CITY OF JACKSONVILLE, FLORIDA POLICE AND FIRE PENSION FUND

COMBINED FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

CITY OF JACKSONVILLE, FLORIDA POLICE AND FIRE PENSION FUND
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JAMESMOORE

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees,
City of Jacksonville, Florida Police and Fire Pension Fund:

Report on the Financial Statements

Opinion

We have audited the combined financial statements of the City of Jacksonville, Florida Police and Fire Pension Fund (the Plan), which comprise the combined statement of fiduciary net position as of September 30, 2023, the combined statement of changes in fiduciary net position for the year then ended, and the related notes to the combined financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. 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 opinions. 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 GAS 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 GAS, 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 to the combined financial statements, the accompanying combined financial statements present only the City of Jacksonville, Florida Police and Fire Pension Fund and do not purport to, and do not, present fairly the net position restricted for pension benefits of the City of Jacksonville, Florida, as of September 30, 2023, or the City's changes in net position restricted for pension benefits for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and other required supplementary schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of the Plan's management and independent actuary regarding the methods of measurement and presentation of the required supplementary information. 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Plan's basic financial statements. The supplementary information as listed in the table contents is presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 supplementary fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have issued our report dated April 26, 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 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 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 the Plan's internal control over financial reporting and compliance.

James Moore & Co., P.L.

Daytona Beach, Florida
April 26, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management of the City of Jacksonville, Florida Police and Fire Pension Fund (hereinafter referred to as the "Plan") offers the readers of these basic financial statements this narrative overview and analysis of the Plan's financial activities for the fiscal year ended September 30, 2023. This discussion and analysis is designed to assist the reader in focusing on significant financial issues and activities and to identify any significant changes in financial position. The Plan encourages readers to consider the information presented here in conjunction with the financial statements, which follow this section.

Financial Highlights

- The fiduciary net position of the Plan as of the fiscal year ended September 30, 2023, was $2,228,344,325. The fiduciary net position, which is held in trust for pension benefits, is available to meet the Plan's ongoing obligations to Plan participants and their beneficiaries.

- The net position represents an increase of $231,402,502 or (11.59%). The increase was largely a result of the performance of investments during the year.

- The Plan's ongoing funding objective is to meet long-term benefit obligations through contributions, investment income, and the receipt of various revenues sources. As of September 30, 2023, the funded ratio for the Plan was approximately 43.04%, which compares to the September 30, 2022 funded ratio of 40.40%. In general, the current funded ratio indicates that for every dollar of benefits due, the Plan has approximately $0.43 of assets to cover it.

- Revenues (additions to the fiduciary net position) other than investment income for the 2023 fiscal year were $193,955,594, which comprises member and employer contributions of $174,639,021, other additions of $19,181,453, and securities lending of $135,120. This compares to revenues other than investment income in the amount of $192,742,882 in the prior fiscal year. For the 2022 fiscal year the minimum employer contribution was determined at $157,352,434 and no supplemental contribution was required. For fiscal year 2023, the employer minimum required contribution was determined as $156,993,838 and a supplemental contribution of $147,328 was required. Also for 2023, a total of $147,328 out of the City's minimum required contribution amount represented a release of funds from the Unfunded Actuarial Liability Reserve Account (UALPA) and accordingly, these are not presented as additions to the Plan's fiduciary net position.

- Net investment income (part of additions to fiduciary net position) for the 2023 fiscal year was $273,752,376 compared to net investment loss (part of deductions to fiduciary net position) for $433,060,122 that was recorded in the prior fiscal year.

- Expenses (deductions in fiduciary net position) not related to investment activities for the 2023 fiscal year increased from $249,765,840 to $236,305,468 or approximately 5.39%. The increase was largely due to the decrease in pension benefits distributed during the year.

Overview of the Financial Statements

The following discussion and analysis is intended to serve as an introduction to the Plan's combined financial statements, which are comprised of these components: 1) combined statement of fiduciary net position, 2) combined statement of changes in fiduciary net position, 3) notes to the combined financial statements, and 4) required supplementary information. The information available in each of these sections is briefly summarized as follows:

- The combined statement of fiduciary net position is a snapshot of account balances at the end of the fiscal year. It indicates the assets available for future payments to retirees and beneficiaries and any current liabilities that are owed at this time.

- The combined statement of changes in fiduciary net position provides a view of current year additions to and deductions from the resources of the Plan during the fiscal year.

Both statements are presented in compliance with Governmental Accounting Standards Board (GASB) pronouncements. These pronouncements require certain disclosures and reporting standards. The Plan complies with all material requirements of these pronouncements.

The combined statement of fiduciary net position and the combined statement of changes in fiduciary net position report information about the Plan's financial activities. These statements include all assets and liabilities, using the full accrual basis of accounting, which is similar to the basis of accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. All realized and unrealized gains and losses are shown on investments, and all property and equipment (i.e. fixed assets) are depreciated over their useful lives.

These two statements report the Plan's combined fiduciary net position held in trust for pension benefits (the difference between assets and liabilities) as one way to measure the Plan's financial position. Over time, increases and decreases in the Plan's fiduciary net position as an indicator of whether its financial health is improving or deteriorating. Other factors, such as market conditions, should also be considered in measuring the Plan's overall financial health (see the Plan's combined financial statements on as listed in the table of contents).

- Notes to the combined financial statements provide additional information that is essential to a full understanding of the data provided in the combined financial statements (see notes to combined financial statements as listed in the table of contents)

In addition to the combined financial statements and accompanying notes, this report presents certain required supplementary information concerning the Plan's progress in funding its obligations to provide pension benefits to members (see required supplementary information as listed in the table of contents). Management's discussion and analysis described herein is additionally classified as required supplementary information for reporting and auditing purposes even though it is not presented in the required supplementary information section of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

CITY OF JACKSONVILLE, FLORIDA POLICE AND FIRE PENSION FUND
COMBINED STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2023

	2023	2022	Increase (Decrease) 2023/2022
Current assets	$ 2,937,764	$ 27,859,259	$ (24,921,495)
Investments	2,232,259,656	1,972,305,277	259,954,379
Capital assets, net	16,443	-	16,443
Securities lending collateral	74,377,848	82,803,809	(8,425,961)
Total assets	2,309,591,711	2,082,968,345	226,623,366
Deferred outflows of resources	461,447	70,447	391,000
Current liabilities	6,915,030	2,779,930	4,135,100
Securities lending obligations	74,377,848	82,803,809	(8,425,961)
Long-term liabilities	83,466	93,558	(10,092)
Total liabilities	81,376,344	85,677,297	(4,300,953)
Deferred inflows of resources	332,489	544,680	(212,191)
Total fiduciary net position	$ 2,228,344,325	$ 1,996,816,815	$ 231,527,510

COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
SEPTEMBER 30, 2023

	2023	2022	Increase (Decrease) 2023/2022
Plan member contributions	$ 17,791,410	$ 18,277,234	$ (485,824)
Employer contributions	156,847,611	157,520,476	(672,865)
Other additions	19,181,453	16,724,472	2,456,981
Net investment income	273,752,376	-	273,752,376
Net securities lending activities	135,120	220,700	(85,580)
Total additions to fiduciary net position	467,707,970	192,742,882	274,965,088
Benefit payments	233,761,398	223,492,008	10,269,390
Administrative expenses	2,303,382	2,131,289	172,093
Net invetment loss	-	433,060,122	(433,060,122)
Other expenses	240,688	24,142,543	(23,901,855)
Total deductions to fiduciary net position	236,305,468	682,825,962	(446,520,494)
Change in fiduciary net position	231,402,502	(490,083,080)	721,485,582
Fiduciary net position available for benefits - beginning of year, as restated	1,996,941,823	2,487,024,903	(490,083,080)
Fiduciary net position available for benefits - end of year	$ 2,228,344,325	$ 1,996,941,823	$ 231,402,502

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Financial Analysis

The Plan provides retirement benefits to police officers and firefighters employed by the Consolidated City of Jacksonville (City). The pension benefits, which are provided by the Plan, are funded by member and employer contributions, by earnings on investments, and by various revenue sources. The Plan's fiduciary net position held in trust for benefits at September 30, 2023 was $2,228,344,325, representing an increase of $231,402,502 or 11.59% from $1,996,941,823 at September 30, 2022. The increase was largely a result of favorable investment returns available in the financial markets.

For the 2023 fiscal year, employer and member contributions were $174,639,021 representing an decrease of 0.66% over the $175,797,710 recorded during the 2022 fiscal year. The decrease in the level of pension contributions during the fiscal year 2023 resulted from the amount of contributions by the City based on the actuarial study. The Plan recognized a net investment income of $273,752,376 for the 2023 fiscal year, compared with net investment loss of $433,060,122 for the 2022 fiscal year. Other additional revenues recorded by the Plan are represented by: thirty percent of fines and court costs from charges of violations held in Duval County court and parking fines $331,284; and miscellaneous revenues of $173,411. Miscellaneous revenues consisted of commissions recapture $44,705, sales of surplus, lost, miscellaneous settlements $63,356, and miscellaneous sales and charges of $65,350. The Plan also received Florida Chapter 175 and 185 premium taxes of $18,423,121 which are restricted for purposes determined by the Jacksonville Association of Fire Fighters. For the 2023 fiscal year, these other additions of revenue sources produced revenues in the amount of $19,181,453 for the Plan, representing a $2,745,649 or 16.71% increase as compared to the $16,724,472 recorded during the 2022 fiscal year.

Deductions from the Plan's fiduciary net position held in trust for benefits included mainly retirement and survivor benefits, DROP payments, refunds of contributions and administrative expenses. For the 2023 fiscal year, retirement and survivor benefits (including DROP and refunds) were $233,761,398. Administrative expenses during the 2023 fiscal year were $2,303,382 versus $2,131,289 in the prior fiscal year.

At September 30, 2023, the Plan held $448,863,669 in fixed income securities, an increase of $242,864,140 or 54.11% from $205,999,529 held at September 30, 2022.

At September 30, 2023, the Plan held $1,280,178,835 in U.S. and international equity securities, a decrease of $2,506,481 or 0.20% from $1,282,685,316 held at September 30, 2022.

At September 30, 2023, the Plan held $306,383,562 in real estate investments, a decrease of $28,226,682 or 8.44% compared to the $334,610,244 real estate investments held at September 30, 2022.

At September 30, 2023, the Plan held $137,350,441 in partnership investments, an increase of $6,882,943 or 5.28% compared to the $130,467,498 partnership investments at September 30, 2022.

Requests for Information

The financial report is designed to provide citizens, taxpayers, fund participants and other interested parties with an overview of the Plan's finances and the prudent exercise of the Board's oversight. If you have any questions regarding this report or need additional financial information, please contact the Plan's Executive Director-Administrator, One West Adams Street, Suite 100, Jacksonville, Florida 32202- 3616.

CITY OF JACKSONVILLE, FLORIDA POLICE AND FIRE PENSION FUND
COMBINED STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2023

ASSETS	
Prepaid benefit payments and other expenses	$ 81,675
Receivables:	
Interest and dividends receivable	1,982,477
Accounts receivable, net allowance	470,393
Due from City of Jacksonville	403,219
Total receivables	2,856,089
Investments, at fair value:	
Short-term investments	59,483,149
Long-term investments	
Fixed income securities	448,863,669
Domestic and international equities	1,280,178,835
Real estate	306,383,562
Alternatives	137,350,441
Total investments	2,232,259,656
Capital assets, net:	
Construction in progress	16,443
Securities lending collateral	74,377,848
Total assets	$ 2,309,591,711
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pension	$ 461,447
LIABILITIES	
Accounts payable	$ 2,846,431
Due to City of Jacksonville	2,708,064
Compensated absences - current	35,771
Compensated absences - long-term	83,466
Net pension liability - SSVRP	1,303,353
Other liabilities	21,411
Securities lending obligations	74,377,848
Total liabilities	$ 81,376,344
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to leases	$ 332,489
NET POSITION RESTRICTED FOR PENSIONS	
Restricted for pensions	$ 2,228,344,325

The accompanying notes to financial statements are an integral part of this statement.

CITY OF JACKSONVILLE, FLORIDA POLICE AND FIRE PENSION FUND
COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Additions	
Contributions:	
Employer	$ 156,847,592
Plan members	17,092,159
Plan member buybacks and pension transfers	699,270
Total contributions	174,639,021
Other contributions:	
Court fines and other penalties	331,284
State insurance contributions	18,423,121
Disables trust fund contribution	253,637
Miscellaneous	173,411
Total other contributions	19,181,453
Securities lending activities:	
Lending revenue	204,443
Less: lending expense	(69,323)
Total securities lending activities	135,120
Investment earnings:	
Rental and parking revenue	382,232
Interest and dividends	109,902,595
Unrealized gain (loss)	175,731,615
Total investment earnings	286,016,442
Less: investment expense	(12,057,360)
Less: rental property expense	(206,706)
Net investment income	273,752,376
Total additions	467,707,970
Deductions	
Benefit-related expenses:	
Pension benefits remitted (including DROP)	232,683,083
Refunds of contributions	1,078,315
Total benefit-related expenses	233,761,398
Administrative expenses:	
Personnel services	1,240,609
Professional services - non-investment	389,249
Central services	345,069
Supplies	5,645
Other services and charges	322,810
Total administrative expenses	2,303,382
Other expenses:	
Pension expense - SSVRP	240,688
Total deductions	236,305,468
Change in net position	231,402,502
Net position restricted for pensions, beginning of year, as restated	1,996,941,823
Net position restricted for pensions, end of year	$ 2,228,344,325

The accompanying notes to financial statements are an integral part of this statement.

(1) Description of the Plan:

The following is a summary of the more significant accounting policies and practices of the City of Jacksonville, Florida Police and Fire Pension Fund (the Plan), which affects significant elements in the accompanying financial statements:

(a) **Plan description**—City of Jacksonville, Florida Police and Fire Pension Fund (the "Plan") is a single-employer, defined benefit plan covering all full-time civil service members of the City of Jacksonville's (the City) police and fire departments hired prior to October 1, 2017. Qualified membership is further limited to only include police officers and firefighters. The Plan is administered solely by a five-member board of trustees.

Funds are accumulated from employee contributions, City contributions, State appropriations, and investment earnings from accumulated funds. All benefits and refunds of the Plan are recognized when due and payable in accordance with the terms of the plan. The Plan was created by Ch. 18615, Special Acts of Florida, 1937. The Plan is also governed by certain provisions of Chapter 175, Florida Statutes, Chapter 185, Florida Statutes, Part VII, Chapter 112, Florida Statutes and the Internal Revenue Code.

The Plan covers all employees who were hired prior to October 1, 2017.

All investment management expenses and other administrative costs are financed by the Plan.

(b) **Funding Policy**—Ordinance 2017-259 amended the Plan's funding policy as follows:

- Beginning with the Fiscal Year 2017-2018, a liquidity ratio, defined as the market value of assets divided by the annual benefit payments, is instated, where in any year if the liquidity ratio falls below 5.0, the City shall, subject to annual appropriation, make a contribution or payment in an amount sufficient to restore the Plan's liquidity ratio to at least 5.0
- Beginning with the Fiscal Year 2017-2018, the City shall, subject to annual appropriation, make an annual contribution of at least $110 million, less any amount paid to restore the liquidity ratio to the minimum level of 5.0.
- Beginning with the Fiscal Year 2017-2018, a liquidity ratio, defined as the market value of assets divided by the annual benefit payments, is instated, where in any year if the liquidity ratio falls below 5.0, the City shall, subject to annual appropriation, make a contribution or payment in an amount sufficient to restore the Plan's liquidity ratio to at least 5.0.

(c) **Vesting**—The Plan provides that participants become 100% vested after five years of service.

(d) **Pension benefits**—Members of the Plan may retire after twenty (20) years of credited service, regardless of age, with a minimum benefit of sixty percent (60%) of the average salary received for the 52 pay periods (two years) preceding retirement. Members may receive an additional two percent (2%) for each completed year over twenty (20) up to a maximum of eighty percent (80%) of the average salary.

Employees may alternatively select a 100% payout of member contributions to the Plan without interest upon withdrawal from the Plan. Vested retirement, disability, death and other benefits are also provided.

(1) **Description of the Plan:** (Continued)

(e) **Disability benefits**—Disability benefits are available to members who are totally and permanently disabled during employment with the City of Jacksonville. It makes no difference whether the disabling illness, injury or condition occurred on-the-job or outside of the course of employment. A total and permanent disability would entitle an employee, with twenty (20) years or less of credited service, to a pension of sixty percent (60%) of the average salary for the 52 pay periods preceding disability retirement, which is payable until death. Disability pensions will not be granted in the case of injuries suffered while in the employment of another employer, except in the event that the injury was suffered while serving in the Armed Forces of the United States.

(f) **Death benefits—**The Plan provides death benefits of varying percentages of the amount that a participant would have received under the various joint and survivor form, payable to the spouse or designated person for life. This is available for participants who are married at the time of death. The death benefit varies for employees not eligible for retirement but who are vested in a deferred retirement benefit and are married at the time of death. The benefit varies from the amount that the participant would have received if the participant had separated from service on the date of death and retired under the various joint and survivor forms. Benefits are payable to the spouse for life beginning on the participant's earliest retirement date. Members are not permitted to designate a beneficiary for the receipt of pension benefits or the refund of pension contributions. Benefits are payable solely to a spouse, married to and living with the member at the time of the member's death or to eligible children.

(g) **Deferred retirement option program**—The Plan offers a deferred retirement option program (DROP) for participants who were employed by the city on or before January 31, 2011, and who met the requirements for DROP on or after that date. Participants who enter the DROP program may participate until separating from City employment, not to exceed five years from entering the DROP program. While in the DROP program, employees no longer contribute to the Plan or accrue benefits, but instead earn monthly retirement benefits which are accumulated in a DROP account and paid out in a lump sum upon separation from employment with the City.

(h) **Plan membership**—Membership of the Plan consisted of the following at September 30, 2023, the date of the last actuarial valuation:

Retirees and beneficiaries receiving benefits	3,410
Inactive, nonretired members	100
Active participants	1,732
Total	5,242

(i) **Share plan**—Members of the Plan also participate in a supplemental Share Plan which is funded by insurance premium taxes received pursuant to Florida Statute 175.351(1)(b) and 185.35(1)(b). Florida Statutes Chapter 175.351(1)(b) defines the Fire Share Plan and Florida Statutes Chapter 185.35 defines the Police Share Plan and the methodology for funding each plan. The Share Plan is in addition to any other benefits and nothing herein shall in any way affect any other benefits that now exist. The Board of Trustees administers all assets of the Share Plan. Membership of the Share Plan consists of all firefighters and police officers in active service excluding retired members and people who have entered the DROP. Each year, as determined by the legally recognized collective bargaining units, the premium tax monies are allocated to the share accounts maintained for each firefighter and police officer, and the accounts earn interest over time. Upon retirement members receive their share of the account balance.

(1) **Description of the Plan:** (Continued)

(j) **Deferred retirement option plan (DROP)**—Eligible members of the Plan may elect to participate in the Deferred Retirement Option Plan (DROP). Upon election to participate the member's credited service and final average salary are frozen for purposes of determining pension benefits. Participating members continue employment with the City for a defined period of time not to exceed 60 months. The deferred monthly retirement benefits under the DROP accrue in the Plan plus interest on behalf of the member. Upon retirement the member receives his or her DROP distribution or lump sum and bi-weekly pension benefit.

(k) **Disability benefits**—In the event that a participant becomes disabled, the participant continues to accrue benefits under the Plan during such disability based on the participant's rate of pay at the time of disablement, payable at the normal retirement age. If the participant becomes totally and permanently disabled, then he or she may be eligible for a disability retirement benefit, based on applicable percentages of income and years of service as of the date of disability.

(l) **Contribution requirements**—The State of Florida requires funding of pension contributions be made based upon an actuarial valuation. The most recent full actuarial valuation report available for distribution is dated October 1, 2022. The City Council has the authority to amend its contribution to the Plan but not below the minimum state requirement.

(m) **Senior Staff and Voluntary Retirement Plan**—The Plan sponsors a single-employer contributory defined benefit plan called the Senior Staff Voluntary Retirement Plan (the "SSVRP") that provides retirement, death, and disability benefits. The SSVRP is administered by the Plan's five member Board of Trustees and was adopted in September 20, 2000 and lastly amended on November 9, 2009. The assets and account balances of the SSVRP are included on the combined financial statements of the Plan.

(2) **Summary of Significant Account Policies:**

(a) **Basis of presentation**—The accompanying combined financial statements include the fiduciary net position and the changes in fiduciary net position of the Jacksonville Police and Fire Pension Fund and of the SSVRP. These financial statements have been combined as the pension funds were under common management and administered by the Plan's Board of Trustees. Material inter-fund transactions have been eliminated in the combination.

(b) **Basis of accounting**—The Plan's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America and accounted for in accordance with the Governmental Accounting Standards Board ("GASB") Codification. Contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefit payments are recognized when due and payable to the Plan participants in accordance with the terms of the Plan.

(c) **Use of estimates—**The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits and changes therein at the date of the financial statements. Actual results could differ from those estimates.

(2) **Summary of Significant Account Policies:** (Continued)

(d) **Cash and cash equivalents**—The Plan's cash and cash equivalents are considered to be cash on hand, demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition. Cash and cash equivalents included $59,483,149 of money market funds at September 30, 2023, which are measured at fair value using Level 2 inputs, as discussed in Note (3).

(e) **Investment policy**—The pension Plan's policy for the allocation of invested assets is established by a majority vote of the Board. The Board pursues an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The selection of asset classes is limited by statute and each asset class is further diversified by style, and the use of both active and passive management. The policy discourages the use of each cash equivalents, except for liquidity purposes, and refrains from dramatically shifting asset class allocations over short time spans. The following is the Board's asset allocation policy:

Asset Class	Target Allocation	Guidelines
Domestic equity	37%	32-42%
International equity	20%	15-25%
Fixed income	20%	15-25%
Core Real Estate	10%	5-15%
Non-Core Real Estate	5%	0-10%
Private Credit	8%	0-13%
	100%	

(f) **Investment valuation and income recognition**—Investments generally are reported at fair value, but may also be reported at contract value or net asset value (NAV). 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. See Note 4 for further discussion of fair value measurements, contract value, and NAV.

The Plan's Employee Benefit Committee determines the Plan's valuation policies utilizing information provided by the investment advisers, custodians, and insurance company.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Highly liquid investments with short maturities (typically less than three months but no more than one year after purchased) are considered to be cash equivalents. Such amounts are recorded at cost which approximates market value. Equities securities traded on a national or international exchange are reported at current quoted fair values.

Bonds and other fixed income investments are primarily reported at fair values obtained from independent pricing services. Mortgages are valued on the basis of future principal plus interest payments and are discounted at prevailing interest rates for similar instruments. Direct investments in real estate are valued based on independent appraisals made every year or according to fund agreement. Real estate partnerships are reported at values provided by general partners. These values are based on discounted cash flows, comparative sales, capitalization rates applied to net operating income, or if none of the preceding fit a property's attributes and strategy, at cost.

(2) **Summary of Significant Account Policies:** (Continued)

For various alternative investments (private equity, absolute return strategies, opportunistic funds, and real assets) where no readily ascertainable fair value exists, management in consultation with its investment advisors will value these investments in good faith based upon reported net asset values, cash flow analysis, purchases and sales of similar investments, new financings, economic conditions, other practices used within the industry, or other information provided by underlying investment advisors. Because of the inherent uncertainty in privately held securities, the fair value may differ from the values that would have been used if a ready market for such securities existed, and the difference can be material.

(g) **Deferred outflows/inflows of resources**—In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an expense or expenditure until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then.

Deferred outflows and inflows of resources are related to the deferred pension expense of the Senior Staff Voluntary Retirement Plan (the "SSVRP").

(h) **Lease receivable—**The Plan is a lessor for a noncancellable lease of a building. The Plan recognizes a lease receivable and a deferred inflow of resources in the combined fiduciary fund financial statements. At the commencement of a lease, the Fund initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Plan determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Plan uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.
- The Plan monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable

(i) **Pensions—**For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(2) **Summary of Significant Account Policies:** (Continued)

(j) **Valuation of other financial instruments**—The carrying value of the Plan's receivables approximate fair value.

(k) **Payments of benefits**—Benefit payments to participants are recorded upon distribution.

(l) **Administrative expenses—**Benefit payments to participants are recorded upon distribution.

(m) **Other expenses—**Other expenses consist of reserve reduction disbursements made to unionized employees that left the Plan and received an agreed-upon allocated share of the reserves. There were no reserve deduction disbursements for the year ended September 30, 2023.

(n) **Tax status—**The Plan obtained a determination letter on January 20, 1999, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since receiving the determination letter. The Plan's administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, the Plan's administrator believes the Plan has qualified and the related trust was tax exempt as of September 30, 2023.

(o) **Risk and uncertainties**—The Plan utilizes various investment securities including U.S. government securities, corporate debt instruments, mutual funds, and corporate stocks. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Plan's combined financial statements.

Plan contributions are made and the actuarial present value of accumulated fund benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the combined financial statements.

(3) **Reserve Accounts:**

An agreement between the Plan and the City established on June 9, 2015, (Ordinance 2015-304-E) the Unfunded Actuarial Liability Reserve Account (the "UALPA") which consists of funds from the City Budget Stabilization Account (the "CBSA") and Enhanced Benefit Account (the "EBA") and the Supplemental Account (the "SUPA").

- UALPA was established to make payments towards unfunded accrued liability conditioned by City making contributions to the Plan in excess of any annual statutorily required payments.
- The CBSA was established to account for contributions in excess of current funding requirements.
- The EBA was established to account for State Chapter 175 and 185 finds to pay down the unfunded liability as a voluntary contribution and/or fund Share Plan and/or pay annual discretionary bonus payment to retiree.
- The SUPA is established to provide additional payments to the unfunded liability.

(3) **Reserve Accounts:** (Continued)

The SSVRP reserve account was established on September 20, 2000, by the Board of Trustees to account for employee and employer contributions and payments for the defined contribution plan for senior staff.

The Share Plan was established on June 9, 2015, (Ordinance 2015-304-E) by the City and Plan to provide supplemental benefits to eligible active members.

Ordinance 2017-259, dated April 19, 2017, amended the Plan so that effective October 1, 2017, the accumulated balances existing on September 30, 2017, together with interest thereon, in the UALPA and the Supplemental Payment Account (SPA), will be allocated as follows:

- 20% shall be administered by the Board for the legal use of police officer members, Jacksonville Police and Fire Pension Fund 3 as determined by the legally recognized collective bargaining unit;
- 20% shall be administered by the Board for the legal use of firefighter members, as determined by the legally recognized collective bargaining unit; and,
- 60% shall be administered by the Board for the sole purpose of being applied to the City's Actuarially Determined Employer Contribution (ADEC) for the year(s) selected by the City, at the discretion of the City.

Ordinance 2017-259 also amended the Plan so that effective October 1, 2017, 100% of the accumulated balances existing on September 30, 2017, presented in the table below, in the City Budget Stabilization Account (CBSA) and the Enhanced Benefit Account (EBA), together with interest thereon, shall be administered by the Board for the sole purpose of being applied to the City's ADEC for the year(s) selected by the City, at the discretion of the City.

The balances of the reserve values after the 2023 fiscal year activity are summarized as follows:

Reserve Values at:	City of Jacksonville Contribution Reserve	Balance allocated to Police Officers and Firefighters	Share Plan	SSVRP	EBA	Totals
September 30, 2022	$ 5,249,583	$ 2,927,313	$ 8,892,314	$ 3,538,585	$ 3,696,757	$ 24,304,552
Net current year change	719,193	15,456,934	210,315	45,423	-	16,431,865
Allocated to fund	(147,328)	-	-	-	-	(147,328)
September 30, 2023	$ 5,821,448	$ 18,384,247	$ 9,102,629	$ 3,584,008	$ 3,696,757	$ 40,589,089

(4) **Funding Policy:**

The employer (the City) contributions for the year ended September 30, 2023, were $156,847,592. The contributed amount exceeded the actuarially determined required employer contributions for the year ended September 30, 2023, of $ 156,993,838.

In accordance with Ordinance 2022-504-E, for fiscal year 2023 the City will contribute $ 174,039,920 as determined by the Plan's actuary in the Actuarial Valuation Report as of October 1, 2023.

(5) **Investments and Deposits:**

The following chart shows the Plan's investment accounts by investment type at September 30, 2023:

Cash and cash equivalents:	
Short-term investments	$ 59,483,149
Fixed Income:	
Commercial mortgage-backed	868,346
Corporate bonds	365,627,507
Government bonds	37,052,248
Funds - other fixed income	42,976,684
Convertible equity	873,139
Short term bills and notes	1,465,745
Total fixed income	448,863,669
Equity:	
Common stock	415,014,430
Common stock funds	721,591,231
Hedge equity	143,573,174
Total equity	1,280,178,835
Real estate	306,383,562
Partnership alternatives	137,350,441
Total	$ 2,232,259,656

For the year ended September 30, 2023, the annual money weighted rate of return on investments was (13.7%). The money-weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested.

The Plan participates in a pooled cash account with other funds at the City. There was no pooled cash balance at September 30, 2023. Deposits and investments of the Plan which have been transferred to the pension custodians are held separately from those of other City funds and are required to be administered by nationally recognized investment counseling firms. At September 30, 2023, the carrying amount of these deposits and investments was $59,483,149. Monies which are placed on deposit with financial institutions in the form of demand deposit accounts, time deposit accounts, and certificates of deposit are defined as public deposits.

The Plan is authorized to invest in certificates of deposit, obligations of U.S. Treasury, its agencies and instrumentalities, repurchase and reverse repurchase agreements, the local government surplus fund's trust fund, obligations of the City, the State of Florida, fixed income obligations issued by foreign government (if the obligations are rated investment grade by at least one nationally recognized rating service), bankers' acceptances, group annuity contracts, corporate bonds (including collateralized mortgage obligations), preferred stocks, common stocks, foreign securities, securities lending transactions, and real estate investments. For the comprehensive list of available investments, the Statement of Investment Policy approved by the Board of Pension Trustees on August 20, 2016 should be referenced.

The Plan purchased land, an office building with related improvements, and a parking garage in fiscal year 1999. Upon purchase of the parking garage, the Plan took assignments of the existing management agreement and receives rental revenue from parking tenants. This asset is reported at its fair value, as determined by appraisals, and has been classified as an investment, as it is an income generating asset. During the fiscal year ended September 30, 2023, the office building and parking garage generated $382,232 in rental revenue.

(5) **Investments and Deposits:** (Continued)

Custodial Credit Risk: Custodial risk for investment is the risk that, in the event of failure of the counterparty transaction, the Plan will not be able to recover the value of investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the Plan, and are held either by the counterparty or the counterparty's trust department or agent but not in the Plan's name. Consistent with the Plan's investment policy, the investments are held by the Plan's custodial bank and registered in the Plan's name. All the Plan's deposits are insured and or collateralized by a financial institution separate from the Plan's depository financial institutions.

Interest Rate Risk: Interest rate risk is the risk that changes in market values will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its value to changes in market interest rates. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investment by security type and limits holdings in any one type of investment with any one issuer with various durations of maturities.

The Plan holds certain investments in government mortgage-backed securities. Generally, these are securities whose cash flows are backed by the principal and interest payments of a set of loans. Payments are typically made monthly over the lifetime of the underlying loans. These types of investments are subject to various risks which have the potential to result in a decline in the value of the investments. For example, credit risk can be affected by borrowers refinancing their loans or payment lives may change which will impact the life of the security.

If the investments are backed by risky loans or sub-prime home loans for which the monthly interest payments fall, there is a potential for a decline in the value of these investments.

Information about the sensitivity of the fair value of the Plan's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Plan's investments by maturity at September 30, 2023:

	Fair Value	Weighted Average Maturity (Years)
Commercial mortgage-backed	$ 868,346	11.61
Bank loans	208,103	5.31
Corporate bonds	77,577,067	7.58
Corporate convertible bonds	2,629,749	5.03
Government bonds	37,052,248	14.37
Asset backed securities	19,562,882	12.21
Convertible equity	873,139	12.78
Short term bills and notes	1,465,745	0.47
Bond index fund	308,626,390	N/A*
Total fixed income	$ 448,863,669	

** Bond index fund does not have a maturity date, therefore the weighted average is not applicable*

(5) **Investments and Deposits:** (Continued)

Bonds not due at a single maturity date have been included in the above table in the year of final contractual maturity. Actual maturities may differ from contractual maturities due to the exercise of repayment options.

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Plan investment policy allows for up to twenty-five (25) percent of its investments in common stock, capital stock and convertible securities at market value in foreign securities. At September 30, 2023, the investment portfolios met the foreign securities limitations.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the multitude of the Plan's investment in a single insurer. The Plan's investment policy was designed to mitigate both credit and concentration risk by providing specific guidance as to weighting and integrity of the deposit and investments instruments. The Plan places no limit on the amount it may invest in any one issuer.

As of September 30, 2023, the following Organizations held 5% or more of the Plan's fiduciary net position:

	Fair Value	Fair Value as a Percentage
Baillie Gifford	$ 143,574,891	6.45%
Acadian	139,967,383	6.29%
Eagle	242,962,146	10.92%
Loomis	259,181,398	11.65%
Northern Trust	257,069,160	11.55%
Sawgrass	122,806,754	5.52%
Silchester	163,088,714	7.33%

As of September 30, 2023, the Plan's debt security investments credit risk are in the following table:

Fair Value Moody's	Fair Value
Aaa	$ 36,425,596
Aa	1,932,984
A	9,542,143
Baa	271,536,241
Ba	13,164,037
B	1,624,219
Caa	1,271,738
U.S. Government Guaranteed	1,465,745
Not Rated	111,900,966
Total	$ 448,863,669

(5) **Investments and Deposits:** (Continued)

The Plan measures and records its investments, assets whose use is limited, and restricted assets using fair value measurement guidelines established by the GASB Codification. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The Plan has the following recurring fair value measurement as of September 30, 2023:

	Fair Value	Level 1	Level 2	Level 3
Fixed Income:				
Commercial mortgage-backed	$ 868,346	$ -	$ 868,346	$ -
Corporate bonds	365,627,507	-	365,627,507	-
Government bonds	37,052,248	37,052,248	-	-
Funds - other fixed income	42,976,684	-	42,976,684	-
Convertible equity	873,139	-	873,139	-
Short term bills and notes	1,465,745	1,465,745	-	-
Total fixed income	448,863,669	38,517,993	410,345,676	-
Equity:				
Common stock	415,014,430	415,014,430	-	-
Common stock funds	721,591,231	-	721,591,231	-
Hedge equity	143,573,174	-	-	143,573,174
Total equity	1,280,178,835	415,014,430	721,591,231	143,573,174
Real estate	306,383,562	-	-	306,383,562
Partnership alternatives	137,350,441	-	-	137,350,441
Total	$ 2,172,776,507	$ 453,532,423	$ 1,131,936,907	$ 587,307,177

(5) **Investments and Deposits:** (Continued)

Securities Lending:

The Plan, pursuant to a Securities Lending Authorization Agreement, has authorized, Northern Trust Company, acting as agent, to lend securities held in the portfolios with the intent of generating additional interest income. Northern Trust's responsibilities include performing appropriate borrower and collateral investment credit analyses, demanding adequate types and levels of collateral, and complying with applicable Department of Labor and Federal Financial Institutions Examination Council regulations concerning securities lending.

Securities are loaned against collateral that may include cash, U.S. government securities, and irrevocable letters of credit. Securities are loaned against collateral valued at a minimum of 102% of the market value of the securities plus any accrued interest. If the broker/dealer fails to return the security upon request, the custodian, acting as agent, will utilize the collateral to replace the security borrowed. When non- cash collateral is provided the collateral must consist of obligations issued or guaranteed by the U.S Government or its agencies and instrumentalities. The Plan cannot pledge or sell these obligations in the absence of a default by the borrower.

The transaction establishes an interest rate, which is due back to the broker/dealer upon return of the security. The cash is then invested in short-term. The Plan and the custodian share in the incremental return available above the rebated interest rate. The short-term fixed income instruments can be invested in high quality, dollar denominated fixed income instruments, with a policy dollar-weighted, average maturity limit of less than thirty days.

As of September 30, 2023, the Plan maintained collateral on loaned securities of $74,377,848 and incurred net gains of $65,797.

(6) **Pension Plans for Fund Employees:**

Senior Staff Voluntary Retirement Plan

The Plan sponsors a single-employer contributory defined benefit plan called the Senior Staff Voluntary Retirement Plan (the "SSVRP") that provides retirement, death, and disability benefits. The SSVRP is administered by the Plan's five-member Board of Trustees and was adopted in September 20, 2000 and lastly amended on November 9, 2009. As of September 30, 2015, this plan closed to new members. The SSVRP currently has two retirees and one surviving spouse. There are no separately issued financial statements for the SSVRP. The total pension liability of the SSVRP was determined as $4,841,938 at September 30, 2022 (measurement date) based on an actuarial study completed for the fiscal year. The SSVRP's fiduciary net position was $3,538,585 as of September 30, 2022 (valuation date). A net pension liability of $1,303,353 exists for the SSVRP and is reported on the September 30, 2023, combined financial statements.

City of Jacksonville Retirement System

The Plan also participates in the City of Jacksonville Retirement System (the "JRS"). The JRS is a cost-sharing, multiple-employer, contributory defined benefit pension plan with a defined contribution alternative. The JRS administered by a nine-member Board of Trustees that makes recommendations to the City Council. The Plan participates in the General Employee Pension Plan (the "GEPP") of the JRS.

(6) **Pension Plans for Fund Employees:** (Continued)

The Plan has seven employees participating in the contributory defined benefit pension plan and one employee participating in the defined contribution alternative. The financial statements for the JRS are included in the City's Annual Comprehensive Financial Report (the "ACFR").

(7) **Deferred Retirement Option Program (DROP):**

The DROP is a form of retirement that allows an employee with at least 20 years of service to continue working a maximum period of five (5) additional years while accumulating a savings account consisting of retirement benefits that would have been received had the employee actually retired.

For members with 20 or more years of creditable service, as of effective date of Ordinance 2015-304-E, such interest shall produce an annual rate of return of 8.40%. The individual's retirement amount is calculated based on parameters when the employee enters the DROP.

At the end of the DROP period, the retiree has the option to withdraw all or part of their DROP balance or leave the balance in the interest earning account with the Plan and subsequently withdrawing equal bi-weekly amounts over a period of time selected by the retiree, up to the maximum time limit set bythe IRS regulations. The DROP balance as of September 30, 2023, was $416,397,298.

(8) **Restatement of Beginning Net Position:**

Subsequent to issuance of the September 30, 2022, financial statements, management became aware of the following errors: lease receivable and deferred inflow for a sublease for the administrative office building. The net effect of this adjustment on beginning net position is as follows:

	Net Position
Net position – 9/30/22, originally reported	$ 1,996,816,815
GASB 87 restatement	125,008
Net position – 9/30/22, as restated	$ 1,996,941,823

(9) Net Pension Liability:

The net pension liability is the Plan's total pension liability offset by the Plan's fiduciary net position. The components of the net pension liability and the net pension liability as a percentage of the total pension liability were the following at September 30, 2023:

Total pension liability	$ 5,167,070,105
Fiduciary net position	2,223,806,070
Net pension liability	$ 2,943,264,035
Fiduciary net position as a percentage of the total pension liability	43.04%

Significant actuarial methods and assumptions of the Plan are presented in the following table:

Interest rate	6.50% net of investment expense, including inflation
Pay increase	A range of 2.75% to 11.50%, depending on completed years of service, including inflation based upon the experience study as of October 22, 2020.
Inflation	2.25%
Measurement date	September 30, 2023
Valuation date	September 30, 2023
Mortality tables	The total pension liability in the September 30, 2023 actuarial report was based on the PUB-2010 Combined Healthy Participant Mortality Table (for preretirement mortality) and the PUB-2010 Mortality Table for Annuitants (for postretirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS), as mandated by Chapter 112.63, Florida Statutes.

Best estimates of arithmetic real rates of return for each major class included in the pension plan's target asset allocation as of September 30, 2023, are summarized in the following table:

Investment Type	Long-term Expected Real Rate of Return	Target Asset Allocation
Domestic Equity	5.61%	37.0%
International Equity	7.79%	20.0%
Fixed Income	3.88%	20.0%
Core Real estate	5.02%	10.0%
Private Credit	6.19%	8.0%
Non-core Real Estate	7.23%	5.0%

(9) **Net Pension Liability:** (Continued)

The discount rate used to measure the total pension liability for the Plan was 6.50%. The projection of cash flows used to determine the discount rate assumed the plan member contributions will be made at the current contribution rate and that City contributions will be made as rates equal to the difference between actuarially determined contributions and the member contributions. Based on those assumptions, the pension plan's fiduciary net position is projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following table provides the sensitivity of the net pension liability to changes in the discount rate as of September 30, 2023. In particular, the table presents the plan's net pension liability, if it were calculated using a single discount rate that is one-percentage-point lower or one percentage-point higher than the single discount rate:

	1% Decrease: 5.50%	Current Rate: 6.50%	1% Increase: 7.50%
Net pension liability	$3,710,315,705	$2,943,264,035	$2,326,720,791

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF JACKSONVILLE, FLORIDA POLICE AND FIRE PENSION FUND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
SEPTEMBER 30, 2023
(UNAUDITED)

Fiscal Year Ending September 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	$ 74,921,572	$ 71,816,810	$ 71,448,042	$ 70,109,932	$ 65,147,956	$ 60,154,158	$ 45,257,077	$ 44,087,089	$ 46,662,780	$ 47,915,012
Interest	318,080,956	301,237,863	292,913,908	283,845,921	269,658,004	259,433,546	233,338,035	217,546,212	210,942,612	203,577,435
Changes in benefit terms	-	-	-	2,706,557	-	-	26,818,328	-	(28,684,960)	-
Difference between actual and expected experience	55,663,863	114,026,931	10,351,290	3,122,601	8,465,296	8,132,052	24,030,616	3,566,449	24,831,339	22,671,112
Assumption changes	-	80,999,642	162,092,668	56,025,218	-	-	232,927,458	97,813,304	24,514,349	-
Benefit payments including refunds of contributions	(228,277,988)	(227,616,730)	(208,127,640)	(192,399,945)	(188,392,606)	(183,474,634)	(170,465,766)	(159,726,007)	(148,628,476)	(138,179,183)
Refunds	(1,078,315)	(1,579,603)	(1,387,209)	(715,829)	(732,596)	(782,240)	(811,383)	-	-	-
Distributions from reserve account	(3,977,811)	(18,012,991)	(15,237,677)	(24,557,185)	(55,472,334)	-	-	-	-	-
Other adjustments	18,275,793	15,797,724	556,047	(3,075,278)	110,374,742	-	-	-	-	-
Net change in total pension liability	233,608,070	336,669,646	312,609,429	195,061,992	209,048,462	143,462,882	391,094,365	203,287,047	129,637,644	135,984,376
Total pension liability - beginning	4,933,462,035	4,596,792,389	4,284,182,960	4,089,120,968	3,880,072,506	3,736,609,624	3,345,515,259	3,142,228,212	3,012,590,568	2,876,606,192
Total pension liability - ending (a)	$ 5,167,070,105	$ 4,933,462,035	$ 4,596,792,389	$ 4,284,182,960	$ 4,089,120,968	$ 3,880,072,506	$ 3,736,609,624	$ 3,345,515,259	$ 3,142,228,212	$ 3,012,590,568
Total Fiduciary Net Position										
Contributions including buybacks--employer	$ 156,780,664	$ 157,520,476	$ 134,725,329	$ 123,328,488	$ 110,527,718	$ 115,690,989	$ 184,526,198	$ 157,494,371	$ 154,664,523	$ 150,520,270
Contributions including buybacks--member	17,417,362	18,277,234	19,118,319	19,035,433	17,745,867	16,636,624	13,570,483	12,830,861	12,061,321	11,583,565
Net investment income (loss), including securities lending	273,030,275	(432,320,326)	490,455,037	159,428,214	54,129,569	156,442,808	243,421,930	154,313,142	(62,884,634)	147,332,798
Benefit payments, including refunds of member contributions	(229,356,303)	(223,115,812)	(213,196,608)	(193,115,774)	(189,125,202)	(184,256,874)	(171,277,149)	(159,726,007)	(148,628,476)	(138,179,183)
Distributions from Reserve Accounts	(3,977,811)	(24,127,888)	(11,555,918)	(24,557,185)	(55,472,334)	-	-	-	-	-
Administrative expense	(2,505,173)	(2,096,912)	(2,204,771)	(2,184,754)	(2,116,593)	(2,137,969)	(2,173,617)	(3,519,224)	(2,228,452)	(2,224,248)
Chapter 175/185	18,423,121	15,797,724	14,306,665	13,888,871	12,756,091	11,791,197	10,874,768	10,680,624	10,577,853	10,110,493
Court fines	303,898	666,933	724,217	519,212	701,652	775,741	759,291	832,536	920,774	881,291
Other	411,807	382,453	(800,392)	672,843	(3,261,537)	82,243	51,404	122,886	327,418	141,855
Net change in plan fiduciary net position	230,527,840	(489,016,118)	431,571,878	97,015,348	(54,114,769)	115,024,759	279,753,308	173,029,189	(35,189,673)	180,166,841
Cumulative effect of change in accounting principle	-	-	-	-	-	-	-	2,107,255	-	-
Plan fiduciary net position - beginning	1,993,278,229	2,482,294,347	2,050,722,469	1,953,707,121	2,007,821,890	1,892,797,131	1,613,043,823	1,437,907,379	1,473,097,052	1,292,930,211
Plan fiduciary net position - ending	2,223,806,069	1,993,278,229	2,482,294,347	2,050,722,469	1,953,707,121	2,007,821,890	1,892,797,131	1,613,043,823	1,437,907,379	1,473,097,052
Reserve accounts and Sr. Staff Assets										
Reserve Accounts and Sr. Staff Assets	-	-	-	-	-	(146,819,144)	(127,638,125)	(99,645,357)	(83,502,014)	(83,349,437)
Release of reserves	-	-	-	-	-	20,000,000	-	-	-	-
Total fiduciary net position - ending (b)	$ 2,223,806,069	$ 1,993,278,229	$ 2,482,294,347	$ 2,050,722,469	$ 1,953,707,121	$ 1,881,002,746	$ 1,765,159,006	$ 1,513,398,466	$ 1,354,405,365	$ 1,389,747,615
Net pension liability - ending (a) - (b)	$ 2,943,264,036	$ 2,940,183,806	$ 2,114,498,042	$ 2,233,460,491	$ 2,135,413,847	$ 1,999,069,760	$ 1,971,450,618	$ 1,832,116,793	$ 1,787,822,847	$ 1,622,842,953
Plan fiduciary net position as a percentage of the total pension liability	43.04%	40.40%	54.00%	47.87%	47.78%	51.75%	50.66%	48.22%	45.76%	48.90%
Covered payroll	$ 159,542,895	$ 162,885,451	$ 161,835,740	$ 174,185,559	$ 174,124,945	$ 162,003,561	$ 149,489,571	$ 135,599,741	$ 132,735,243	$ 134,521,216
Net pension liability as a percentage of covered payroll	1844.81%	1805.06%	1306.57%	1282.23%	1226.37%	1233.97%	1318.79%	1351.12%	1346.91%	1206.38%

CITY OF JACKSONVILLE, FLORIDA POLICE AND FIRE PENSION FUND
SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2023
(UNAUDITED)

Fiscal Year	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC		Contribution Deficiency (Excess)		Covered Payroll	Contributions as Percentage of Employee Payroll
2023	$ 156,993,838	$ 156,847,592		$ 146,246	***	$ 159,542,895	98.31%
2022	157,352,434	157,352,434		-		162,885,451	96.60%
2021	148,475,947	134,725,329		13,750,618	***	161,835,740	83.25%
2020	140,292,637	123,328,488		16,964,149	***	174,185,559	70.80%
2019	135,264,010	110,527,718		24,736,292	***	174,124,945	63.48%
2018	135,648,057	115,690,989		19,957,068	***	162,003,561	71.41%
2017	167,788,151	167,788,151	**	-		149,489,571	112.24%
2016	149,499,492	149,499,492	*	-		135,599,741	110.25%
2015	153,603,996	153,935,565		(331,569)		132,735,243	115.97%
2014	142,432,577	149,158,659		(6,726,082)		134,521,216	110.88%

Notes to Schedule:

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level percent of payroll, closed
Remaining Amortization Period:	26 years
Asset Valuation Method:	5-year smoothed market
Inflation:	2.25%
Salary Increases:	A range of 2.75% to 11.50%, depending on completed years of service, including inflation
Investment Rate of Return:	6.625%
Mortality:	PUB-2010 Headcount Weighted Safety Healthy Employee Mortality Table (for pre-retirement mortality) and the PUB-2010 Headcount Weighted Safety Healthy Retiree Mortality Table (for postretirement mortality), with separate rates for males and females and ages set forward one year, with mortality improvements projected to all future years after 2010 using Scale MP-2018. For males, the base mortality rates for both pre-retirement and post-retirement mortality are based on the Below Median Healthy tables. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS), as mandated by Chapter 112.63, Florida Statutes
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition.

*Plus $5,000,000 supplemental payment
**Plus $10,000,000 supplemental payment
***Contributions of $20,000,000, $24,736,292, $16,964,149, $13,750,618, and $147,328 were allocated from the City Contribution Reserve (resulting from previous years' excess contributions) to fully meet the Actuarially Determined Contributions for fiscal years ending September 30, 2018, 2019, 2020, 2021 and 2023, respectively.

CITY OF JACKSONVILLE, FLORIDA POLICE AND FIRE PENSION FUND
SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN
POLICE AND FIRE PENSION FUND & SENIOR STAFF VOLUNTARY RETIREMENT PLAN
SEPTEMBER 30, 2023
(UNAUDITED)

Fiscal Year	Annual Money- Weighted Rate of Return Net of Investment Expense
2023	13.70%
2022	-16.78%
2021	23.15%
2020	7.98%
2019	2.96%
2018	7.99%
2017	14.27%
2016	10.00%
2015	-3.95%
2014	10.73%

CITY OF JACKSONVILLE, FLORIDA POLICE AND FIRE PENSION FUND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
SENIOR STAFF VOLUNTARY RETIREMENT PLAN
SEPTEMBER 30, 2023
(UNAUDITED)

Fiscal Year Ending September 30,	2023	2022	2021	2020	2019	2018	2017*	2016	2015**
Total Pension Liability									
Service cost	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (57,000)
Interest	301,058	302,278	303,786	205,390	208,864	209,522	-	298,000	282,000
Benefit changes	-	-	-	1,517,602	-	-	-	90,000	-
Difference between actual and expected experience	114,075	116,648	119,664	142,822	-	38,910	-	27,000	-
Assumption changes	-	51,433	111,957	271,792	-	-	-	149,000	154,000
Benefit payments including refunds of contributions	(427,284)	(376,196)	(374,412)	(263,039)	(258,386)	(257,285)	-	(286,000)	(109,000)
Other adjustments	-	-	-	(351,229)	-	-	-	-	-
Net change in total pension liability	(12,151)	94,163	160,995	1,523,338	(49,522)	(8,853)	(1,562,183)	278,000	270,000
Total pension liability - beginning	4,841,938	4,747,775	4,586,780	3,063,442	3,112,964	3,121,817	4,684,000	4,406,000	4,136,000
Total pension liability - ending (a)	$ 4,829,787	$ 4,841,938	$ 4,747,775	$ 4,586,780	$ 3,063,442	$ 3,112,964	$ 3,121,817	$ 4,684,000	$ 4,406,000
Plan Fiduciary Net Position									
Contributions including buybacks--employer	$ 15,240	$ 49,031	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions including buybacks--member	-	-	-	-	-	-	-	-	22,000
Net investment income (loss), including securities lending	457,467	(739,799)	902,783	331,488	129,086	341,854	567,131	386,000	(167,000)
Benefit payments, including refunds of member contributions	(427,284)	(376,196)	(374,412)	(614,268)	(258,386)	(257,285)	(264,441)	(286,000)	(109,000)
Net change in plan fiduciary net position	45,423	(1,066,964)	528,371	(282,780)	(129,300)	84,569	302,690	100,000	(254,000)
Plan fiduciary net position - beginning	3,538,586	4,605,550	4,077,179	4,359,959	4,489,259	4,404,690	4,102,000	4,002,000	4,256,000
Plan fiduciary net position - ending (b)	$ 3,584,009	$ 3,538,586	$ 4,605,550	$ 4,077,179	$ 4,359,959	$ 4,489,259	$ 4,404,690	$ 4,102,000	$ 4,002,000
Net pension liability - ending (a) - (b)	$ 1,245,778	$ 1,303,352	$ 142,225	$ 509,601	$ (1,296,517)	$ (1,376,295)	$ (1,282,873)	$ 582,000	$ 404,000
Plan fiduciary net position as a percentage of the total pension liability	74.21%	73.08%	97.00%	88.89%	142.32%	144.21%	141.09%	87.57%	90.83%
Covered payroll	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*For measurement year ended September 30, 2017, information on the change in total pension liability is not available.
**10 years of data will be presented as it becomes available. Information for previous years is not available.

CITY OF JACKSONVILLE, FLORIDA POLICE AND FIRE PENSION FUND
SCHEDULE OF CONTRIBUTIONS
SENIOR STAFF VOLUNTARY RETIREMENT PLAN
SEPTEMBER 30, 2023
(UNAUDITED)

Fiscal Year	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Employee Payroll
2023	$ 15,240	$ 15,240	$ -	$ -	0.00%
2022	49,031	49,031	-	-	0.00%
2021	-	-	-	-	0.00%
2020	-	-	-	-	0.00%
2019	-	-	-	-	0.00%
2018	-	-	-	-	0.00%
2017	-	-	-	-	0.00%
2016	-	-	-	-	0.00%
2015	-	-	-	307,000	0.00%
2014	28,000	7,000	21,000	298,000	2.35%

Notes to Schedule:

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level dollar
Remaining Amortization Period:	17 years
Asset Valuation Method:	Market value
Inflation:	2.25%
Salary Increases:	N/A
Investment Rate of Return:	6.25%
Mortality:	PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, with separate rates for males and females and ages set back 1 year for males, with gender-specific mortality improvements projected to all future years after 2010 using Scale MP-2018. These are the same rates currently in use for Regular Class (other than K-12 School Instructional Personnel) members of the Florida Retirement System (FRS), as mandated by Chapter 112.63, Florida Statutes.
Retirement Age:	N/A

SUPPLEMENTARY INFORMATION

CITY OF JACKSONVILLE, FLORIDA POLICE AND FIRE PENSION FUND
COMBINING SCHEDULES OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2023

	Jacksonville Police and Fire	Senior Staff Voluntary Retirement Plan	Combined Totals
ASSETS			
Prepaid benefit payments and other expenses	$ 81,675	$ -	$ 81,675
Receivables:			
Interest and dividends receivable	1,982,477	-	1,982,477
Accounts receivable, net allowance	470,393	-	470,393
Total receivables	2,856,089	-	2,856,089
Investments, at fair value:			
Short-term investments	59,385,292	97,857	59,483,149
Long-term investments			
Fixed income securities	448,145,349	718,320	448,863,669
Domestic and international equities	1,278,124,435	2,054,400	1,280,178,835
Real estate	305,923,347	460,215	306,383,562
Alternatives	137,097,224	253,217	137,350,441
Total investments	2,228,675,647	3,584,009	2,232,259,656
Capital assets, net:			
Construction in progress	16,443	-	-
Securities lending collateral	74,377,848	-	74,377,848
Total assets	$ 2,306,007,702	$ 3,584,009	$ 2,309,575,268
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pension	$ 461,447	$ -	$ 461,447
LIABILITIES			
Accounts payable	$ 2,846,431	$ -	$ 2,846,431
Due to City of Jacksonville	2,708,064	-	2,708,064
Compensated absences - current	35,771	-	35,771
Compensated absences - long-term	83,466	-	83,466
Net pension liability - SSVRP	1,303,353	-	1,303,353
Other liabilities	21,411	-	21,411
Securities lending obligations	74,377,848	-	74,377,848
Total liabilities	$ 81,376,344	$ -	$ 81,376,344
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to leases	$ 332,489	$ -	$ 332,489
NET POSITION RESTRICTED FOR PENSIONS			
Restricted for pensions	$ 2,224,760,316	$ 3,584,009	$ 2,228,344,325

CITY OF JACKSONVILLE, FLORIDA POLICE AND FIRE PENSION FUND
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Jacksonville Police and Fire	Senior Staff Voluntary Retirement Plan	Combined Totals
Additions			
Contributions:			
Employer	$ 156,832,352	$ 15,240	$ 156,847,592
Plan members	17,092,159	-	17,092,159
Plan member buybacks and pension transfers	699,270	-	699,270
Total contributions	174,623,781	15,240	174,639,021
Other contributions:			
Court fines and other penalties	331,284	-	331,284
State insurance contributions	18,423,121	-	18,423,121
Disables trust fund contribution	253,637	-	253,637
Miscellaneous	173,411	-	173,411
Total other contributions	19,181,453	-	19,181,453
Securities lending activities			
Lending revenue	204,443	-	204,443
Less: lending expense	(69,323)	-	(69,323)
Total securities lending activities	135,120	-	135,120
Investment earnings:			
Rental and parking revenue	382,232	-	382,232
Interest and dividends	109,726,577	176,018	109,902,595
Unrealized gain (loss)	175,450,166	281,449	175,731,615
Total investment earnings	285,558,975	457,467	286,016,442
Less: investment expense	(12,057,360)	-	(12,057,360)
Less: rental expense	(206,706)	-	(206,706)
Net investment income	273,294,909	457,467	273,752,376
Total additions	467,235,263	472,707	467,707,970
Deductions			
Benefit-related expenses:			
Pension benefits remitted (including DROP)	232,255,799	427,284	232,683,083
Refunds of contributions	1,078,315	-	1,078,315
Total benefit-related expenses	233,334,114	427,284	233,761,398
Administrative expenses:			
Personnel services	1,240,609	-	1,240,609
Professional services - non-investment	389,249	-	389,249
Central services	345,069	-	345,069
Supplies	5,645	-	5,645
Other services and charges	322,810	-	322,810
Total administrative expenses	2,303,382	-	2,303,382
Other expenses:			
Pension expense - SSVRP	240,688	-	240,688
Total deductions	235,878,184	427,284	236,305,468
Change in net position	231,357,079	45,423	231,402,502
Net position restricted for pensions, beginning of year, as restated	1,993,403,237	3,538,586	1,996,941,823
Net position restricted for pensions, end of year	$ 2,224,760,316	$ 3,584,009	$ 2,228,344,325

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,
City of Jacksonville, Florida Police and Fire Pension Fund:

We have audited, in accordance with 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, the basic financial statements of City of Jacksonville, Florida Police and Fire Pension Fund (the Plan), which comprise the statement of fiduciary net position as of September 30, 2023, the statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements, and have issued our report thereon dated April 26, 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 opinions 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, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

James Moore & Co., P.L.

Daytona Beach, Florida
April 26, 2024