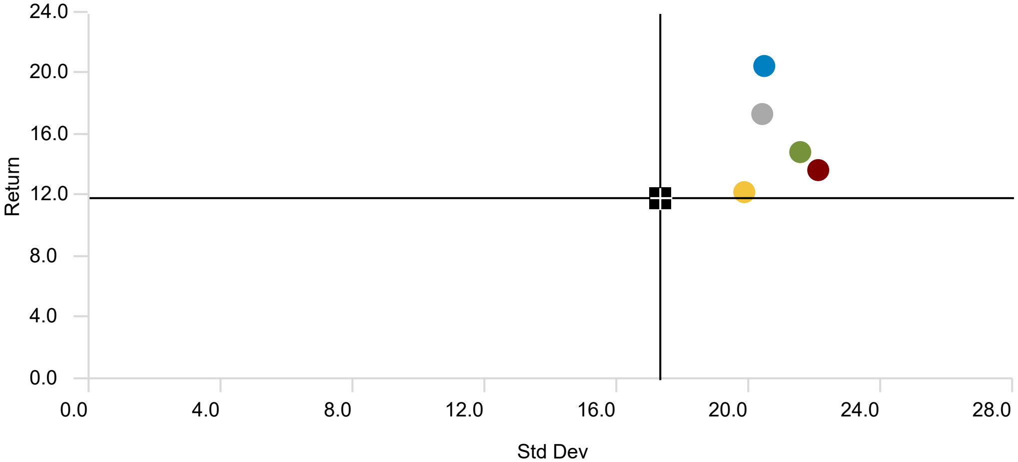
Calculation Benchmark: MSCI ACWI Ex USA NR USD

		1	2	3	4	5	6
1 DFA International Value I	MSCI ACWI Ex USA NR USD	1.00					
2 Dodge & Cox International Stock I	MSCI ACWI Ex USA NR USD	0.80	1.00				
3 Pear Tree Polaris Foreign Value R6	MSCI ACWI Ex USA NR USD	0.65	0.54	1.00			
4 American Funds Europacific Growth R6	MSCI ACWI Ex USA NR USD	-0.19	-0.05	0.10	1.00		
5 WCM Focused International Growth Instl	MSCI ACWI Ex USA NR USD	-0.46	-0.42	-0.17	0.64	1.00	
6 MSCI ACWI Ex USA NR USD	MSCI ACWI Ex USA NR USD						1.00

Risk-Reward: 3-Year

Time Period: 4/1/2020 to 3/31/2023

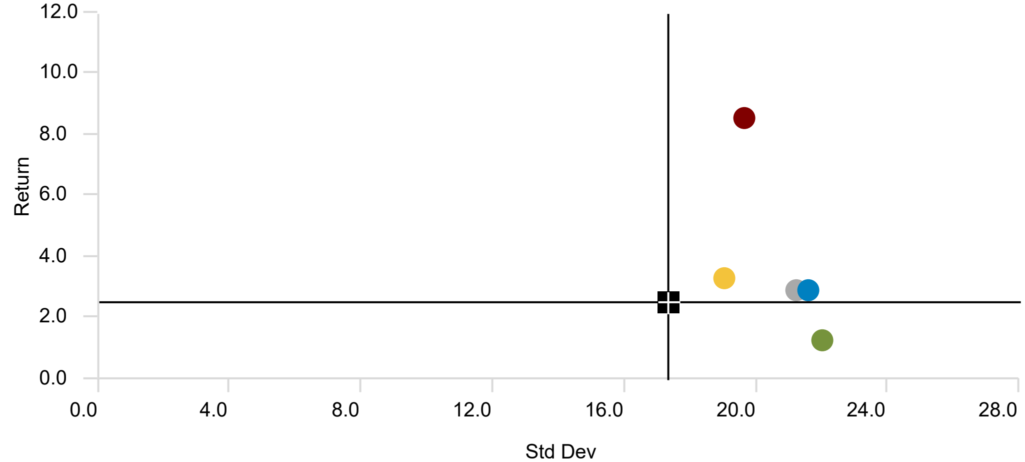
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Risk-Reward: 5-Year

Time Period: 4/1/2018 to 3/31/2023

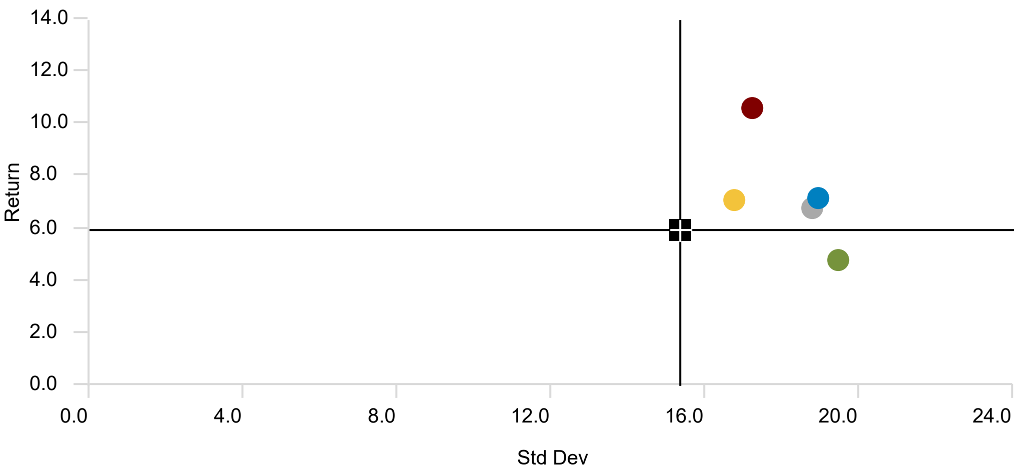
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Risk-Reward: 7-Year

Time Period: 4/1/2016 to 3/31/2023

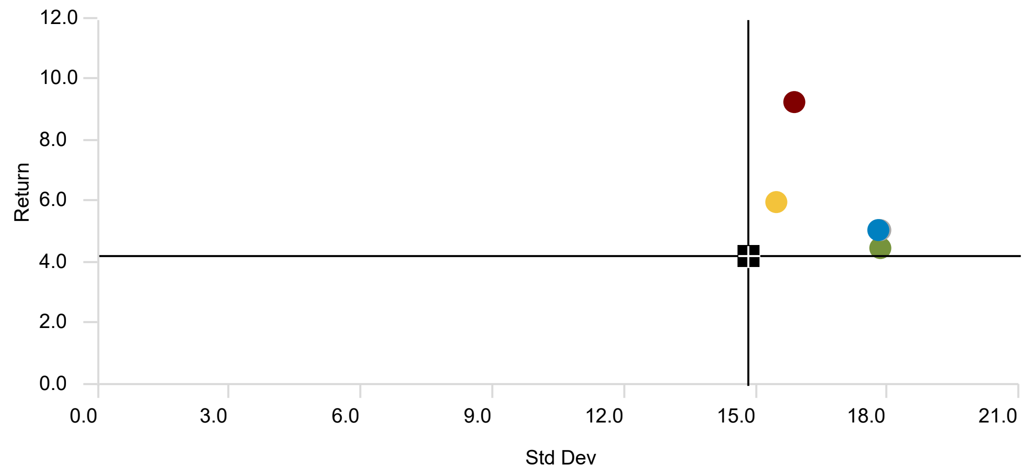
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Risk-Reward: 10-Year

Time Period: 4/1/2013 to 3/31/2023

Calculation Benchmark: MSCI ACWI Ex USA NR USD



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MPT Statistics: 3-Year

Time Period: 4/1/2020 to 3/31/2023 Calculation Benchmark: MSCI ACWI Ex USA NR USD

	DFA International Value I	Dodge & Cox International Stock I	Pear Tree Polaris Foreign Value R6	American Funds Europacific Growth R6	WCM Focused International Growth Instl	MSCI ACWI Ex USA NR USD
Return	20.49	17.30	14.76	12.13	13.68	11.80
Excess Return	8.69	5.50	2.96	0.34	1.88	0.00
Std Dev	20.52	20.44	21.59	19.88	22.12	17.35
Beta	1.07	1.09	1.18	1.11	1.14	1.00
Tracking Error	8.95	7.82	7.74	5.32	10.12	0.00
Sharpe Ratio	0.94	0.79	0.63	0.55	0.57	0.61
Alpha	7.36	4.29	1.38	-0.49	0.99	0.00
Information Ratio	0.97	0.70	0.38	0.06	0.19	
Batting Average	55.56	52.78	47.22	55.56	58.33	100.00
Up Capture Ratio	121.03	117.57	115.35	113.04	124.43	100.00
Down Capture Ratio	91.91	101.15	109.60	118.53	128.58	100.00

MPT Statistics: 5-Year

Time Period: 4/1/2018 to 3/31/2023 Calculation Benchmark: MSCI ACWI Ex USA NR USD

	DFA International Value I	Dodge & Cox International Stock I	Pear Tree Polaris Foreign Value R6	American Funds Europacific Growth R6	WCM Focused International Growth Instl	MSCI ACWI Ex USA NR USD
Return	2.85	2.91	1.21	3.25	8.51	2.47
Excess Return	0.38	0.43	-1.26	0.78	6.04	0.00
Std Dev	21.59	21.26	22.06	19.06	19.67	17.37
Beta	1.16	1.16	1.22	1.07	1.00	1.00
Tracking Error	8.32	7.39	7.39	4.48	9.17	0.00
Sharpe Ratio	0.06	0.07	-0.01	0.09	0.36	0.06
Alpha	0.82	0.78	-0.83	0.89	6.18	0.00
Information Ratio	0.05	0.06	-0.17	0.17	0.66	
Batting Average	46.67	50.00	48.33	51.67	63.33	100.00
Up Capture Ratio	116.66	117.75	112.10	110.78	116.96	100.00
Down Capture Ratio	116.06	116.96	118.33	108.11	92.62	100.00

MPT Statistics: 7-Year

Time Period: 4/1/2016 to 3/31/2023 Calculation Benchmark: MSCI ACWI Ex USA NR USD

	DFA International Value I	Dodge & Cox International Stock I	Pear Tree Polaris Foreign Value R6	American Funds Europacific Growth R6	WCM Focused International Growth Instl	MSCI ACWI Ex USA NR USD
Return	7.11	6.70	4.76	7.02	10.54	5.86
Excess Return	1.26	0.84	-1.10	1.17	4.68	0.00
Std Dev	18.95	18.79	19.51	16.79	17.27	15.37
Beta	1.14	1.15	1.20	1.06	0.98	1.00
Tracking Error	7.44	6.74	6.97	4.15	8.32	0.00
Sharpe Ratio	0.31	0.29	0.18	0.34	0.53	0.30
Alpha	1.01	0.53	-1.44	0.99	4.76	0.00
Information Ratio	0.17	0.12	-0.16	0.28	0.56	
Batting Average	48.81	50.00	48.81	53.57	59.52	100.00
Up Capture Ratio	114.73	114.45	111.16	108.98	110.29	100.00
Down Capture Ratio	112.19	113.96	119.92	105.37	89.10	100.00

MPT Statistics: 10-Year

Time Period: 4/1/2013 to 3/31/2023 Calculation Benchmark: MSCI ACWI Ex USA NR USD

	DFA International Value I	Dodge & Cox International Stock I	Pear Tree Polaris Foreign Value R6	American Funds Europacific Growth R6	WCM Focused International Growth Instl	MSCI ACWI Ex USA NR USD
Return	5.04	5.06	4.44	5.99	9.26	4.17
Excess Return	0.88	0.90	0.27	1.83	5.09	0.00
Std Dev	17.80	17.85	17.82	15.48	15.90	14.82
Beta	1.13	1.14	1.13	1.01	0.95	1.00
Tracking Error	6.52	6.15	6.43	4.09	7.48	0.00
Sharpe Ratio	0.23	0.23	0.20	0.33	0.52	0.22
Alpha	0.81	0.76	0.21	1.81	5.19	0.00
Information Ratio	0.13	0.15	0.04	0.45	0.68	
Batting Average	49.17	53.33	51.67	55.00	60.00	100.00
Up Capture Ratio	113.07	115.65	108.42	104.94	106.66	100.00
Down Capture Ratio	110.86	113.80	108.54	96.30	81.59	100.00

Alpha - A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta.

Batting Average – A measure of a manager's ability to consistently beat the market. It is calculated by dividing the number of months in which the manager beat or matched an index by the total number of months in the period.

Best Quarter- This is the highest quarterly (3 month) return of the investment since its inception.

Beta - A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.

Down Period Percent - Number of months below 0 divided by the total number of months.

Downmarket Capture Ratio - The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance.

Downside Std Dev - This measures only deviations below a specified benchmark.

Excess Return- This is a measure of an investment's return in excess of a benchmark.

Information Ratio - This calculates the value-added contribution of the manager and is derived by dividing the excess rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.

Longest Down-Streak Return - Return for the longest series of negative monthly returns.

Longest Down-Streak # of Periods - Longest series of negative monthly returns.

Longest Up-Streak Return - Return for the longest series of positive monthly returns.

Longest Up-Streak - Longest series of positive monthly returns.

Kurtosis - Kurtosis indicates the peakedness of a distribution. For normal distribution, Kurtosis is 3.

Max Drawdown - The peak to trough decline during a specific record period of an investment or fund. It is usually quoted as the percentage between the peak to the trough.

Max Drawndown # of Periods - This is the number of months that encompasses the max drawdown for an investment.

R-Squared - The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.

Return - Compounded rate of return for the period.

Sharpe Ratio - Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.

Skewness - Skewness reflects the degree of asymmetry of a distribution. If the distribution has a longer left tail, the function has negative skewness. Otherwise, it has positive skewness. A normal distribution is symmetric with skewness 0.

Sortino Ratio - The Sortino Ratio is similar to Sharpe Ratio except it uses downside risk (Downside Deviation) in the denominator. It was developed in early 1980's by Frank Sortino. Since upside variability is not necessarily a bad thing, Sortino ratio is sometimes more preferable than Sharpe ratio.

Standard Deviation - A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.

Tracking Error - This is a measure of the standard deviation of a portfolio's excess returns versus its designated market benchmark.

Treynor Ratio - Similar to Sharpe Ratio, Treynor Ratio is a measurement of efficiency utilizing the relationship between annualized risk-adjusted return and risk. Unlike Sharpe Ratio, Treynor Ratio utilizes "market" risk (beta) instead of total risk (standard deviation). Good performance efficiency is measured by a high ratio.

Up period Percent - Number of months above 0 divided by the total number of months.

Upmarket Capture Ratio - The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.

Value-Growth Score - Morningstar assigns an Overall Value score and an Overall Growth score to each stock within a fund. Morningstar then calculates a net value-core-growth score for each stock by subtracting the stock's Overall Value score from its Overall Growth score. Once this is done, these raw scores are rescaled to range between -100 to 400 in order to fit within the Morningstar Style Box. Scores below 67 are classified as value, scores above 233 are classified as growth, and scores between 67 and 233 fit within the core boundaries.

Worst Quarter - This is the lowest quarterly (3 month) return of the investment since its inception.

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As presented in this report, although investing in equities can be beneficial, it is also important to consider the associated risks. Investing in equities may not be suitable for all investors. Equity markets can be volatile and can decline significantly in response to, or investor perceptions of, issuer, market, economic, industry, political, regulatory, geopolitical, and other conditions. These conditions can affect a single issuer or type of security, issuers within a broad market sector, industry or geographic region, or the equity markets in general. The primary risk factors to consider include, but are not limited to: stock market risk, manager risk, investment style risk, sector-focus risk, issuer risk and liquidity risk. Prospective investors should be aware of the risks in investing in non-U.S. securities. Securities of issuers domiciled outside of the U.S. may lose value because of adverse political, social and economic factors in those countries. Non-U.S. securities carry special risks such as less developed or less efficient trading markets, political instability and differing auditing and legal standards. Additionally, international equities experience emerging market risk. Emerging market countries can generally have economic structures that are less diverse and mature, and political systems that are less stable, than those of developed countries. The primary other risk factors which affect international equities include, but are not limited to: market risk, issuer risk, foreign currency risk and liquidity risk. The securities markets are volatile and the market prices of the funds' securities may decline generally. Securities fluctuate in price based on changes in a company's financial condition and overall market and economic conditions. If the market prices of the securities owned by the fund fall, the value of your investment in the fund will decline. Depending on the specific strategy, there many additional considerations such as the risks associated with equity investing.

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City of Jacksonville Beach Retirement Systems

2024 PROPOSED BUDGET

Budget Assumptions

Revenues:

- **Investment Earnings** – 7.0%
- **Member Contributions** – General, Police and Fire – 7.95%
- **City Contributions** – a 1% decrease for General, a 51% increase for Police, and a 0% increase for Fire
- **Tax Revenues – Based on October 1, 2022 actuarial valuation** Police tax revenues as projected SALY. Jacksonville will continue to receive Fire tax revenue going forward

Budget Assumptions

Expenses:

- **Total Expenses** – consistent with prior years
- **Personal Services –** an allocation of the Pension Plan Administrator's salary
- **Professional Services** – AndCo 3% increase
- **Pension Benefits** – current year benefits paid plus new retirees projected to begin receiving benefits and Back-DROP payouts in 2024
- Other Current Charges- Removed proposal to upgrade pension software and contingency

General Employees

Revenues	2023 Budget	2024 Budget	% Change
Taxes	-	-	-
Investment Earnings	5,103,943	4,202,342	-17.7%
Contributions:			
Member	1,143,180	1,173,342	2.6%
City	2,356,821	2,334,877	-0.9%
Total Contributions	3,512,001	3,508,219	-0.0%
Other Revenues	12,000	12,000	0.0%
Total Revenues	$8,615,944	$7,722,561	-10.4%

General Employees

Expenses	2023 Budget	2024 Budget	% Change
Personal Services	42,943	49,735	15.8%
Professional Services			
Actuarial	22,500	22,500	0.0%
Legal	11,000	11,000	0.0%
Investment	14,000	14,500	3.6%
Other	5,200	300	-94.2%
Total Professional Services	52,700	48,300	-8.4%
Management & Custodial Fees	155,500	150,500	-3.2%
Pension Benefits	5,300,000	5,400,000	1.9%
Other Expenses	78,843	82,676	4.9%
Total Expenses	$5,629,986	$5,731,835	1.75%

Police Officers

Revenues	2023 Budget	2024 Budget	% Change
Taxes*	303,569	243,584	-19.8%
Investment Earnings	2,263,210	1,935,741	-14.5%
Contributions:			
Member	427,180	425,494	1.7%
City	438,601	662,531	51.1%
Total Contributions	865,781	1,088,025	25.7%
Other Revenues	3,000	3,000	0.0%
Total Revenues	$3,435,560	$3,270,350	-4.81%

Police Officers

Expenses	2023 Budget	2024 Budget	% Change
Personal Services	15,248	17,659	15.8%
Professional Services			
Actuarial	24,000	24,000	0.0%
Legal	11,000	11,000	0.0%
Investment	14,000	14,500	3.7%
Other	2,200	300	-86.4%
Total Professional Services	51,200	49,800	1.4%
Management & Custodial Fees	71,000	71,000	0%
Pension Benefits	1,700,000	1,700,000	0%
Other Expenses	40,028	42,861	7.1%
Total Expenses	$1,877,476	$1,881,320	0.2%

Firefighters

Revenues	2023 Budget	2024 Budget	% Increase (Decrease)
Taxes*	0	0	0%
Investment Earnings	1,288,576	1,151,495	-10.6%
Contributions:			
Member	138,197	153,138	10.8%
COJB	707,653	707,653	0%
COJ	289,465	389,373	34.5%
Total Contributions	1,135,315	1,250,164	10.1%
Other Revenues	2,000	2,000	0.0%
Total Revenues	2,425,891	2,403,659	-0.9%

Firefighters

Expenses	2023 Budget	2024 Budget	% Change
Personal Services	10,001	11,583	15.8%
Professional Services			
Actuarial	23,000	23,000	0.0%
Legal	11,000	11,000	0.0%
Investment	14,000	14,500	3.6%
Other	2,000	300	-85%
Total Professional Services	50,000	48,800	-2.4%
Management & Custodial Fees	43,500	45,000	3.45%
Pension Benefits	945,000	945,000	0.0%
Other Expenses	28,859	31,892	10.5%
Total Expenses	$1,077,360	$1,082,275	0.1%

MEMORANDUM	
TO:	City of Jacksonville Beach General Employees' Retirement Plan City of Jacksonville Beach Police Officers' Retirement Plan City of Jacksonville Beach Firefighters' Retirement Plan
FROM:	Duston Scott, Payroll/Benefits Administrator
DATE:	April 27, 2023
SUBJECT:	2024 Recommended Annual Operating Budgets

Attached are the proposed 2024 operating budgets for the City of Jacksonville Beach General Employees' Retirement Plan, Police Officers' Retirement Plan and Firefighters' Retirement Plan. The budgets were prepared using the following assumptions:

Revenues:

Investment Earnings – Estimated at 7.0% (7.50% actuarial assumption).
Member Contributions – 7.95% of estimate payroll for 2024. (General, Police, and Fire employee contribution rate).
City Contributions – Per actuary for 2024. (0.93% decrease in General, 106.6% increase in Police, and 0% increase in Fire.
Tax Revenues – Police tax revenues are projected the same as last year actual. The City will no longer receive Fire tax revenues due to the outsourcing the Fire services. Jacksonville will receive the tax revenues going forward.

Expenses:

Personal Services – Allocation of the Pension Plan Administrator's salary (General 38.73%, Police 13.75%, and Fire 9.02%).
Professional Services – 3% increase in AndCo. annual fee.
Contract Services – Adjustment were made to travel budgets to account for increased participation in FPPTA conferences.
Pension Benefits – Estimated based on current year benefits paid plus new retirees and projected Back-DROP payments for fiscal year 2024.
Accounting/Audit – Same as prior year on internal service fund charges

Overall, the General Employees' Retirement Plan budgeted expenses are 1.8% higher than last year due to an adjustment to pension benefits, the Police Officers' Retirement Plan budgeted expenses are 0.2% higher than the prior year, and the Firefighters' Retirement Plan budgeted expenditures are 0.5% higher.

RECOMMENDATION

Recommend approval of the 2023/2024 annual operating budgets for the City of Jacksonville Beach General Employees' Retirement Plan, Police Officers' Retirement Plan and Firefighters' Retirement Plan.

ALL PENSION FUNDS

SUMMARY OF REVENUES AND EXPENSES

	Actual 2020	Actual 2021	Actual 2022	Budget 2023	Proposed Budget 2024	Increase (Decrease)	% Change
REVENUES							
TAXES	418,343	303,569	243,584	303,569	243,584	(59,985)	-19.76%
Pooled Interest	3,833	779	(23,808)	6,000	6,000	-	0.00%
Equity Accounts	7,459,050	18,981,516	(15,870,869)	5,674,055	4,698,593	(975,462)	-17.19%
Fixed Income	2,113,763	(375,795)	(3,872,596)	2,539,046	2,141,270	(397,776)	-15.67%
Real Estate	38,723	662,335	1,037,681	436,628	443,715	7,087	1.62%
INVESTMENT EARNINGS	9,615,369	19,268,834	(18,729,592)	8,655,729	7,289,578	(1,373,238)	-15.87%
Member Contributions	1,651,240	1,778,594	1,738,063	1,708,557	1,751,974	43,417	2.54%
City Contributions	3,915,277	4,005,584	3,495,535	3,503,075	3,705,061	201,986	5.77%
City Minimum Contribution	2,033	299	300	-	-	-	0.00%
County Contribution	-	-	410,437	289,465	389,373	99,908	34.51%
Other Misc Revenues	16,199	20,825	19,506	17,000	17,000	-	0.00%
CONTRIBUTIONS & OTHER	5,584,750	5,805,302	5,663,840	5,518,097	5,863,408	345,311	6.26%
TOTAL REVENUES	**15,618,462**	**25,377,705**	**(12,822,167)**	**14,477,395**	**13,396,570**	**(1,087,912)**	**-7.51%**
EXPENSES							
Pension Administrator Wages	46,852	41,204	51,221	55,809	61,663	5,854	10.49%
Payroll Taxes	3,430	3,131	3,460	4,291	4,718	427	9.95%
City Pension Contribution	7,395	7,791	7,631	7,517	7,168	(349)	-4.64%
Other Benefits	3,457	49	275	575	5,428	4,853	844.00%
PERSONAL SERVICES	61,135	52,175	62,588	68,191	78,977	10,785	15.82%
Actuarial Services	61,600	64,350	58,450	69,500	69,500	-	0.00%
Other professional services	600	600	600	9,400	900	(8,500)	-90.43%
Legal	31,604	30,600	30,600	33,000	33,000	-	0.00%
Investment Services	48,667	40,278	41,488	42,000	43,500	1,500	3.57%
PROFESSIONAL SERVICES	142,471	135,828	131,138	153,900	146,900	(7,000)	-4.55%
Salem Custodial Fees	-	-	-	-	-	-	0.00%
Fixed Income	84,317	88,939	86,953	90,000	90,000	-	0.00%
Equity Accounts	88,450	112,869	99,377	120,000	115,000	(5,000)	-4.17%
Real Estate	-	-	-	57,000	57,000	-	0.00%
Pooled svc. Chgs.	614	2,666	2,382	3,000	4,500	1,500	50.00%
Other contract services	-	-	-	-	-	-	0.00%
CONTRACT SERVICES	173,380	204,474	188,712	270,000	266,500	(3,500)	-1.30%
Pension benefits	7,907,014	7,545,238	7,781,860	7,945,000	8,045,000	100,000	1.26%
Travel and training	10,658	23,316	17,004	25,000	32,000	7,000	28.00%
Postage	4	35	8	300	300	-	0.00%
Liability	16,584	16,584	17,001	17,001	19,500	2,499	14.70%
Printing & Binding	-	-	-	-	-	-	0.00%
Other Current Charges	-	-	-	-	-	-	0.00%
Office supplies	153	-	48	300	300	-	0.00%
Operating supplies	-	-	-	600	600	-	0.00%
Books, subs. & mem.	1,860	2,294	2,622	2,800	3,000	200	7.14%
Information Systems	1,500	1,500	1,500	1,500	1,500	-	0.00%
Accounting/audit	29,250	29,250	29,250	100,229	100,229	-	0.00%
TOTAL OPERATING	8,282,874	7,958,519	8,169,143	8,516,630	8,615,829	99,199	1.16%
TOTAL EXPENSES	**8,344,009**	**8,010,694**	**8,231,730**	**8,584,821**	**8,694,806**	**109,984**	**1.28%**
REVENUES - EXPENSES	**7,274,453**	**17,367,010**	**(21,053,897)**	**5,892,575**	**4,701,764**	**(1,197,896)**	

PENSION FUND

FUND 611 - GENERAL EMPLOYEES

SUMMARY OF REVENUES AND EXPENSES

	Actual 2020	Actual 2021	Actual 2022	Budget 2023	Proposed Budget 2024	Increase (Decrease)	% Change
REVENUES							
TAXES	-	-	-	-	-	-	0.00%
Pooled Interest	(3,279)	(516)	2,266	2,000	2,000	-	0.00%
Equity Accounts	4,460,454	11,196,030	(9,238,162)	3,346,776	2,709,616	(637,160)	-19.04%
Fixed Income	1,288,402	(221,659)	(2,254,172)	1,497,627	1,234,841	(262,786)	-17.55%
Real Estate	23,156	390,671	604,017	257,540	255,884	(1,656)	-0.64%
INVESTMENT EARNINGS	5,768,733	11,364,525	(10,886,051)	5,103,943	4,202,342	(901,601)	-17.66%
Member Contributions	1,106,253	1,130,086	1,172,995	1,143,180	1,173,342	30,162	2.64%
City Contributions	2,322,790	2,443,559	2,405,223	2,356,821	2,334,877	(21,944)	-0.93%
City Minimum Contribution	1,834	-	-	-	-	-	0.00%
County Contribution	-	-	-	-	-	-	0.00%
Other Misc Revenues	9,168	17,632	469	12,000	12,000	-	0.00%
CONTRIBUTIONS & OTHER	3,440,045	3,591,277	3,578,687	3,512,001	3,520,219	8,218	0.23%
TOTAL REVENUES	**9,208,778**	**14,955,802**	**(7,307,364)**	**8,615,944**	**7,722,561**	**(893,383)**	**-10.37%**
EXPENSES							
Pension Administrator Wages	29,505	25,949	32,257	35,094	38,832	3,738	10.65%
Payroll Taxes	2,160	1,972	2,179	2,702	2,971	269	9.96%
City Pension Contribution	4,657	4,906	4,806	4,734	4,514	(220)	-4.65%
Other Benefits	2,177	31	173	413	3,418	3,005	727.60%
PERSONAL SERVICES	38,500	32,858	39,415	42,943	49,735	6,792	15.82%
Actuarial Services	19,200	21,800	19,300	22,500	22,500	-	0.00%
Other professional services	200	200	200	5,200	300	(4,900)	-94.23%
Legal	10,403	10,200	10,200	11,000	11,000	-	0.00%
Investment Services	16,222	13,426	13,829	14,000	14,500	500	3.57%
PROFESSIONAL SERVICES	46,026	45,626	43,529	52,700	48,300	(4,400)	-8.35%
Salem Custodial Fees	-					-	0.00%
Fixed Income	50,421	52,460	50,614	52,000	52,000	-	0.00%
Equity Accounts	52,892	66,575	57,845	70,000	65,000	(5,000)	-7.14%
Real Estate	-			32,000	32,000	-	0.00%
Pooled svc. Chgs.	(131)	(72)	(423)	1,500	1,500	-	0.00%
Other contract services						-	0.00%
CONTRACT SERVICES	103,182	118,963	108,036	155,500	150,500	(5,000)	-3.22%
Pension benefits	5,465,841	5,422,910	5,272,459	5,300,000	5,400,000	100,000	1.89%
Travel and training	1,728	6,336	1,790	7,000	10,000	3,000	42.86%
Postage	1	12	3	100	100	-	0.00%
Liability	5,528	5,528	5,667	5,667	6,500	833	14.70%
Printing & Binding		-	-			-	0.00%
Other Current Charges		-	-	-	-	-	0.00%
Office supplies	51	-	23	100	100	-	0.00%
Operating supplies		-	-	100	100	-	0.00%
Books, subs. & mem.	620	806	936	1,000	1,000	-	0.00%
Information Systems	500	500	500	500	500	-	0.00%
Accounting/audit	9,750	9,750	9,750	64,376	64,376	-	0.00%
TOTAL OPERATING	5,633,226	5,610,431	5,442,693	5,587,043	5,681,476	94,433	1.69%
TOTAL EXPENSES	**5,671,726**	**5,643,289**	**5,482,108**	**5,629,986**	**5,731,211**	**101,225**	**1.80%**
REVENUES - EXPENSES	**3,537,051**	**9,312,513**	**(12,789,472)**	**2,985,958**	**1,991,350**	**(994,608)**	

PENSION FUND

FUND 612 - POLICE OFFICERS
SUMMARY OF REVENUES AND EXPENSES

	Actual 2020	Actual 2021	Actual 2022	Budget 2023	Proposed Budget 2024	Increase (Decrease)	% Change
REVENUES							
TAXES	251,023	303,569	243,584	303,569	243,584	(59,985)	-19.76%
Pooled Interest	3,214	32	(9,520)	2,000	2,000	-	0.00%
Equity Accounts	1,913,892	4,962,144	(4,227,523)	1,483,310	1,247,445	(235,865)	-15.90%
Fixed Income	526,797	(98,240)	(1,031,543)	663,757	568,493	(95,264)	-14.35%
Real Estate	9,936	173,147	276,407	114,143	117,803	3,660	3.21%
INVESTMENT EARNINGS	2,453,839	5,037,083	(4,992,179)	2,263,210	1,935,741	(327,469)	-14.47%
Member Contributions	399,342	489,927	429,883	427,180	425,494	(1,686)	-0.39%
City Contributions	658,426	720,532	410,267	438,601	662,531	223,930	51.06%
City Minimum Contribution	-	-	-	-	-	-	0.00%
County Contribution	-	-	-	-	-	-	0.00%
Other Misc Revenues	2,104	3,169	19,032	3,000	3,000	-	0.00%
CONTRIBUTIONS & OTHER	1,059,872	1,213,628	859,181	868,781	1,091,025	222,244	25.58%
TOTAL REVENUES	**3,764,734**	**6,554,280**	**(3,889,413)**	**3,435,560**	**3,270,350**	**(165,210)**	**-4.81%**
EXPENSES							
Pension Administrator Wages	10,475	9,212	11,453	12,542	13,787	1,245	9.93%
Payroll Taxes	767	700	774	960	1,055	95	9.90%
City Pension Contribution	1,653	1,742	1,706	1,681	1,603	(78)	-4.64%
Other Benefits	772	11	61	65	1,214	1,149	1767.69%
PERSONAL SERVICES	13,667	11,665	13,994	15,247	17,659	2,411	15.81%
Actuarial Services	19,450	21,750	19,850	24,000	24,000	-	0.00%
Other professional services	200	200	200	2,200	300	(1,900)	-86.36%
Legal	10,798	10,200	10,200	11,000	11,000	-	0.00%
Investment Services	16,222	13,426	13,829	14,000	14,500	500	3.57%
PROFESSIONAL SERVICES	46,670	45,576	44,079	51,200	49,800	(1,400)	-2.73%
Salem Custodial Fees	-			-		-	0.00%
Fixed Income	21,634	23,250	23,162	24,000	24,000	-	0.00%
Equity Accounts	22,695	29,506	26,471	30,000	30,000	-	0.00%
Real Estate	-	-	-	15,500	15,500	-	0.00%
Pooled svc. Chgs.	375	702	976	1,500	1,500	-	0.00%
Other contract services						-	0.00%
CONTRACT SERVICES	44,704	53,458	50,609	71,000	71,000	-	0.00%
Pension benefits	1,291,775	1,282,380	1,672,918	1,700,000	1,700,000	-	0.00%
Travel and training	4,121	10,219	7,091	10,000	12,000	2,000	20.00%
Postage	-	12	3	100	100	-	0.00%
Liability	5,528	5,528	5,667	5,667	6,500	833	14.70%
Printing & Binding				-	-	-	0.00%
Other Current Charges	-	-	-	-	-	-	0.00%
Office supplies	51	-	13	100	100	-	0.00%
Operating supplies		-	-	100	100	-	0.00%
Books, subs. & mem.	620	744	874	1,000	1,000	-	0.00%
Information Systems	500	500	500	500	500	-	0.00%
Accounting/audit	9,750	9,750	9,750	22,561	22,561	-	0.00%
TOTAL OPERATING	1,403,719	1,408,167	1,791,504	1,862,228	1,863,661	1,433	0.08%
TOTAL EXPENSES	**1,417,387**	**1,419,832**	**1,805,497**	**1,877,475**	**1,881,320**	**3,844**	**0.20%**
REVENUES - EXPENSES	**2,347,347**	**5,134,447**	**(5,694,911)**	**1,558,086**	**1,389,030**	**(169,054)**	

PENSION FUND

FUND 613 - FIREFIGHTERS

SUMMARY OF REVENUES AND EXPENSES

	Actual 2020	Actual 2021	Actual 2022	Budget 2023	Proposed Budget 2024	Increase (Decrease)	% Change
REVENUES							
TAXES	167,320	0	0	0	0	-	0.00%
Pooled Interest	3,898	1,263	-16,554	2,000	2,000	-	0.00%
Equity Accounts	1,084,704	2,823,342	-2,405,184	843,969	741,533	(102,436)	-12.14%
Fixed Income	298,564	(55,896)	(586,881)	377,662	337,936	(39,726)	-10.52%
Real Estate	5,631	98,517	157,258	64,945	70,027	5,082	7.83%
INVESTMENT EARNINGS	1,392,797	2,867,226	-2,851,362	1,288,576	1,151,495	(137,081)	-10.64%
Member Contributions	145,645	158,581	135,185	138,197	153,138	14,941	10.81%
City Contributions	934,061	841,493	680,045	707,653	707,653	-	0.00%
City Minimum Contribution	199	299	300	0	0	-	0.00%
County Contribution			410,437	289,465	389,373	99,908	34.51%
Other Misc Revenues	4,927	24	5	2,000	2,000	0	0.00%
CONTRIBUTIONS & OTHER	1,084,832	1,000,397	1,225,972	1,137,315	1,252,164	114,849	10.10%
TOTAL REVENUES	**2,644,950**	**3,867,623**	**-1,625,390**	**2,425,891**	**2,403,659**	**-22,232**	**-0.92%**
EXPENSES							
Pension Administrator Wages	6,872	6,043	7,512	8,173	9,044	871	10.66%
Payroll Taxes	503	459	507	629	692	63	10.02%
City Pension Contribution	1,085	1,143	1,119	1,102	1,051	(51)	-4.63%
Other Benefits	507	7	40	97	796	699	720.62%
PERSONAL SERVICES	8,967	7,652	9,179	10,001	11,583	1,582	15.82%
Actuarial Services	22,950	20,800	19,300	23,000	23,000	-	0.00%
Other professional services	200	200	200	2,000	300	(1,700)	-85.00%
Legal	10,403	10,200	10,200	11,000	11,000	-	0.00%
Investment Services	16,222	13,426	13,829	14,000	14,500	500	3.57%
PROFESSIONAL SERVICES	49,776	44,626	43,529	50,000	48,800	(1,200)	-2.40%
Salem Custodial Fees	-	-	-	-		-	0.00%
Fixed Income	12,261	13,229	13,177	14,000	14,000	-	0.00%
Equity Accounts	12,862	16,788	15,060	20,000	20,000	-	0.00%
Real Estate	-			9,500	9,500	-	0.00%
Pooled svc. Chgs.	370	2,036	1,830		1,500	1,500	0.00%
Other contract services						-	0.00%
CONTRACT SERVICES	25,494	32,053	30,067	43,500	45,000	1,500	3.45%
Pension benefits	1,149,398	839,948	836,482	945,000	945,000	-	0.00%
Travel and training	4,809	6,761	8,123	8,000	10,000	2,000	25.00%
Postage	3	11	3	100	100	-	0.00%
Liability	5,528	5,528	5,667	5,667	6,500	833	14.70%
Printing & Binding						-	0.00%
Other Current Charges				-	-	-	0.00%
Office supplies	51		13	100	100	-	0.00%
Operating supplies			-	400	400	-	0.00%
Books, subs. & mem.	620	744	812	800	1,000	200	25.00%
Information Systems	500	500	500	500	500	-	0.00%
Accounting/audit	9,750	9,750	9,750	13,292	13,292	-	0.00%
TOTAL OPERATING	1,245,929	939,921	934,946	1,067,359	1,070,692	3,333	0.31%
TOTAL EXPENSES	**1,254,896**	**947,573**	**944,125**	**1,077,360**	**1,082,275**	**4,915**	0.46%
REVENUES - EXPENSES	**1,390,054**	**2,920,050**	**(2,569,515)**	**1,348,531**	**1,321,384**	**-27,147**	

MEMORANDUM	
TO:	Board of Trustees City of Jacksonville Beach General Employees' Retirement Plan City of Jacksonville Beach Police Officers' Retirement Plan City of Jacksonville Beach Firefighters' Retirement Plan
FROM:	Duston Scott, Pension Plan Administrator
DATE:	April 25, 2023
SUBJECT:	Quarterly Pension Administrator's Report as of March 31, 2023

Plan Membership

Attached is a report of the General Employees', Police Officers' and Firefighters' Retirement System memberships as of March 31, 2023.

The General Employees' Retirement System had 247 active members and 197 receiving or eligible to draw benefits; the Police Officers' had 62 active members and 42 receiving or eligible to draw benefits; and, the Firefighters' had 25 active members and 23 receiving or eligible to draw benefits. Pension refund/rollover payments thru March 31, 2023, totaled $130,638.09 in the General Employees' Plan and $53,035.36 in the Police Officers' Plan. Back-DROP payouts thru March 31, 2023 totaled $510,350.89 in the General Employees' Plan.

Summary Plan Descriptions Update

As required by Florida statute, I will be updating the summary plan descriptions in the next couple of months. I'll send those to Pedro Herrera for review, and will then publish on the City's website.

Continuing Education

Florida Public Pension Trustees Association (FPPTA) 39th Annual Conference Hilton Bonnet Creek, Orlando June 25 – 28, 2023

The 39th Annual Conference will look back at the history of public pensions and focus on important lessons the industry can apply to the present regarding funding levels, investment performance, and what it takes to provide retirement security to your plans' beneficiaries.

Software Update

The new pension administration software is nearing implementation. Previous difficulties in the calculation of accumulated contributions have been resolved.

Quarterly Meeting Calendar for 2023

The next quarterly board meeting is scheduled for:

- Wednesday, August 9, 2023 3:00 p.m. in the Council Chamber

CITY OF JACKSONVILLE BEACH RETIREMENT SYSTEMS

PLAN MEMBERSHIP

	GENERAL EMPLOYEES			POLICE OFFICERS			FIREFIGHTERS		
	As Of 3/31/2023	As Of 09/30/2022	Change	As Of 3/31/2023	As Of 09/30/2022	Change	As Of 3/31/2023	As Of 09/30/2022	Change
Active Participants									
Vested	73	77	(4)	28	29	(1)	23	23	-
Nonvested	174	167	7	34	34	-	2	2	-
Total Active Participants	247	244	3	62	63	(1)	25	25	-
Retirees and Beneficiaries									
Retirees Receiving Benefits	164	163	1	30	31	(1)	14	14	-
Beneficiaries Receiving Benefits	26	29	(3)	7	7	-	6	6	-
Disability Benefits	7	7	-	5	5	-	3	3	-
Total Receiving Benefits	197	199	(2)	42	43	(1)	23	23	-
Terminated Vested Members	12	12	-	4	4	-	1	1	-
Total Members Currently Receiving benefits and Term. Vested Members	209	211	(2)	46	47	(1)	24	24	-
% of Retirees to Active Employees	85%	86%		74%	75%		96%	96%	

CITY OF JACKSONVILLE BEACH RETIREMENT SYSTEMS

PENSION MEMBER CONTRIBUTION REFUNDS AND DROP PAYOUTS

10/1/2022-TO-DATE THRU 03/31/2023

General Employees' Retirement System	**DATE**	**AMOUNT**
Refunds/Rollovers		
Kogut, Sarah	10/1/2022	$ 14,876.26
Osterhoudt, Wesley	10/1/2022	$ 4,082.83
Shalala, Gabrielle	10/1/2022	$ 1,715.17
Thornton, Christina	10/1/2022	$ 1,175.94
Nadeau, Michael	10/13/2022	$ 33,478.68
Maxwell, Leigh	10/27/2022	$ 13,367.34
Catron, Greg	11/1/2022	$ 1,136.43
Hawes, Christy	11/1/2022	$ 16,892.93
Judkins, Robert	11/1/2022	$ 2,833.95
Kirkland, Zachary	11/1/2022	$ 531.16
Hayes, Scott	1/1/2023	$ 464.45
Herbstritt, Tricia	1/1/2023	$ 922.06
Mohler, Bruce	2/1/2023	$ 28,426.72
Foster, Ryan	3/1/2023	$ 849.77
Gamboa Saavedra, Julio	3/1/2023	$ 9,884.40
		$ 130,638.09
Back-DROP Payouts/Rollovers		
Wilkins, Jimmy	12/8/2022	137,244.98
Whitaker, Lamar	1/13/2023	250,194.71
Coleman, Michael	1/18/2023	122,911.20
		$ 510,350.89
Total General Employees' Refunds & DROP Payouts/Rollovers		**$ 640,988.98**
Police Officers' Retirement System		
Refunds/Rollovers		
Williams, Marcus	11/1/2022	$ 15,997.32
Kornberger, Michael	12/1/2022	$ 585.80
Hayes, Scott	1/1/2023	$ 34,359.71
Izzi, Natasha	3/1/2023	$ 2,092.53
Total Police Officers' Refunds/Rollovers		**$ 53,035.36**
Police Officers' Back-DROP Payouts/Rollovers		
		$ -
Firefighters' Retirement System		
Refunds/Rollovers		
Firefighters' Back-DROP Payouts/Rollovers		
Total Firefighters' Refunds & DROP Payouts/Rollovers		**$ -**

CITY OF JACKSONVILLE BEACH
GENERAL EMPLOYEES' PENSION BOARD

MEMBER	TERM BEGINS	TERM EXPIRES
Council Appointee Christine Hoffman 1026 North 13th Street Jacksonville Beach, FL 32250 904-476-6153 CHoffman@jaxbchfl.net	*Appointed by Council* *01/22/13*	*Serves at pleasure* *of Council*
Council Appointee Dan Janson, **Chair Pro-Tem** c/o Human Resources 11 North 3rd Street Jacksonville Beach, FL 32250 904-247-6263 DJanson@jaxbchfl.net	*Appointed by Council* *03/15/2021*	*Serves at pleasure* *of Council*
Employees' Representative Nick Currie - BES **Secretary** 1460 Shetter Avenue Jacksonville Beach, FL 32250 W – 247-6258 NCurrie@jaxbchfl.net	*Re-elected by Member* *Employees –* *11/26/2022* *4 yr. term*	*10/31/2026*
Employees' Representative Eddie Vergara - Finance 11 N 3rd Street Jacksonville Beach, FL 32250 W – 247-6139 EVergara@jaxbchfl.net	*Re-elected by Member* *Employees -* *10/12/2020* *4 yr. term*	*10/31/2024*
Fifth Member Brandon Maresma, **Chairperson** 324 North 6th Avenue Jacksonville Beach, FL 32250 W – 222-0204 x307 Brandon@postilliontax.com	*Selected by Board -* *11/12/2019* *Reappointed by Council -* *11/09/2021* *2 yr. term*	*12/31/2023*

Pension Administrator – *Duston Scott, Payroll/Benefits Administrator*
Plan Treasurer – *Ashlie Gossett, Chief Financial Officer*

Updated 221031

CITY OF JACKSONVILLE BEACH
POLICE OFFICERS' PENSION BOARD

MEMBER	TERM BEGINS	TERM EXPIRES
Council Appointee Marvin V. DuPree, ***Chair Pro-Tem*** 1511-C Penman Road Jacksonville Beach, FL 32250 W- 246-2001 boducpa@aug.com	*Re-appointed by Council - 02/23/2022* *2 yr. term*	*03/31/2024*
Council Appointee Rudy Dean 11 North 3rd St. Jacksonville Beach, FL 32250 (843) 230-4443 Rudy.dean@penfed.org	*Appointed by Council - 02/23/2022* 2 yr. term	*03/31/2024*
Employees' Representative SGT Jason Sharp ***Chairperson*** c/o Police Department 101 S. Penman Rd. Jacksonville Beach, FL 32250 W – 247-1661 jsharp@jaxbchfl.net	*Re-elected by Member Employees - 10/01/2021* *2 yr. term*	*09/30/2023*
Employees' Representative SGT David Cohill, ***Secretary*** c/o Police Department 101 S. Penman Rd. Jacksonville Beach, FL 32250 W – 270-1661 dcohill@jaxbchfl.net	*Re-elected by Member Employees - 10/01/2021* *2 yr. term*	*09/30/2023*
Fifth Member John Gosztyla 324 6th Ave N Jacksonville Beach, FL 32250 (248) 892-0294 jdgosztyla@gmail.com	*Selected by Board - 03/22/2022* 2 yr. term	*03/31/2024*

***Pension Administrator** – Duston Scott, Payroll/Benefits Administrator*
***Plan Treasurer** – Ashlie Gossett, Chief Financial Officer*

Updated 220224

CITY OF JACKSONVILLE BEACH
FIREFIGHTERS' PENSION BOARD

MEMBER	TERM BEGINS	TERM EXPIRES
Lance Huish 11 North 3rd St. Jacksonville Beach, FL 32250 W – 853-6241 FAX – 853-6243 Chief_huish@yahoo.com	*Appointed by Council - 02/23/2022* *2 yr. term*	*03/31/2024*
Gaylord George Candler, Ph.D. ***Chairperson*** 507 16th Avenue South Jacksonville Beach FL 32250 W- 620-1388 H- 508-631-6117 g.candler@unf.edu	*Re-appointed by Council - 02/23/2022* *2 yr. term*	*03/31/2024*
Employees' Representative Eng. Edward Dawson, ***Chair Pro-Tem*** c/o Fire Department 515 N. Julia St. Jacksonville, FL 32202 W – 247-6240 edawson@coj.net	*Re-elected by Member Employees - 10/01/2021* *2 yr. term*	*09/30/2023*
Employees' Representative Eng. John McDaniel c/o Fire Department 515 N. Julia St. Jacksonville, FL 32202 W – 247-6240 jmcdaniel@coj.net	*Re-elected by Member Employees - 10/01/2021* *2 yr. term*	*09/30/2023*
Fifth Member Deborah White, ***Secretary*** 18 Little Tomoka Way Ormond Beach, FL. 32174 H – 720 -7197 dwhitejaxbch@yahoo.com	*Re-selected by Board - 03/22/2020* *2 yr. term*	*03/31/2024*

Pension Administrator – *Duston Scott, Payroll/Benefits Administrator*
Plan Treasurer – *Ashlie Gossett, Chief Financial Officer*

Updated 211110