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CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND

FINANCIAL STATEMENTS

SEPTEMBER 30, 2023 AND 2022

CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND

FINANCIAL STATEMENTS

SEPTEMBER 30, 2023 AND 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
City of Brooksville Firefighters' Retirement Trust Fund
Brooksville, Florida

Opinion

We have audited the financial statements of the City of Brooksville Firefighters' Retirement Trust Fund (the "Plan"), which comprise the statements of fiduciary net position as of September 30, 2023 and 2022, and the related statements of changes in fiduciary net position for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, information regarding the fiduciary net position of the Plan as of September 30, 2023 and 2022, and the changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted (GAAS) 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 Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 one year after the date that the financial statements are issued.

Board of Trustees of
City of Brooksville Firefighters' Retirement Trust Fund
Brooksville, Florida

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, 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.

Emphasis of Matter

As discussed in Note 1, these financial statements present only the City of Brooksville Firefighters' Retirement Trust Fund, a pension trust fund of the City of Brooksville, Florida (the "City") and are not intended to present fairly the financial position and changes in financial position of the City in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Board of Trustees of
City of Brooksville Firefighters' Retirement Trust Fund
Brooksville, Florida

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the supplementary information on pages 25 through 30 be presented to supplement the basic financial statements. Such information, 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.

The Plan has not presented a management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

The additional information on page 31 is presented for the purpose of additional analysis and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the above information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Tampa, Florida
June 21, 2024

**CITY OF BROOKSVILLE
FIREFIGHTERS' RETIREMENT TRUST FUND
STATEMENTS OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2023 AND 2022**

	2023	2022
Assets:		
Cash and cash equivalents	\$ 44,295	\$ 35,721
Receivables:		
Interest	14,061	13,581
Broker-dealer	-	4,618
State excise tax rebate	852	-
Total receivables	14,913	18,199
Investments, at fair value:		
U.S. Government obligations	233,349	159,313
U.S. Government agency obligations	642,387	673,044
Corporate bonds	735,904	857,497
Domestic equity investment funds	3,654,429	3,182,634
International equity investment funds	1,004,868	867,873
Fixed income investment funds	359,983	367,425
Real estate investment funds	791,524	914,991
Temporary investment funds	87,000	112,500
Total investments	7,509,444	7,135,277
Prepaid expenses	2,827	37,429
Total Assets	7,571,479	7,226,626
Liabilities:		
Accounts payable	3,579	7,137
Accounts payable, broker dealers	9,389	-
Total Liabilities	12,968	7,137
Net Position Restricted for Pensions	\$ 7,558,511	\$ 7,219,489

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

**CITY OF BROOKSVILLE
FIREFIGHTERS' RETIREMENT TRUST FUND
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
Additions:		
Contributions:		
Employer	\$ 201,349	\$ 193,072
Plan members	36,136	34,514
Total contributions	<u>237,485</u>	<u>227,586</u>
 Intergovernmental revenue:		
State excise tax rebate	110,690	76,428
Total intergovernmental revenue	<u>110,690</u>	<u>76,428</u>
 Investment income (loss):		
Net appreciation (depreciation) in fair value of investments	627,446	(1,377,640)
Interest	56,528	59,469
Dividends	101,930	100,093
Other	-	3,551
Total investment income (loss)	<u>785,904</u>	<u>(1,214,527)</u>
Less investment expenses	<u>26,426</u>	<u>29,362</u>
Net investment income (loss)	<u>759,478</u>	<u>(1,243,889)</u>
 Total additions (deductions), net	<u>1,107,653</u>	<u>(939,875)</u>
 Deductions:		
Age and service	424,929	416,095
DROP plan payments	289,615	-
Refunds	4,649	25,166
Administrative expenses	49,438	51,397
Total deductions	<u>768,631</u>	<u>492,658</u>
 Net Increase (Decrease) in Net Position	 339,022	 (1,432,533)
 Net Position Restricted for Pensions:		
Beginning of year	<u>7,219,489</u>	<u>8,652,022</u>
 End of year	<u>\$ 7,558,511</u>	<u>\$ 7,219,489</u>

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

CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 1 - DESCRIPTION OF PLAN

The following brief description of the City of Brooksville Firefighters' Retirement Trust Fund (the "Plan") is provided for general information purposes only. Participants should refer to the Plan Agreement for more complete information.

General - The Plan was created in 1941 under a City Ordinance in accordance with Chapters 19 and 112, Laws of Florida, Acts of 1939 as amended. The Plan was substantively amended in 2005, 2009, and 2010.

The Plan is a defined benefit pension plan covering all full-time firefighters and volunteers carried in the active membership rolls of the Fire Department of the City of Brooksville, Florida (the "City"). Participation in the Plan is required as a condition of employment. The Plan provides for pension, death and disability benefits. In addition, the Plan is a local law plan subject to provisions of Chapter 175 of the State of Florida Statutes.

The Plan, in accordance with the above statutes, is governed by a five-member pension board. Two firefighters, two City residents and a fifth member elected by the other four members constitute the pension board. The City and the Plan participants are obligated to fund all Plan costs based upon actuarial valuations. The City of Brooksville establishes the Plan's benefit levels and the Board of Trustees approves the actuarial assumptions used in the determination of contribution levels.

As of October 1, 2022, the Plan's membership consisted of:

Currently receiving benefits	16
DROP retirees	1
Terminated employees entitled to but not yet receiving benefits	20
 Total	 37
 Current employees:	
Vested	4
Nonvested	15
 Total	 19

At October 1, 2022 the date of the most recent actuarial valuation, there were 16 retirees and beneficiaries receiving benefits.

CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 1 - DESCRIPTION OF PLAN (Continued)

Pension Benefits – The pension plan provides retirement, death and disability benefits for its participants. A participant may retire with normal benefits after reaching age 55 and accumulating 10 or more years of credited service at age 60 regardless of credited years of service or the completion of 20 years of credited service regardless of age. Normal retirement benefits shall equal 3.1% of the participant's average final compensation times the number of his or her credited service years. The final average salary for purposes of calculating benefits is the greater of the participant's average salary during the highest 5 years of a participant's last 10 years of credited service or the participant's career average as a full-time firefighter.

A participant with 10 or more years of credited service is eligible for deferred retirement. These benefits begin upon application on or after reaching age 50 and are computed the same as normal retirement, based upon the participant's final average salary and credited service at the date of termination. Benefits are reduced 3% per year for each year by which the participant's age at retirement preceded the participant's normal retirement age.

Death Benefits - Preretirement death benefits for service-related deaths are payable to the participant's eligible beneficiary for 10 years. Benefits are calculated as for normal or early retirement as of the date of death.

Disability Benefits - Disability benefits for service-related disabilities are paid to a participant for life. Benefits are calculated at 3% of the participant's average final compensation multiplied by the total years of credited service but will not be less than 42% of the participant's average final compensation. Disability benefits for non-service-related disabilities are paid to a participant for life. Benefits are calculated as the accrued normal retirement amount if the disability occurs after normal retirement eligibility. If the disability occurs before normal retirement eligibility and the participant has completed 10 or more years of credited service, the disability benefit is computed as the normal retirement benefit.

Refund of Participant Contributions - A participant who terminates employment and is ineligible for pension benefits is refunded his or her contribution without interest.

DROP Plan - Any participant who is eligible to receive a normal retirement pension benefit may elect to participate in a deferred retirement option plan (DROP) while continuing his or her active employment. Upon participation in the DROP, the participant becomes a retiree for all plan purposes so that he or she ceases to accrue any further benefits under the pension plan. Normal retirement payments that would have been payable to the participant as a result of retirement are accumulated and invested in the DROP to be distributed to the participants upon his or her request or as required by law. Participation in the DROP ceases for a member after 60 months.

CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 1 - DESCRIPTION OF PLAN (Continued)

Supplemental Benefit – Share Plan - Each participant will have a separate ‘share account’ created where a supplemental benefit may or may not be funded and thus, the participant may or may not receive a retirement benefit from the share plan. If the share plan is funded, at retirement, termination (vested), disability or death, there shall be an additional benefit paid to the participant. The share plan is funded solely with state premium tax money and the funding that is received for this share plan is allocated to the participant’s share account based on a formula which gives the participant an allocation based on years of credited service or another formula to be determined. The share accounts receive their proportionate share of the income or loss on the assets in the Plan.

PLOP, Partial Lump Sum Option - A participant who does not elect to participate in the DROP may elect to receive an initial lump-sum payment equal to 10%, 15%, 20% or 25% of the participant's accrued benefit with the remaining 90%, 85%, 80%, or 75%, respectively, payable in a form elected by the participant.

Cost of Living Adjustments - A 3% post-retirement cost of living adjustment is provided for normal and early retirees who have attained age 55 on or before January 1st. The last adjustment will be made on January 1st following the year that the retiree attains age 65.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting:

Basis of accounting is the method by which revenues and expenses are recognized in the accounts and are reported in the financial statements. The accrual basis of accounting is used for the Plan. Under the accrual basis of accounting, revenues are recognized when they are earned and collection is reasonably assured, and expenses are recognized when the liability is incurred. Plan member contributions are recognized in the period in which the contributions are due. City contributions to the plan as calculated by the Plan’s actuary, are recognized as revenue 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 plan.

Basis of Presentation:

The accompanying financial statements are presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans* and the Codification of Governmental Accounting and Financial Reporting Standards which covers the reporting requirements for defined benefit pensions established by a governmental employer. The accompanying financial statements include solely the accounts of the Plan which include all programs, activities and functions relating to the accumulation and investment of the assets and related income necessary to provide the service, disability and death benefits required under the terms of the Plan and the amendments thereto.

CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Valuation of Investments:

The plan follows GASB Statement No. 72, *Fair Value Measurement and Application*, which addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement provides guidance for determining a fair value measurement for financial reporting purposes. This statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

Investment income is recognized on the accrual basis as earned. Unrealized appreciation or depreciation in fair value of investments includes the difference between cost and fair value of investments held. The net realized and unrealized investment appreciation or depreciation for the year is reflected in the statements of changes in fiduciary net position.

Rate of Return:

For the years ended September 30, 2023 and 2022, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 10.72% and -14.68%, respectively, adjusted for the changing amounts actually invested.

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

Custody of Assets:

Custodial and investment services are provided to the Plan under contract with a national trust company having trust powers. The Plan's investment policies are governed by Florida State Statutes and ordinances of the City of Brooksville, Florida.

CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Authorized Plan Investments:

The Board recognizes that the obligations of the Plan are long-term and that its investment policy should be made with a view toward performance and return over a number of years. The general investment objective is to obtain a reasonable total rate of return defined as interest and dividend income plus realized and unrealized capital gains or losses commensurate with the prudent investor rule and Chapter 175 of the Florida Statutes.

Permissible investments include obligations of the U.S. Treasury and U.S. agencies, high capitalization common or preferred stocks, pooled equity funds, high quality bonds or notes and fixed income funds, real estate and derivative investments. In addition, the Board requires that Plan assets be invested with no more than 65% in stocks and convertible securities measured at market value at the end of each reporting period. Further information regarding the permissible investments from the Plan can be found in the Plan's Investment Policy Statement.

Actuarial Cost Method:

The Plan has elected the Entry Age Normal Cost Method for funding purposes. This method provides for the systematic funding of the Plan's normal cost. Under this method, the normal cost is the sum of the individual normal costs for all active participants. For an active participant, the normal cost is the participant's normal cost accrual rate, multiplied by the participant's current compensation.

Reporting Entity:

The financial statements presented are only for the Plan and are not intended to present the basic financial statements of the City of Brooksville, Florida.

The Plan is included in the City's Annual Comprehensive Financial Report (ACFR) for the years ended September 30, 2023 and 2022, and is a separately issued document. Anyone wishing further information about the City is referred to the City's ACFR.

The Plan is a pension trust fund (fiduciary fund type) of the City which accounts for the single employer defined benefit pension plan for all City Firefighters. The provisions of the Plan provide for retirement, disability, and survivor benefits.

CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Funding Policy:

Participants are required to contribute 3.29% of their annual earnings to the Plan.

Participant contributions are made on a pre-tax basis. These contributions are designated as employee contributions under Section 414(h)(2) of the Internal Revenue Code. Contribution requirements of the Plan's participants are established and may be amended by the City of Brooksville, Florida.

A rehired member may buy back past service by paying into the Plan the amount of contributions that the participant would otherwise have paid for such continuous past service, plus interest.

The City's funding policy is to make actuarially computed monthly contributions to the Plan in amounts, such that when combined with participant's contributions and the State fire and police insurance excise tax rebate, all participants' benefits will be fully provided for by the time they retire.

Administrative Costs:

All administrative costs of the Plan are financed through investment earnings. The Plan has no undue investment concentrations.

Cash:

The Plan considers money market and demand account bank and broker-dealer deposits as cash. Temporary investments shown on the statements of fiduciary net position are composed of investments in short-term custodial proprietary money market funds.

Federal Income Taxes:

The Plan has not applied for a favorable determination letter from the Internal Revenue Service indicating that the Plan is qualified and exempt from Federal income taxes. The Board believes that the Plan is designed and continues to operate in compliance with the applicable requirements of the Internal Revenue Code.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events:

The Plan's Board has evaluated subsequent events through June 21, 2024, the date the financial statements were officially available to be issued.

NOTE 3 - INVESTMENTS

Deposits:

Fiduciary Trust International of the South (FTIOS) periodically holds uninvested cash in its respective capacity as custodian for the Plan. These funds exist temporarily as cash in the process of collection from the sale of securities.

Investments:

Investment management fees are calculated quarterly as a percentage of the fair market value of the Plan's assets managed.

The Plan's investments are segregated into separate accounts and managed under investment agreements with Agincourt Capital Management, LLC (Agincourt), international equity investment funds, domestic equity investment funds and an international fixed investment fund. These accounts give Fiduciary Trust International of the South (FTIOS) custodianship but gives Agincourt and the individual investment funds the authority to manage the investments. Investment management fees are calculated quarterly as a percentage of fair market value of the Plan's assets managed.

The Plan invests in mortgage-backed securities representing interests in pools of mortgage loans as part of its interest rate risk management strategy. The mortgage-backed securities are not used to leverage investments in fixed income portfolios. The mortgage-backed securities held by the Plan were guaranteed by federally sponsored agencies such as: Government National Mortgage Association, Federal National Mortgage Association and Federal Home Loan Mortgage Corporation. The mortgage-backed securities are the U.S. Government agency obligations.

The real estate investment funds are open end, commingled private real estate portfolios. These REIT-based funds are structured as limited partnerships. Their primary focus is to invest in well based income producing properties within major U.S. markets. Withdrawal requests must be made 60 days in advance and may be paid in one or more installments.

The Plan's investments are uninsured and unregistered and are held in the custodian's bank's accounts in the Plan's name.

CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued):

The Plan also has no instrument that, in whole or in part, is accounted for as a derivative instrument under GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* during the current Plan year.

The Plan held the following fixed income investments as of September 30, 2023 and 2022:

Investment Type	Fair Value		Overall Credit Rating (Standards & Poor's and Moody's)	Average Effective Duration (Years)
	9/30/2023	9/30/2022		
U.S. Government obligations	\$ 233,349	\$ 159,313	AA	10.19
U.S. Government agency obligations	642,387	673,044	AA	6.02
Corporate bonds	735,904	857,497	BBB	4.94
Fixed income investment funds	359,983	367,425	N/A	Daily
Temporary investment funds	87,000	112,500	N/A	Daily
Total	<u>\$ 2,058,623</u>	<u>\$ 2,169,779</u>		

Foreign Tax Withholdings and Reclaims:

Withholding taxes on dividends from foreign securities are provided for based on rates established via treaty between the United States of America and the applicable foreign jurisdiction, or where no treaty exists at the prevailing rate established by the foreign country. Foreign tax withholdings are reflected as a reduction of dividend income in the statements of changes in fiduciary net position. Where treaties allow for a reclaim of taxes, the Plan will make a formal application for refund. Such reclaims are included as an addition to dividend income.

CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Investment Cost:

The Plan's investments at both fair value and cost or adjusted cost as of September 30, 2023 and 2022 is as follows:

Investments	2023		2022	
	Cost	Fair Value	Cost	Fair Value
U.S. Government obligations	\$ 278,829	\$ 233,349	\$ 205,734	\$ 159,313
U.S. Government agency obligations	749,409	642,387	767,920	673,044
Corporate bonds	822,827	735,904	975,574	857,497
Domestic equity investment funds	2,585,678	3,654,429	2,545,626	3,182,634
International equity investment funds	1,009,947	1,004,868	1,049,457	867,873
Fixed income investment funds	417,387	359,983	411,406	367,425
Real estate investment funds	731,807	791,524	706,682	914,991
Temporary investment funds	87,000	87,000	112,500	112,500
Total	<u>\$ 6,682,884</u>	<u>\$ 7,509,444</u>	<u>\$ 6,774,899</u>	<u>\$ 7,135,277</u>

Investments in any one organization that represent 5% or more of the Plan's net position for the years ended September 30, 2023 and 2022 is as follows:

Investments	2023	2022
JP Morgan Disciplined Equity Fund	\$ 1,005,053	\$ 855,736
Vanguard 500 Index Fund	961,076	829,605
Parnassus Core Equity Fund	958,960	819,629
Vanguard Extended Market Index Fund	729,340	677,664
ARA Realty Fund	791,524	914,991
American Funds Europacific Growth Fund	536,182	473,338
Dodge & Cox International Stock Fund	468,686	394,535
Pimco Global Bond	-	367,425
	<u>\$ 5,450,821</u>	<u>\$ 5,332,923</u>

**CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022**

NOTE 4 - NET INCREASE (DECREASE) IN REALIZED AND UNREALIZED APPRECIATION (DEPRECIATION) OF INVESTMENTS

The Plan's investments appreciated (depreciated) in value during the fiscal years ended September 30, 2023 and 2022 is as follows:

	2023	2022
Realized appreciation (depreciation)	\$ 153,132	\$ 312,761
Unrealized appreciation (depreciation)	474,314	(1,690,401)
	\$ 627,446	\$ (1,377,640)

The calculation of realized gains and losses is independent of the calculation of net appreciation (depreciation) in the fair value of plan investments.

Unrealized gains and losses on investments sold in 2023 and 2022 that had been held for more than one year were included in net appreciation (depreciation) reported in the prior year.

NOTE 5 - INVESTMENT MEASUREMENT AT FAIR VALUE

Fair Value Hierarchy

The accounting standards break down the fair value hierarchy into three levels based on how observable the inputs are that make up the valuation. The most observable inputs are classified as Level 1 where the unobservable inputs are classified as Level 3.

Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

As a general rule, any asset that has a daily closing price and is actively traded will be classified as a Level 1 input.

Level 2 inputs are inputs (other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly. Inputs to the valuation methodology include: (1) quoted market prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in inactive markets, (3) inputs other than quoted prices that are observable for the asset or liability, and (4) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 5 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)

Fair Value Hierarchy (Continued):

As a general rule, if an asset or liability does not fall into the requirements of a Level 1 or Level 3 input, it would default to Level 2. With Level 2 inputs, there is usually data that can be easily obtained to support the valuation, even though it is not as easily obtained as a Level 1 input.

Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As a general rule, Level 3 inputs are those that are difficult to obtain on a regular basis and require verification from an outside party, such as an auditor or an appraisal, to validate the valuation.

Net asset value (NAV) is a common measurement of fair value for Level 1, Level 2, and Level 3 investments. A fund's NAV is simply its assets less its liabilities and is often reported as a per share amount for fair value measurement purposes. The Plan multiplies the NAV per share owned to arrive at fair value. Level 1 investment in funds such as mutual funds report at a daily NAV per share and are actively traded. NAV also comes in to play for Level 2 and 3 investments. As a matter of convenience (or referred to in accounting literature as a "practical expedient"), a Plan can use the NAV per share for investments in a nongovernmental entity that does not have a readily determined fair value, such as an alternative investment. Investments measured at NAV as a practical expedient would be excluded from the fair value hierarchy because the valuation is not based on actual market inputs but rather is quantified using the fund's reported NAV as a matter of convenience.

The Plan categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following total recurring fair value measurements as of September 30, 2023 and 2022:

- *U.S. Government obligations, U.S. government agency obligations, corporate bonds* - Debt securities classified in Level 2 of the fair hierarchy are valued using a matrix pricing technique. Matrix pricing is used by International Data Corporation and Bloomberg, L.P. to value securities based on the securities' relationship to benchmark quoted prices.
- *Domestic equity investment funds, international equity investment funds, fixed income investment funds* - Valued at the quoted net asset value ("NAV") of shares held by the Plan at year-end.

**CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022**

NOTE 5 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)

Fair Value Hierarchy (Continued):

The Plan categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following total recurring fair value measurements as of September 30, 2023 and 2022:

Investments by fair value level	(Level 1)	(Level 2)	(Level 3)	2023
U.S. Government obligations	\$	\$ 233,349	\$	\$ 233,349
U.S. Government agency obligations		642,387		642,387
Corporate bonds		735,904		735,904
Domestic equity investment funds	3,654,429			3,654,429
International equity investment funds	1,004,868			1,004,868
Fixed income investment funds	359,983			359,983
Temporary investment funds	87,000			87,000
Total investments by fair value level	\$ 5,106,280	\$ 1,611,640	\$ -	\$ 6,717,920

Investments Measured at the Net Asset Value (NAV):

Real estate investment funds	791,524
Total, September 30, 2023	\$ 7,509,444

Investment measured at NAV	2023 Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
American Core Realty Fund	\$ 791,524	\$ -	Quarterly	60 days
Total investments measured at NAV	\$ 791,524	\$ -		

CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 5 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)

Fair Value Hierarchy (Continued):

Investments by fair value level	(Level 1)	(Level 2)	(Level 3)	2022
U.S. Government obligations	\$	\$ 159,313	\$	\$ 159,313
U.S. Government agency obligations		673,044		673,044
Corporate bonds		857,497		857,497
Domestic equity investment funds	3,182,634			3,182,634
International equity investment funds	867,873			867,873
Fixed income investment funds	367,425			367,425
Temporary investment funds	112,500			112,500
Total investments by fair value level	<u>\$ 4,530,432</u>	<u>\$ 1,689,854</u>	<u>\$ -</u>	<u>\$ 6,220,286</u>

Investments Measured at the Net Asset Value (NAV):

Real estate investment funds	<u>914,991</u>
Total, September 30, 2022	<u>\$ 7,135,277</u>

Investment measured at NAV	2022 Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
American Core Realty Fund	<u>\$ 914,991</u>	<u>\$ -</u>	Quarterly	60 days
Total investments measured at NAV	<u>\$ 914,991</u>	<u>\$ -</u>		

The fair values of the real estate investment funds are determined using the NAV per unit of the Plan's ownership interest in partners' capital. The investments of the fund are valued quarterly.

CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 6 - RESTRICTIONS

A portion of the fiduciary net position is restricted for benefits that accrue in relation to the DROP accounts and Share accounts as further described in Note 1. Allocations to the DROP accounts and Share accounts for the years ended September 30, 2023 and 2022 are presented below as determined in the actuary's most recent valuation available for the fiscal years ended September 30, 2023 and 2022:

	2023	2022
Restricted for DROP accounts (fully funded)	\$ -	\$ 213,339
Restricted for Share accounts (fully funded)	3,454	-
Restricted for defined benefits	7,555,057	7,006,150
Total net position restricted for pensions	\$ 7,558,511	\$ 7,219,489

NOTE 7 - PLAN AMENDMENTS

The Plan was not amended during the fiscal years ended September 30, 2023 and 2022.

NOTE 8 - ACTUARIAL ASSUMPTION CHANGES

There were no changes in the actuarial assumptions for the fiscal years ended September 30, 2023 and 2022.

NOTE 9 - ACTUARIAL METHOD CHANGES

There were no actuarial method changes for the fiscal years ended September 30, 2023 and 2022.

NOTE 10 - PLAN TERMINATION

Although it has not expressed an intention to do so, the City may terminate the Plan at any in accordance with the provisions of the Plan and the provisions of Florida Statutes §175.361. In the event that the Plan is terminated or contributions to the Plan are permanently discontinued, the benefits of each firefighter in the Plan at such termination date would be non-forfeitable.

CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 11 - COMMITMENTS AND CONTINGENCIES

As described in Note 1, certain members of the Plan are entitled to refunds of their accumulated contributions, without interest, upon termination of employment with the City prior to being eligible for pension benefits. The portion of these contributions which are refundable to participants who may terminate with less than 10 years of service has not been determined.

NOTE 12 - RISKS AND UNCERTAINTIES

The Plan invests in a variety of investment funds. Investments in general are exposed to various risks, such as interest rate, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of fiduciary net position available for benefits.

Interest Rate Risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest rate risks. Through its investment policies the Plan manages its exposure to fair value losses arising from increasing interest rates. The Plan limits the effective duration of its investment portfolio through the adoption of the Barclays Government/Credit-Intermediate benchmark.

Credit Risk:

Credit risk is the risk that a debt issuer will not fulfill its obligations. Consistent with state law the Plan's investment guidelines limit its fixed income investments to a quality rating of "BBB" or equivalent as rated by Moody's or by Standard & Poor's bond rating services at the time of purchase. Fixed income investments which are downgraded below the minimum rating must be liquidated at the earliest beneficial opportunity.

Custodial Credit Risk:

Custodial credit risk is defined as the risk that the Plan may not recover cash and investments held by another party in the event of a financial failure. The Plan requires all securities to be held by a third-party custodian in the name of the Plan. Securities transactions between a broker-dealer and the custodian involving the purchase or sale of securities must be made on a "delivery vs. payment" basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. The investment in mutual funds and investment in partnerships are considered *unclassified* pursuant to the custodial risk categories of GASB Statement No. 3, *Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*, because they are not evidenced by securities that exist in physical or book-entry form.

**CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022**

NOTE 12 - RISKS AND UNCERTAINTIES (Continued)

Investing in Foreign Markets:

Investing in foreign markets may involve special risks and considerations not typically associated with investing in companies in the United States of America. These risks include revaluation of currencies, high rates of inflation, repatriation restrictions on income and capital, and future adverse political, social, and economic developments. Moreover, securities of foreign governments may be less liquid, subject to delayed settlements, taxation on realized or unrealized gains, and their prices are more volatile than those of comparable securities in U.S. companies.

Investing in Real Estate:

The Plan is subject to the risks inherent in the ownership and operation of real estate. These risks include, among others, those normally associated with changes in the general economic climate, trends in the industry including creditworthiness of tenants, competition for tenants, changes in tax laws, interest rate levels, the availability of financing and potential liability under environmental and other laws.

NOTE 13 - NET PENSION LIABILITY OF THE CITY

The components of net pension liability of the City as of September 30, 2023 is as follows:

Total Pension Liability	\$ 8,487,895
Plan Fiduciary Net Position	<u>7,558,511</u>
City's Net Pension Liability (Asset)	<u><u>\$ 929,384</u></u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability (Asset)	<u><u>89.05%</u></u>

**CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022**

NOTE 13 - NET PENSION LIABILITY OF THE CITY (Continued)

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of October 1, 2022 updated to September 30, 2023 using the following actuarial assumptions applied to all measurement periods.

Inflation	2.50%
Salary increases	Service based
Investment rate of return	7.55%
Discount rate	7.55%

Mortality Rate Healthy Active Lives:

Female: PubS.H-2010 (Below Median) for Employees, set forward one year.

Male: PubS.H-2010 (Below Median) for Employees, set forward one year.

Mortality Rate Healthy Retiree Lives:

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

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

Mortality Rate Beneficiary Lives:

Female: PubG.H-2010 for Healthy Retirees.

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

Mortality Rate Disabled Lives:

80% PubG-H 2010 for Disabled Retirees.

20% PubS.H-2010 for Disabled Retirees.

All rates are projected generationally with Mortality Improvement Scale MP-2018. Management feels this assumption sufficiently accommodates future mortality improvements.

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

The most recent actuarial experience study used to review the other significant assumptions was dated September 18, 2018.

**CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022**

NOTE 13 - NET PENSION LIABILITY OF THE CITY (Continued)

Actuarial Assumptions (Continued):

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. For 2023 the inflation rate assumption of the investment advisor was 2.50%. These ranges are combined to produce the long-term expected rate of return by weighing 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 the pension plan's target asset allocation as of September 30, 2023 is as follows:

<u>Asset Target Allocation</u>	<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
45%	Domestic Equity	7.50%
15%	International Equity	8.50%
25%	Domestic Fixed Income	2.50%
5%	Global Fixed Income	3.50%
10%	Real Estate	4.50%

Discount Rate:

A single discount rate of 7.55% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.55%. The projection of cash flows used to determine this 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 the total 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 (7.55%) was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022**

NOTE 13 - NET PENSION LIABILITY OF THE CITY (Continued)

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

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability calculated using a single discount rate of 7.55%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher as of September 30, 2023.

	1% Decrease 6.55%	Current Discount Rate 7.55%	1% Increase 8.55%
City's net pension liability (asset)	\$ 1,874,227	\$ 929,384	\$ 142,959

It is important to note that the disclosures related to GASB Statement No. 67, *Financial Reporting for Pension Plans* are accounting measurements, not actuarial measurements, of the funded status of the Plan and are not used to develop City contribution rates.

REQUIRED SUPPLEMENTARY INFORMATION

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**CITY OF BROOKSVILLE
FIREFIGHTERS' RETIREMENT TRUST FUND
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY
LAST TEN FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total pension liability				
Service cost	\$ 159,253	\$ 153,423	\$ 151,372	\$ 143,254
Interest	611,408	589,768	581,845	554,444
Share plan allocation	3,454	-	-	-
Changes in excess state money	-	-	-	(1,273)
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	122,296	112,365	(19,875)	(9,804)
Change of assumptions	-	-	78,994	(161,047)
Benefit payments, including refunds of employee contributions	(719,193)	(441,261)	(432,013)	(434,719)
Net change in total pension liability	<u>177,218</u>	<u>414,295</u>	<u>360,323</u>	<u>90,855</u>
Total pension liability, beginning	<u>8,310,677</u>	<u>7,896,382</u>	<u>7,536,059</u>	<u>7,445,204</u>
Total pension liability, ending	<u>\$ 8,487,895</u>	<u>\$ 8,310,677</u>	<u>\$ 7,896,382</u>	<u>\$ 7,536,059</u>
Plan fiduciary net position				
Contributions - Employer	\$ 201,349	\$ 193,072	\$ 235,034	\$ 259,118
Contributions - State	110,690	76,428	59,955	66,751
Contributions - Employee	36,136	34,514	32,299	30,910
Contributions - Buy Back	-	-	-	-
Net investment income (loss)	759,478	(1,243,889)	1,404,823	646,799
Benefit payments, including refunds of employee contributions	(719,193)	(441,261)	(432,013)	(434,719)
Administrative expense	(49,438)	(51,397)	(49,991)	(61,079)
Net change in plan fiduciary net position	<u>339,022</u>	<u>(1,432,533)</u>	<u>1,250,107</u>	<u>507,780</u>
Plan fiduciary net position - beginning	<u>7,219,489</u>	<u>8,652,022</u>	<u>7,401,915</u>	<u>6,894,135</u>
Plan fiduciary net position - ending	<u>\$ 7,558,511</u>	<u>\$ 7,219,489</u>	<u>\$ 8,652,022</u>	<u>\$ 7,401,915</u>
Net pension liability (asset) - ending	<u>\$ 929,384</u>	<u>\$ 1,091,188</u>	<u>\$ (755,640)</u>	<u>\$ 134,144</u>

	2019	2018	2017	2016	2015	2014
\$	110,943	\$ 151,872	\$ 125,632	\$ 127,478	\$ 122,018	\$ 140,185
	568,795	538,773	534,811	531,653	533,301	528,252
	-	-	-	-	-	-
	-	-	1,162	-	-	-
	(207)	-	-	-	-	-
	(176,362)	82,081	(221,245)	(103,758)	(277,496)	-
	-	(33,387)	-	213,065	-	-
	(430,468)	(443,693)	(541,923)	(881,295)	(313,547)	(301,642)
	72,701	295,646	(101,563)	(112,857)	64,276	366,795
	7,372,503	7,076,857	7,178,420	7,291,277	7,227,001	6,860,206
\$	<u>7,445,204</u>	<u>\$ 7,372,503</u>	<u>\$ 7,076,857</u>	<u>\$ 7,178,420</u>	<u>\$ 7,291,277</u>	<u>\$ 7,227,001</u>
\$	322,440	\$ 291,820	\$ 313,701	\$ 301,515	\$ 236,142	\$ 265,808
	74,872	77,142	86,827	71,580	81,449	80,195
	30,945	26,011	25,888	24,485	20,904	20,758
	-	-	-	-	-	-
	326,524	454,294	652,067	348,214	(91,305)	554,152
	(430,468)	(443,693)	(541,923)	(881,295)	(313,547)	(301,642)
	(51,073)	(50,554)	(38,171)	(41,653)	(46,508)	(32,090)
	273,240	355,020	498,389	(177,154)	(112,865)	587,181
	6,620,895	6,265,875	5,767,486	5,944,640	6,057,505	5,470,324
\$	<u>6,894,135</u>	<u>\$ 6,620,895</u>	<u>\$ 6,265,875</u>	<u>\$ 5,944,640</u>	<u>\$ 6,057,505</u>	<u>\$ 6,057,505</u>
\$	<u>551,069</u>	<u>\$ 751,608</u>	<u>\$ 810,982</u>	<u>\$ 1,410,934</u>	<u>\$ 1,346,637</u>	<u>\$ 1,169,496</u>

**CITY OF BROOKSVILLE
FIREFIGHTERS' RETIREMENT TRUST FUND
SCHEDULE OF RATIOS
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll
2014	83.82%	\$ 614,729	190.25%
2015	81.53%	732,006	183.97%
2016	80.34%	749,109	188.35%
2017	88.54%	786,866	103.06%
2018	89.91%	790,608	95.07%
2019	92.60%	940,588	58.59%
2020	98.22%	939,524	14.28%
2021	109.57%	981,667	-76.98%
2022	86.87%	1,049,061	104.02%
2023	89.05%	1,098,358	84.62%

**CITY OF BROOKSVILLE
FIREFIGHTERS' RETIREMENT TRUST FUND
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Actuarially Determined Contribution	Actual Contribution per Actuarial Report	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2014	\$ 336,626	\$ 336,626	\$ -	\$ 614,729	54.76%
2015	348,049	348,049	-	732,006	47.55%
2016	387,364	387,364	-	749,109	51.71%
2017	397,604	397,604	-	786,866	50.53%
2018	380,520	380,520	-	790,608	48.13%
2019	385,265	385,265	-	940,588	40.96%
2020	327,142	327,142	-	939,524	34.82%
2021	294,991	294,991	-	981,667	30.05%
2022	267,090	269,500	(2,410)	1,049,061	25.69%
2023	272,613	308,585	(35,972)	1,098,358	28.10%

**CITY OF BROOKSVILLE
FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2023**

Valuation Date: 10/1/2021

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

Methods and assumptions used to determine contribution rates:

Funding Method:	Entry age normal actuarial cost method.
Amortization Method:	New UAAL amortization bases are amortized over the following amortization periods: Experience: 10 Years Assumption/Method Changes: 20 Years, Benefit Changes: 30 years.
Remaining Amortization Period:	27 years (as of 10/01/2017).
Asset Valuation Method:	All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period. Previously, the prior actuarial value of assets were brought forward utilizing the historical geometric 4-year average market value return.
Inflation:	2.5% per year
Salary Increases:	6.5% per year until retirement age. Final salary in year of retirement is increased individually to account for additional non-regular compensation.
Interest Rate:	7.55% per year, compounded annually, net of investment related expenses.
Payroll Increase:	None.
Cost of living adjustments:	3% per year, from age 55 to 65.
Retirement Age:	Earlier of age 60, 55 and the completion of 10 years of service, or the completion of 20 years of service regardless of age, Any member who has reached normal retirement is assumed to continue employment for one additional year.
Early Retirement:	Commencing upon a member's eligibility for early retirement (age 50 with 10 years of credited service), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.

**CITY OF BROOKSVILLE
FIREFIGHTERS' RETIREMENT TRUST FUND
NOTES TO SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2023
(Continued)**

Termination Rate: See table below

Disability Rate: See table below. It is assumed that 90% of disablements and active member deaths are service related.

Mortality: *Healthy Active Lives:*
 Female: PubS,H-2010 (Below median) for Employees, set forward one year.
 Male: PubS.H-2010 (Below Median) for Employees, set forward one year.

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

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

Disabled Lives:
 80% PubG.H-2010 for Disabled Retirees (20% PubS.H-2010 for Disabled Retirees.)
 The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement system (FRS). The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

Other Information: Termination and Disability Rate Table.

% Terminating During the Year		% Becoming Disabled During the Year		Salary Scale		% Retiring During the Year After First Eligibility for Normal Retirement	
Service	Rate	Age	Rate	Service	Rate	Service	Rate
0-1	20%	20	0.03%	0-1	10%	0-2	50%
2-9	10%	30	0.04%	2+	5%	3+	100%
10+	6%	40	0.07%				
		50	0.18%				

**CITY OF BROOKSVILLE
FIREFIGHTERS' RETIREMENT TRUST FUND
SCHEDULE OF INVESTMENT RETURNS
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Annual Money-Weighted Rate of Return Net of Investment Expense
2014	9.91%
2015	-1.64%
2016	6.14%
2017	11.82%
2018	7.22%
2019	4.98%
2020	9.58%
2021	19.26%
2022	-14.68%
2023	10.72%

ADDITIONAL INFORMATION

**CITY OF BROOKSVILLE
FIREFIGHTERS' RETIREMENT TRUST FUND
SCHEDULE OF INVESTMENT AND ADMINISTRATIVE EXPENSES
YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

	2023		2022	
	Investment*	Administrative	Investment*	Administrative
Actuary fees	\$ -	\$ 22,318	\$ -	\$ 20,229
Administrator's fees	-	8,400	-	8,400
Audit fees	-	12,100	-	11,800
Custodial fees	3,565	-	5,088	-
Directors' liability insurance	-	2,727	-	2,827
Education and dues	-	-	-	750
Agincourt Capital				
Investment management fees	4,361	-	5,774	-
Legal fees	-	3,893	-	4,250
Performance monitor	18,500	-	18,500	-
Seminar and travel expense	-	-	-	3,141
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total investment and administrative expenses	<u>\$ 26,426</u>	<u>\$ 49,438</u>	<u>\$ 29,362</u>	<u>\$ 51,397</u>
Percentage of net position	<u>0.35%</u>	<u>0.65%</u>	<u>0.41%</u>	<u>0.71%</u>

* Investment expenses do not include management fees withheld from investment fund revenues.