

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

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# **INDEPENDENT AUDITORS' REPORT**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees and Executive Director  
**City Pension Fund for Firefighters and Police Officers in the City of Tampa**

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of the City Pension Fund for Firefighters and Police Officers in the City of Tampa (the "Plan") which comprise the statement of fiduciary net position as of September 30, 2023, and the related statement of changes in fiduciary net position for the fiscal year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the fiduciary net position of the Plan as of September 30, 2023, and the changes in its fiduciary net position for the fiscal 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditors' 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 auditors' 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 GAAS and *Government 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the city's net pension liability and related ratios, schedule of city contributions, and schedule of investment returns on pages 4-9 and 25-29 be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the 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

financial statements, and other knowledge we obtained during our audit of the 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.

***Report on Summarized Comparative Information***

We have previously audited the Plan's 2022 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated February 22, 2023. In our opinion the summarized comparative information presented herein as of and for the fiscal year ended September 30, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2024 on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Plan's internal control over financial reporting and compliance.

*Marcum LLP*

Tampa, FL  
March 7, 2024

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## **MANAGEMENTS DISCUSSION AND ANALYSIS**

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

This management's discussion and analysis (MD&A) of the financial performance of the City Pension Fund for Firefighters and Police Officers in the City of Tampa (the "Fund" or the "Plan") provides an overview of the financial activities for the fiscal years ended September 30, 2023 and 2022. The MD&A should be read in conjunction with the financial statements.

### *Fund Financial Highlights (Amounts in Thousands)*

During the fiscal year ended September 30, 2023, the Fund's net position restricted for pensions increased by approximately \$291,961, primarily as a result of favorable investment results, as described below:

- Net investment income increased over the two-year period. The Fund's investment income (loss) was \$367,405 and (\$416,286) for the fiscal years ended September 30, 2023 and 2022, respectively. Market volatility is expected, and each year there will be a combined effect of realized and unrealized investment gains or losses.
- For the fiscal year ended September 30, 2023, employee and employer contributions increased by \$8,078 from the previous year, primarily due to an increase in required contributions from members and the employer as determined by the Plan actuary, to maintain the actuarial soundness of the Fund. State premium tax monies received from the State under Chapters 175 and 185 increased to \$10,576, as compared to \$8,208, in the previous year.
- Benefit and withdrawal payments increased, totaling \$141,917 and \$157,419 for fiscal years 2023 and 2022, respectively, which was an increase of \$15,502. This was primarily due to nonpayment of a 13<sup>th</sup> check in fiscal year 2023. Additionally, there were 40 Deferred Retirement Option Program ("DROP") distributions in 2023 totaling \$13,129, as compared to 33 DROP distributions totaling \$12,373 in the prior year.



## *Fund Net Position*

The following table shows a comparative summary of Fund Net Position as of September 30, 2023 and 2022:

**Table 1**  
**Summary of Fiduciary Net Position**  
**(In Thousands)**

	2023	2022	\$ Change	% Change
<b>Assets</b>				
Cash:	\$ 285	\$ 226	\$ 59	26%
Investments, at fair value:				
U.S. Treasury bills	33,450	17,868	15,582	87%
Money market funds	30,698	26,503	4,195	16%
U.S. government securities	55,441	41,747	13,694	33%
Equity securities	1,919,589	1,620,269	299,320	18%
Corporate/municipal bonds	235,375	235,971	(596)	0%
Real estate	127,762	131,208	(3,446)	-3%
Other	103,919	141,903	(37,984)	-27%
<b>Total Investments</b>	2,506,234	2,215,469	290,765	13%
Accrued receivables -				
due from brokers	3,695	3,207	488	15%
Other receivables -				
proceeds from securities sold	11,743	6,406	5,337	83%
accrued contributions	2,063	--	2,063	N/A
Capital assets, net	4,445	4,198	247	6%
<b>Total Assets</b>	2,528,465	2,229,506	298,959	13%
<b>Total Liabilities</b>	18,983	11,985	6,998	58%
<b>Total Net Position Restricted for Pension Benefits</b>	<u>\$ 2,509,482</u>	<u>\$ 2,217,521</u>	<u>\$ 291,961</u>	13%

### *Changes in Fund Net Position*

The following comparative summary of the Changes in Fund Net Position reflects the activities of the Fund for fiscal years 2023 and 2022:

**Table 2**  
**Summary of Changes in Fiduciary Net Position**  
**(In Thousands)**

	2023	2022	\$ Change	% Change
<b>Additions</b>				
Net investment income (loss)	\$ 367,405	\$ (416,286)	\$ 783,691	-188%
Contributions	<u>69,537</u>	<u>60,286</u>	<u>9,251</u>	15%
<b>Total Additions</b>	<u>436,942</u>	<u>(356,000)</u>	<u>792,942</u>	-223%
<b>Deductions</b>				
Benefits paid	141,917	157,419	(15,502)	-10%
Administrative expenses	<u>3,064</u>	<u>2,031</u>	<u>1,033</u>	51%
<b>Total Deductions</b>	<u>144,981</u>	<u>159,450</u>	<u>(14,469)</u>	-9%
<b>Change in Net Position</b>	291,961	(515,450)	807,411	-157%
<b>Net Position Restricted for Pension Benefits</b>				
Beginning of Year	<u>2,217,521</u>	<u>2,732,971</u>	<u>(515,450)</u>	-19%
End of Year	<u>\$ 2,509,482</u>	<u>\$ 2,217,521</u>	<u>\$ 291,961</u>	13%

Overall the Fund had net investment gains in 2023 and net investment losses in 2022. In 2023, the Fund experienced a return of 17.06%. In 2022, the Fund earned a return of -15.6%.

### ***Fund Membership***

The following table reflects the composition of the Fund membership as of the October 1, 2022 and 2021, actuarial valuations:

**Table 3**  
**Fund Membership**

	October 1,	
	2022	2021
Longevity retirees	1,456	1,440
DROP participants	202	178
Disabled retirees	285	292
Beneficiaries	344	334
Terminated vested	22	8
<b>Total Pension Benefit Recipients</b>	2,309	2,252
Active members	1,456	1,417
<b>Total Fund Members</b>	<u>3,765</u>	<u>3,669</u>

The Fund membership increased 2.6% over this period.

### ***Funding Status***

Actuarial valuations of the Fund are conducted on an annual basis. Actuarial assumptions are reviewed on an annual basis by the actuary and the Board of Trustees of the Fund. Actuarial experience studies are also conducted periodically (every five years) to determine the accuracy of the actuarial assumptions based upon the actual experience of the Fund over time. There is also actuarial oversight by the state actuary for the Florida Division of Retirement, Local Retirement Section.

### ***Long-Term Expected Rate of Return Assumption***

The Fund's investment policy outlines the Fund's investment approach and provides direction as to how the Fund's investment manager will invest its assets. The portfolio composition is made up of three sectors: cash, fixed income and equity. The Plan document limits its investments in common stock to not more than 65% of the Fund, based on cost, and not more than 5% of the Fund shall be invested in any one corporation. The remaining investments are held in cash, fixed income and alternative investments. The Plan document also limits its total investments in foreign holdings to 25% of the Fund, based on market value.

The desired investment objective is a long-term rate of return on assets of at least 8.5%, which is anticipated to be approximately 3.5-5.5% greater than the anticipated rate of inflation as measured by the Consumer Price Index (“CPI”) – All Urban Consumers. This target rate of return for the Plan is based upon the assumption that future real returns will approximate the historical long-term rates of return experienced for each asset class held by the Fund. This target rate of return is also based upon the 5% rate of return of the base plan, and the ratio of the total fund to the base plan, which was 1.7 at September 30, 2012, as reported by the actuary (5% x 1.7 ratio = 8.5% target return for total fund).

The Fund reviews its long-term rate of return assumption no less than every five years by having the Fund’s actuary perform a stochastic analysis of the Fund’s assets and liabilities. The most recent stochastic analysis was completed by the Fund’s actuary and presented to the Board of Trustees on December 18, 2019. At that time, the actuary concluded that the 8.5% long-term rate of return assumption was the 50th percentile outcome, which was reasonable given the Fund’s performance to date. The analysis provided the long-term expected rates of return for the equity and fixed income segments as shown below.

	Long-Term Target Mix	Long-Term Expected Nominal Return	Long-Term Expected Real Return	Long-Term Expected Rate of Inflation
Equity	75%	12.40%	9.40%	3.00%
Fixed income	25%	5.00%	2.00%	3.00%

### ***Asset Allocation and Investment Activities***

The Board of Trustees has adopted a comprehensive, written investment policy, which is in compliance with Chapter 112, Florida Statutes. The Fund’s governing document places a limit of 65% on a cost basis in equities. As of September 30, 2023, the Fund was in compliance with the investment policy, with 64.96% on a cost basis invested in equities.

As of September 30, 2023, the Fund was in compliance with the investment policy, with 9.9% on a market value basis invested in international investments. The Fund’s investment manager, the firm investing the Fund’s diversified portfolio since September 1974, submits a written investment performance report monthly to the Board of Trustees and reports quarterly in person to the Board of Trustees. The Board of Trustees retains an independent performance measurement consultant, and although only required by state statutes to be prepared triennially (once every three years), a written report from an independent performance measurement consultant is submitted quarterly to the Board of Trustees.

According to the Fund’s independent performance measurement report as of September 30, 2023, the Fund’s time-weighted rate of return since its inception in September 1974 has been 11.28%, annualized. For the same period, the Policy Benchmark Index (60% S&P 500; 15% MSCI-EAFE; 20% BCAP Govt/Credit; 5% U.S. Treasury Bills) has been 9.71%, annualized.

### ***Contacting the Fund's Management***

These financial statements are designed to provide citizens, taxpayers, and Fund participants with an overview of the Fund's finances and the prudent exercise of the Board of Trustees' oversight. If you have any questions regarding this report or need additional financial information, please contact the Fund administrator at the Tampa Firefighters and Police Officers Pension Fund Office at (813) 274-8550, 3001 North Boulevard, Tampa, Florida 33603.

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# **FINANCIAL STATEMENTS**

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**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**STATEMENT OF FIDUCIARY NET POSITION**

**SEPTEMBER 30, 2023  
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2022)**

	2023	2022
<b>Assets</b>		
Cash	\$ 284,878	\$ 225,884
<b>Investments, at Fair Value</b>		
Debt and other interest-bearing investments	359,854,289	351,880,252
Equity securities	1,919,588,702	1,620,268,731
Partnerships	99,029,150	112,111,925
Real estate	127,762,495	131,207,848
<b>Total Investments</b>	2,506,234,636	2,215,468,756
<b>Receivables</b>		
Employee contributions	2,062,639	--
Accrued receivables - due from brokers	3,695,278	3,206,871
Other receivables - proceeds from securities sold	11,742,913	6,405,912
<b>Total Receivables</b>	17,500,830	9,612,783
<b>Capital Assets</b>		
Land	100,000	100,000
Equipment and furniture, net	68,492	79,574
Buildings and improvements, net	379,949	385,927
Intangible asset - software, net	3,896,175	3,632,622
<b>Capital Assets, Net</b>	4,444,616	4,198,123
<b>Total Assets</b>	2,528,464,960	2,229,505,546
<b>Liabilities</b>		
Accounts payable	45,030	82,251
Accrued liabilities - due to brokers	18,938,150	11,902,263
<b>Total Liabilities</b>	18,983,180	11,984,514
<b>Total Net Position Restricted for Pension Benefits</b>	\$ 2,509,481,780	\$ 2,217,521,032

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

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

**(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022)**

	2023	2022
<b>Additions</b>		
Contributions:		
City	\$ 32,690,154	\$ 28,053,252
Members	24,376,410	20,935,263
State	10,576,096	8,208,255
Employee buybacks	1,894,639	3,088,694
<b>Total Contributions</b>	<b>69,537,299</b>	<b>60,285,464</b>
<b>Investment Income (Loss)</b>		
Interest and dividend income	49,180,718	45,819,219
Net appreciation (depreciation) in fair value of investments	324,274,142	(455,305,204)
	373,454,860	(409,485,985)
Less: investment expenses	(6,050,097)	(6,799,829)
<b>Net Investment Income (Loss)</b>	<b>367,404,763</b>	<b>(416,285,814)</b>
<b>Total Additions (Reductions)</b>	<b>436,942,062</b>	<b>(356,000,350)</b>
<b>Deductions</b>		
Benefit and withdrawal payments:		
Pension benefits	141,496,320	132,253,218
Withdrawal payments	391,202	124,655
13th Check benefit	29,817	25,041,412
Administrative expenses	3,063,975	2,030,797
<b>Total Deductions</b>	<b>144,981,314</b>	<b>159,450,082</b>
<b>Change in Net Position</b>	<b>291,960,748</b>	<b>(515,450,432)</b>
<b>Net Position Restricted for Pension Benefits</b>		
Beginning of year	2,217,521,032	2,732,971,464
End of year	<b>\$ 2,509,481,780</b>	<b>\$ 2,217,521,032</b>

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



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## **NOTES TO FINANCIAL STATEMENTS**

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# CITY PENSION FUND FOR FIREFIGHTERS AND POLICE OFFICERS IN THE CITY OF TAMPA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

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### NOTE 1 – DESCRIPTION OF THE PLAN

#### *GENERAL*

The City of Tampa, Florida (the “City”) sponsors the City Pension Fund For Firefighters And Police Officers in the City of Tampa (the “Fund” or the “Plan”), a single-employer, defined benefit plan covering all full-time firefighters and police officers who have passed a medical examination and met all of the requirements of the City’s Civil Service Board.

The Fund is administered by an independent Board of Trustees, which consists of nine members:

- Three (3) members of the City Administration appointed by the Mayor.
- Three (3) members of the Fire Department who are elected by active and retired firefighters.
- Three (3) members of the Police Department who are elected by active and retired police officers.

#### *PENSION BENEFITS*

Benefit eligibility requirements and benefit provisions are as follows: vesting for participants in the Fund occurs at 10 years of service, and participants may begin drawing monthly pension benefits at the earlier of attaining age 46, with 10 or more years of service, or 20 years of service, regardless of age. The annual pension is 3.15% for each year of service times the employees final average compensation (highest 3 of the last 10 years of service), but no less than the federal poverty level for a family of one or two (as the case may be) and no more than 100% of the employees final average compensation. The Fund also provides both service and nonservice-related disability and preretirement death benefits.

Members with at least 20 years, but no more than 30 years, of credited service are eligible to participate in the Deferred Retirement Option Program (“DROP”). Members may participate in the DROP for the lesser of five years or until the member would have earned 30 years of service. An election to participate in the DROP is irrevocable. During the DROP period, the member accrues a benefit amount equal to what would have been the members longevity retirement benefit had the member retired as of the date of entry into the DROP, adjusted for net investment returns on Fund assets. Net returns are calculated from the date of entry into the DROP until departure from service. This accumulated amount, less the portion attributable to the employees after-tax pension contributions, may be either rolled over to a tax-qualified vehicle, paid in a lump sum, or some combination of the two, based upon the members request when the member leaves active service at the end of the DROP period.

All eligible retired members and surviving spouses receive a 13th Check Program benefit payment that is paid each June 30th, provided sufficient investment return is available at the fiscal year-end, and the Fund has cumulative actuarial gains. The benefit is an equal dollar

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

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**NOTE 1 – DESCRIPTION OF THE PLAN (CONTINUED)**

***PENSION BENEFITS (CONTINUED)***

amount for all eligible retirees and one-half of that amount to eligible surviving spouses. Effective October 1, 2007, the 13th Check Program is funded by investment returns in excess of 10% (limited to 1%) on the base plan plus the postretirement adjustment account market value of assets at each fiscal year end.

For the fiscal year ended September 30, 2023, there was not sufficient investment return in the prior year to fund a 13th Check Program. As such, there were no 13th Check Program distributions related to the fiscal year ended September 30, 2023. During September 30, 2023, the 13<sup>th</sup> Check Program distributions represent computed amounts related to prior fiscal years.

Members terminating employment who are not eligible to retire are entitled to a refund of their contributions made to the Fund without interest.

On each January 1, the benefit payments of all recipients will be increased or decreased according to the net change in the average cost-of-living index from the previous year, provided that adjustments may not be increased beyond what the Post-Retirement Adjustment Account (“PRAA”) will support, as determined by the actuary, and adjustments may not be decreased below the level at which they were first determined (base benefits). The PRAA had assets of \$1,061,800,701 at October 1, 2022. Benefits paid from the PRAA amounted to approximately \$41,513,000 for the fiscal year ended September 30, 2023.

Membership data of the Fund is summarized as follows. Participant data as of October 1, 2022:

Inactive members in receipt (retirees, disabilities, beneficiaries)	2,287
Non-active, non-retired members (fully vested deferred, nonvested terminated)	22
Active members	<u>1,456</u>
<b>Total Members</b>	<u><u>3,765</u></u>

The pension plan document, which is a Special Act of the Florida Legislature, governs the City and employee contribution requirements for the Fund. The City’s contribution to the Fund is an actuarially determined, periodic amount that is a minimum of 134% of the member contributions and is calculated annually under the funding requirements of Part VII, Chapter 112, Florida Statutes. The member contributions for the Fund uses a

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

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**NOTE 1 – DESCRIPTION OF THE PLAN (CONTINUED)**

***EMPLOYER CONTRIBUTIONS (CONTINUED)***

progressive scale (full-scale contribution rate or FSCR) that ranges from 6% to 25% of earnings, which may be discounted by the actuary. Members who have elected the DROP do not make contributions during their DROP participation period. Contributions provided by the state of Florida are in accordance with state statutes. Total contributions to the Fund were approximately \$69,537,000 for the fiscal year ended September 30, 2023.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***BASIS OF ACCOUNTING***

The Fund's financial statements are prepared using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is accepted standard-setting body establishing governmental accounting and financial reporting principles. Fund member contributions are recognized in the period in which the contributions are due. City contributions to the Fund are recognized when due and the City has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Funds policy.

***USE OF ESTIMATES***

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as well as additions and deductions to the Fund. Actual results could differ from managements estimates. Significant estimates include the liability for pension benefits and annual required contributions.

***INVESTMENTS***

Investments of the Fund are held by the Funds custodian. The Board of Trustees of the Fund has adopted a comprehensive written investment policy, which is in compliance with Chapter 112, Florida Statutes. Fund Investments are reported at fair value, except money market funds (amortized cost), which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investment transactions are recognized on the trade date.

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*INVESTMENTS (CONTINUED)*

Investments are categorized in accordance with the fair value hierarchy established by GASB Statement No. 72, *Fair Value Measurement and Application*. The hierarchy is based on valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted market prices for similar assets or liabilities in active markets.
- Level 3 inputs are significant unobservable inputs used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations where there is little, if any, market activity for the asset or liability at the measurement date. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flows methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment.

Money market funds are measured at amortized cost. The Plan is allowed to report money market investments at amortized cost if the investment has a remaining maturity at time of purchase of one year or less and the fair value of those investments are not significantly affected by the impairment of the credit standing of the issuer or by other factors.

*CAPITAL ASSETS*

Capital assets which include property and equipment are stated at cost and depreciated/amortized using the straight-line method over the estimated lives of the assets:

Building and Improvements	15 to 39 years
Equipment and Furniture	5 to 7 years
Intangible Asset - Software	10 years

*COMPARATIVE INFORMATION*

The financial statements include certain prior-year comparative information. Such summarized information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Fund's financial statements for the fiscal year ended September 30, 2022, from which the information was derived.

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***RECLASSIFICATION***

Certain 2022 financial statement items have been reclassified in order to conform with the 2023 financial statement presentation.

**NOTE 3 – INVESTMENTS**

The following is a summary of the fair value hierarchy of the fair value investments of the Fund and related maturities as of September 30, 2023:

Investment Type	Reported Value	Fair Value Measurements by Level		Weighted Average Maturity (Years)
		Level 1	Level 2	
<b>Debt Securities</b>				
U.S. Treasuries	\$ 33,449,483	\$ 33,449,483	\$ --	0.26
U.S. Agencies:				
Federal Farm Credit Bank	15,460,090	--	15,460,090	3.48
Federal Home Loan Bank	19,141,750	--	19,141,750	2.37
Inflation indexed U.S. Treasuries	20,839,113	20,839,113	--	6.53
Corporate bonds	235,375,342	--	235,375,342	3.41
Commercial paper	4,890,262	--	4,890,262	0.10
<b>Equity Securities</b>				
American Depositary receipts	172,832,710	--	172,832,710	Not applicable
Consumer discretionary	137,412,070	137,412,070	--	Not applicable
Consumer staples	187,070,700	187,070,700	--	Not applicable
Financials	183,605,330	183,605,330	--	Not applicable
Healthcare	286,296,080	286,296,080	--	Not applicable
Industrials	396,378,702	396,378,702	--	Not applicable
Information technology	467,414,150	467,414,150	--	Not applicable
Materials	49,380,000	49,380,000	--	Not applicable
Miscellaneous	4,080,000	--	4,080,000	Not applicable
Telecommunication	35,118,960	35,118,960	--	Not applicable
<b>Real Estate</b>	127,762,495	127,762,495	--	Not applicable
<b>Partnerships</b>	99,029,150	62,850,700	36,178,450	Not applicable
<b>Total Fair Value</b>	2,475,536,387	<u>\$ 1,987,577,783</u>	<u>\$ 487,958,604</u>	
		Portfolio weighted-average maturity		<u>3.00</u>
<b>Measured at Amortized Cost</b>				
Money market funds	<u>30,698,249</u>			
<b>Total Investments</b>	<u>\$2,506,234,636</u>			

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

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**NOTE 3 – INVESTMENTS (CONTINUED)**

***INVESTMENT POLICY***

The Fund’s policy in regard to the allocation of invested assets is established by the plan document (pension contract) and may be amended only by a change to the contract. The objective of the policy is to seek the highest possible return consistent with prudent regard for risk, safety of capital, diversification, legal considerations, liquidity and fiduciary responsibility across a broad selection of distinct asset classes. The Fund’s adopted asset allocation policy as of September 30, 2023, is as follows:

<u>Asset Class</u>	<u>Target Allocation</u>
Equities	Not to exceed 65% on a cost basis and not more than 5% invested in any one corporation
International investments	Not to exceed 25% on a market value basis

***INTEREST RATE RISK***

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policies for the Fund do not place limits on investment maturities. The weighted-average maturity of the Funds debt type investments was 3.00 years as of September 30, 2023, and assumes no investments will be called prior to maturity. As a result, the Fund is exposed to the risk of fair value losses arising from increasing interest rates.

***CREDIT RISK***

Credit risk is the risk that an issuer or counterparty to a debt-type investment will not fulfill its obligation to the Fund. The investment policy of the Fund requires purchases of investments in fixed income securities to be limited to a rating of investment grade or better at time of purchase. The Fund’s investments in fixed income securities were rated as follows as of September 30, 2023:

<u>Investment Type</u>	<u>2023</u>	<u>Moody's Rating</u>
U.S. Treasuries and Agencies	\$ 88,890,436	Aaa
Corporate bonds	235,375,342	BA3 or better
Money market funds	30,698,249	Aaa
Commercial paper	4,890,262	A1 or better

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

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**NOTE 3 – INVESTMENTS (CONTINUED)**

***CREDIT RISK***

When fixed income securities fall below the specified credit rating required by the Fund’s policy, the investment manager will report the changes in writing to the Board of Trustees on a quarterly basis and make a recommendation to either liquidate or hold.

***CONCENTRATION OF CREDIT RISK***

Concentration of credit risk is the risk of loss that may be attributed to the magnitude of the Fund’s investment in a single issuer. The investment policy of the Fund limits investment in any one issuer to 5% of the total portfolio. The Fund had no investments in a single issuer that either exceeded 5% of the total portfolio or 5% of the Fund’s net position as of September 30, 2023.

***RATE OF RETURN***

For the fiscal year ended September 30, 2023, the annual money-weighted rate of return on the pension plan investments, net of pension plan investment expense, was 17.06%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

***CUSTODIAL CREDIT RISK***

For investments, this 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. For deposits, this is the risk that, in the event of the failure of the bank, the Fund will not be able to recover its deposits. The Fund’s investment policy requires securities be held by a third-party custodian in the Fund’s name. As of September 30, 2023, the Fund’s investment portfolio was held with a third-party custodian and designated as Fund assets, as required by the Fund’s investment policy.

Inflation	3.0%
Projected salary increases	12.00% to 5.00% for firefighters 8.0% to 4.0% for police officers
Investment rate of return	8.5%



**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

**NOTE 3 – INVESTMENTS (CONTINUED)**

*INVESTMENT IN FOREIGN ENTITIES*

The Fund held investments in the following foreign entities as of September 30, 2023:

<u>Investment</u>	<u>Country of Origin</u>	<u>Investment Type</u>	<u>Fair Value</u>
Bank of Nova Scotia	Canada	Corporate Bonds	\$ 4,604,200
BNP Paribas	France	Corporate Bonds	2,788,770
Mondelez International	Netherlands	Corporate Bonds	3,863,680
Nestle Capital	Switzerland	Corporate Bonds	4,890,262
Rolls Royce PLC	United Kingdom	Corporate Bonds	4,488,000
Pentair Finance SARL	United Kingdom	Corporate Bonds	4,581,550
Shell International	Netherlands	Corporate Bonds	4,812,900
Toronto Dominion Bank NA	Canada	Corporate Bonds	2,295,842
Volkswagen	Germany	Corporate Bonds	4,757,950
Accenture LTD	Ireland	Equity Security	36,546,090
Cameco Corp Com	Canada	Equity Security	15,856,000
Canadian Natural Resources	Canada	Equity Security	32,723,020
Eaton Corp PLC	Ireland	Equity Security	25,593,600
Schlumberger Limited	Netherlands	Equity Security	29,150,000
Sony Corp	Japan	Equity Security	32,964,000
Brookfield Infrastructure Partners LP	Canada	Partnerships	20,580,000
Brookfield Renewable Partners LP	Canada	Partnerships	<u>15,598,450</u>
<b>Total Investments in Foreign Entities</b>			<u>\$ 246,094,314</u>

The Fund's investment policy permits it to invest up to 25% in foreign investments based on the Fund's total market value of all investments held. These investments in foreign entities are denominated in U.S. Dollars. The Fund's position invested in foreign entities is 9.9% as of September 30, 2023. The Plan is not subject to foreign currency risk.

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

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**NOTE 4 – CAPITAL ASSETS**

The following is a summary of capital asset activity for the fiscal year ended September 30, 2023:

Capital Assets	Beginning Balance	Additions	Disposals	Ending Balance
Capital assets not being depreciated				
Land	\$ 100,000	\$ --	\$ --	\$ 100,000
Total capital assets not being depreciated	100,000	--	--	100,000
Capital assets being depreciated/amortized				
Buildings and improvements	915,445	28,296	--	943,741
Equipment and furniture	235,050	5,445	(579)	239,916
Intangible asset - software	3,632,622	731,094	--	4,363,716
Total capital assets being depreciated/amortized	4,783,117	764,835	(579)	5,547,373
Less: accumulated depreciation for				
Buildings and improvements	529,518	34,274	--	563,792
Equipment and furniture	155,476	16,310	(362)	171,424
Less: accumulated amortization for				
Intangible asset - software*	--	467,541	--	467,541
Total depreciation and amortization	684,994	518,125	(362)	1,202,757
Net capital assets being depreciated and amortized	4,098,123	--	--	4,344,616
<b>Total, Net of Accumulated Depreciation and Amortization</b>	<b><u>\$ 4,198,123</u></b>	<b><u>\$ 246,710</u></b>	<b><u>\$ (217)</u></b>	<b><u>\$ 4,444,616</u></b>

\* The intangible asset – software was placed into service during the fiscal year ended September 30, 2023.

The depreciation and amortization expense was \$518,125 and is included in administrative expenses in the accompanying statement of changes in fiduciary net position for the fiscal year ended September 30, 2023.

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

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**NOTE 5 – NET PENSION LIABILITY OF THE CITY**

The components of the net pension liability for the City as of September 30, 2023 was as follows (in thousands):

Total Pension Liability	\$ 2,673,580
Less: Plan Fiduciary Net Position	<u>(2,509,482)</u>
<b>City's Net Pension Liability</b>	<b><u>\$ 164,098</u></b>
Plan Fiduciary Net Position as a % of the Total Pension Liability	93.86%

***ACTUARIAL ASSUMPTIONS***

The total pension liability was based on actuarial valuations dated October 1, 2022, and rolled-forward to September 30, 2023, using the following actuarial assumptions applied to all periods included in the measurements:

Inflation	3.0%
Projected salary increases	12.00% to 5.00% for firefighters 8.0% to 4.0% for police officers
Investment rate of return	8.5%

The Florida Retirement System (“FRS”) mortality tables are based on the Pub-2010 Public Retirement Plans Mortality Tables Report (“PUB-2010”) published by the Society of Actuaries.

The assumed rates of mortality above were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the FRS. The above rates are those outlined in the July 1, 2019, FRS actuarial valuation report for special risk employees.

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

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**NOTE 5 – NET PENSION LIABILITY OF THE CITY (CONTINUED)**

*ACTUARIAL ASSUMPTIONS (CONTINUED)*

The actuarial assumptions used for the fiscal year ended September 30, 2023, were adopted by the Board in consultation with the Funds actuary. The Boards established practice is to review the experience of the Fund at least once every five years to determine if any changes to the valuation assumptions are warranted. The assumptions used are based on recommendations made and approved by the Board as part of an experience study covering the five-year period ending September 30, 2017, and published in 2019.

*REAL RATE OF RETURN*

The Funds investment policy outlines the Funds investment approach and provides direction as to how the Funds investment manager will invest its assets. The desired investment objective is a long-term rate of return on assets of at least 8.5%, which is anticipated to be approximately 3.5% – 5.5% greater than the anticipated rate of inflation as measured by the Consumer Price Index (“CPI”) – All Urban Consumers. This target rate of return for the Plan is based upon the assumption that future real returns will approximate the historical long-term rates of return experienced for each asset class held by the Fund. Best estimates of real rates of return for each major asset class included in the Funds target asset allocation as of September 30, 2023, are summarized in the following table:

Equities	10.50%
Fixed income	3.50%
Real estate investment trusts	9.00%
Master limited partnerships	5.00%

*DISCOUNT RATE*

The discount rate used to measure the total pension liability as of September 30, 2023 was 8.5%. The projection of cash flows used to determine the discount rate assumed that plan member and state contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the actuarially determined contribution rates less the member and State contributions. Based on those assumptions, the pension plans 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.

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

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**NOTE 5 – NET PENSION LIABILITY OF THE CITY (CONTINUED)**

***SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE***

The following tables present the net pension liability as of September 30, 2022, calculated using the discount rate of 8.5%. The tables present the Funds net pension liability (asset) if it were calculated using a discount rate that is one-percentage-point lower (7.5%) or one-percentage-point higher (9.5%) than the current rate (amount in thousands):

City’s Net Pension Liability		
1% Decrease (7.5%)	Current Discount Rate (8.5%)	1% Increase (9.5%)
\$339,966	\$164,098	\$16,833

**NOTE 6 – DEFERRED RETIREMENT OPTION PROGRAM (“DROP”) BALANCES**

The Fund includes terms that permit members to be credited for benefit payments into an individual member account within the Fund while continuing to provide services to the employer and to be paid a salary. The balance of the amounts held by the Fund pursuant to the DROP as of September 30, 2023 was approximately \$52,094,000. DROP balances as of each fiscal year end are determined by the Fund’s actuary each May, subsequent to each fiscal year end.

**NOTE 7 - RETIREMENT PLAN FOR STAFF**

The administrative employees of the Fund participate in a separate plan sponsored by the Tampa Fire & Police Pension Fund (the “Staff Fund”), which is a single-employer defined benefit pension plan for the staff of the Fund, which was created in fiscal year 2019. The annual contribution to the Staff Fund is based on a specified percentage of the eligible employees compensation, as determined by the Fund’s actuary. For fiscal year ended September 30, 2023, the employee’s contribution rate was 5.88%. The Staff Fund shall contribute such amounts as necessary to provide the plan with assets sufficient to meet the benefits to be paid to the participants. Total required contributions for the fiscal year ended September 30, 2023, was \$180,663. The total plan assets for the fiscal year ended 2023, was \$2,019,466. Plan asset balances as of fiscal year end are determined by the Fund’s actuary each May, subsequent to each fiscal year end.

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

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**NOTE 8 – FEDERAL INCOME TAX STATUS**

The Internal Revenue Service (“IRS”) has issued a favorable determination letter to the Fund, most recently on December 14, 2016, indicating that the Fund is designed in accordance with applicable sections of the Internal Revenue Code (“IRC”) and is exempt from federal income taxes. The Fund has been amended since receiving such determination letter. The Fund administrator and the Fund’s tax counsel believe that the Fund is designed and is currently being operated in material compliance with the applicable requirements of the IRC and remain exempt from federal income taxes. Therefore, no provision for income taxes have been included in the Fund’s financial statements.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE OFFICERS IN THE CITY OF TAMPA**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS (UNAUDITED)**

<b>September 30,</b>	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>										
Service cost	\$ 38,873	\$ 37,586	\$ 36,039	\$ 34,513	\$ 30,222	\$ 28,832	\$ 27,993	\$ 25,998	\$ 24,706	\$ 24,066
Interest	129,381	124,336	118,171	112,206	106,732	101,782	97,949	92,573	89,282	86,644
Changes in benefit terms	--	--	--	--	--	2,549	--	--	--	--
Differences between expected and actual experience	(1,683)	2,385	13,949	11,225	(3,541)	10,641	33,301	(2,303)	(10,348)	--
Changes in assumptions	--	--	10,492	--	--	--	5,696	--	--	--
Changes for investment return allocated to DROP, PRAA, 13th check amounts	5,186	(206,004)	344,772	207,792	1,536	120,962	153,525	3,144	(43,227)	130,933
Benefit payments, including refunds of employee contributions	(141,917)	(157,419)	(156,638)	(134,284)	(138,982)	(130,709)	(121,911)	(124,907)	(125,717)	(109,130)
<b>Net Change in Total Pension Liability</b>	29,840	(199,116)	366,785	231,452	(4,033)	134,057	196,553	(5,495)	(65,304)	132,513
<b>Total Pension Liability - Beginning</b>	2,643,740	2,842,856	2,476,071	2,244,619	2,248,652	2,114,595	1,918,042	1,923,537	1,988,841	1,856,328
<b>Total Pension Liability - Ending <sup>(a)</sup></b>	<u>\$ 2,673,580</u>	<u>\$ 2,643,740</u>	<u>\$ 2,842,856</u>	<u>\$ 2,476,071</u>	<u>\$ 2,244,619</u>	<u>\$ 2,248,652</u>	<u>\$ 2,114,595</u>	<u>\$ 1,918,042</u>	<u>\$ 1,923,537</u>	<u>\$ 1,988,841</u>
<b>Plan Fiduciary Net Position</b>										
Contributions - City	\$ 32,690	\$ 28,053	\$ 24,971	\$ 17,817	\$ 16,182	\$ 15,868	\$ 21,213	\$ 18,954	\$ 17,077	\$ 17,180
Contributions - member (including service purchases)	26,271	24,024	20,635	14,528	13,105	12,879	16,965	15,077	14,044	14,069
Contributions - State	10,576	8,208	7,778	7,381	7,008	6,761	6,443	6,483	6,484	6,393
Net investment income (loss)	362,219	(210,282)	113,653	126,416	78,719	97,023	113,627	213,460	(48,964)	78,764
Investment return (loss) allocated to DROP, PRAA, 13th check accounts	5,186	(206,004)	344,772	207,791	1,535	120,962	153,524	3,144	(42,817)	130,523
Benefit payments, including refunds of employee contributions	(141,917)	(157,419)	(156,638)	(134,284)	(138,980)	(130,709)	(121,911)	(124,907)	(125,717)	(109,130)
Administrative expense	(3,064)	(2,030)	(2,153)	(2,364)	(2,262)	(1,709)	(1,757)	(1,559)	(1,646)	(1,372)
Net service purchases receivable	--	--	--	--	--	--	--	--	(409)	15
<b>Net Change in Plan Fiduciary Net Position</b>	291,961	(515,450)	353,018	237,285	(24,693)	121,075	188,104	130,652	(181,948)	136,442
<b>Plan Fiduciary Net Position - Beginning</b>	2,217,521	2,732,971	2,379,953	2,142,668	2,167,361	2,046,286	1,858,182	1,727,530	1,909,478	1,773,036
<b>Plan Fiduciary Net Position - Ending <sup>(b)</sup></b>	<u>\$ 2,509,482</u>	<u>\$ 2,217,521</u>	<u>\$ 2,732,971</u>	<u>\$ 2,379,953</u>	<u>\$ 2,142,668</u>	<u>\$ 2,167,361</u>	<u>\$ 2,046,286</u>	<u>\$ 1,858,182</u>	<u>\$ 1,727,530</u>	<u>\$ 1,909,478</u>
<b>Net Pension Liability - Ending (a) - (b)</b>	<u>\$ 164,098</u>	<u>\$ 426,219</u>	<u>\$ 109,885</u>	<u>\$ 96,118</u>	<u>\$ 101,951</u>	<u>\$ 81,291</u>	<u>\$ 68,309</u>	<u>\$ 59,860</u>	<u>\$ 196,007</u>	<u>\$ 79,363</u>
<b>Plan Fiduciary Net Position as a Percentage of the total Pension Liability</b>	94%	84%	96%	96%	95%	96%	97%	97%	90%	96%
<b>Covered Payroll</b>	\$ 150,475	\$ 146,789	\$ 142,604	\$ 136,120	\$ 127,501	\$ 124,412	\$ 113,643	\$ 103,926	\$ 98,498	\$ 98,670
<b>City's Net Pension Liability as a Percentage of Covered Payroll</b>	109%	290%	77%	71%	80%	65%	60%	58%	199%	80%

*This schedule is presented as required by accounting principles generally accepted in the United States of America. Certain amounts are presented "in thousands".*



**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE OFFICERS IN THE CITY OF TAMPA**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CITY CONTRIBUTIONS (UNAUDITED)**

<b>September 30,</b>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 32,690	\$ 28,053	\$ 24,971	\$ 17,817	\$ 16,182
Actual contributions	<u>32,690</u>	<u>28,053</u>	<u>24,971</u>	<u>17,817</u>	<u>16,182</u>
<b>Contribution Deficiency (Excess)</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Covered payroll	\$ 150,475	\$ 146,789	\$ 142,604	\$ 136,120	\$ 127,501
Contributions as a percentage of covered payroll	21.72%	19.11%	17.51%	13.09%	12.69%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 15,868	\$ 21,213	\$ 18,954	\$ 17,077	\$ 17,180
Actual contributions	<u>15,868</u>	<u>21,213</u>	<u>18,954</u>	<u>17,077</u>	<u>17,180</u>
<b>Contribution Deficiency (Excess)</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Covered payroll	\$ 124,412	\$ 113,643	\$ 103,926	\$ 98,498	\$ 98,670
Contributions as a percentage of covered payroll	12.75%	18.67%	18.24%	17.34%	17.41%

*This schedule is presented as required by accounting principles generally accepted in the United States of America. Certain amounts are presented "in thousands".*

# CITY PENSION FUND FOR FIREFIGHTERS AND POLICE OFFICERS IN THE CITY OF TAMPA

## NOTES TO SCHEDULE OF CITY CONTRIBUTIONS

### FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

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Valuation Date: October 1, 2021

Actuarially determined contribution rates calculated as of October 1, 2021, applies to the required contribution for the fiscal year ended September 30, 2023.

Significant methods and assumptions used to determine the actuarially determined contribution rates:

Cost Method	Entry age normal
Amortization method	Level percent of compensation
Amortization period	30 years for plan amendments, and assumption and method changes. 15 years for actuarial gains and losses.
Asset valuation method	Actuarial value of assets.
Inflation	3.0%
Salary increases	Age related increase rates which include inflation – range from 4% to 12%.
Payroll growth	4.0%
Investment rate of return	8.5%, net of investment expenses.
Retirement age	Eligible employees are assumed to retire at the rate and years of service as follows:

At Least 20 Years of Service				Less Than 20 Years of Service		
Service (Yrs)	Firefighter	Service (Yrs)	Police	Age (Yrs)	Firefighters	Police
20	30%	20	45%	46-59	4%	7%
21-22	20%	21	25%	60+	100%	100%
23	20%	22	27.5%			
24-25	60%	23	40%			
26-29	40%	24-26	57.5%			
30+	100%	27+	100%			

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**NOTES TO SCHEDULE OF CITY CONTRIBUTIONS (CONTINUED)**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

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Mortality

Active participants: Males & Females – PubS.H-2010 for employees, set forward one year, Mortality for healthy inactive participants: Males & Females: PubS.H-2010 Healthy retiree (above median), set forward one year.

Mortality for disabled participants: Males & Females: 80% PubG.H-2010/ 20% PubS.H-2010 for disabled retirees.

The assumed rates of mortality were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in the July 1, 2019 FRS actuarial valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE  
OFFICERS IN THE CITY OF TAMPA**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF INVESTMENT RETURNS (UNAUDITED)**

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September 30, Annual money-weighted rate of return, net of investment expense	2023	2022	2021	2020	2019
	17.06%	(15.59%)	19.77%	15.82%	3.65%
September 30, Annual money-weighted rate of return, net of investment expense	2018	2017	2016	2015	2014
	10.95%	14.70%	12.94%	(5.00%)	12.10%

*This schedule is presented as required by accounting principles generally accepted in the United States of America.*

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## **REPORTING SECTION**

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Trustees and Executive Director  
**City Pension Fund for Firefighters and Police Officers in the City of Tampa**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the City Pension Fund For Firefighters and Police Officers in the City of Tampa (the "Plan"), as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, and have issued our report thereon dated March 7, 2024.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Plan's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Plan's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### ***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Plan's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Marcum LLP*

Tampa, FL  
March 7, 2024