

FLORIDA MUNICIPAL PENSION TRUST FUND  
FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

**Florida Municipal Pension Trust Fund  
Financial Statements  
September 30, 2023**

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March 6, 2024

**Independent Auditor's Report**

To the Board of Trustees of the Florida  
Municipal Pension Trust Fund:

**Opinion**

We have audited the accompanying financial statements of the Florida Municipal Pension Trust Fund, which comprise the statement of fiduciary net position as of September 30, 2023, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, which collectively comprise the Florida Municipal Pension Trust Fund's basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Florida Municipal Pension Trust Fund 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. 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 Florida Municipal Pension Trust Fund 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 Florida Municipal Pension Trust Fund'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.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Florida Municipal Pension Trust Fund'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 Florida Municipal Pension Trust Fund'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.

## **Other Matters**

The accompanying statements are those of the Florida Municipal Pension Trust Fund, an external investment pool established for the purpose of funding the individually designed employee pension plans and certain other post-employment benefit plans of the participating Florida employers. These statements do not purport to present the financial status of the individual plans. Accordingly, these statements do not contain certain information on net pension liabilities, pension expense and other disclosures necessary for the fair presentation of the financial status of the individual plans in accordance with accounting principles generally accepted in the United States of America. Plan contributions, transfers and benefits to participants are recorded as they are received or paid.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Florida Municipal Pension Trust Fund's basic financial statements. The schedule of administrative expenses and the schedule of member balances by plan type are presented for purposes of additional analysis and are 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 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 schedule of administrative expenses and the schedule of member balances by plan type are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Shorstein + Shorstein, P.A.*

**Florida Municipal Pension Trust Fund**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended September 30, 2023**

The following discussion and analysis will provide an overview of the financial activities of the Florida Municipal Pension Trust Fund for the fiscal year ended September 30, 2023. Please read this in addition to the financial statements, notes to the financial statements, and other supplementary information provided herein.

Financial Highlights

- Fiduciary net position increased \$86.2 million during FY 22-23, compared to a decrease of \$138.7 million during FY 21-22. Fiduciary net position at September 30, 2023 was \$982 million.
- Total additions to fiduciary net position for FY 22-23 were \$140.9 million, compared to additions of (\$93.4) million for FY 21-22. This is an increase of \$234.3 million. Total deductions were \$54.7 million for FY 22-23 compared to \$45.2 million for FY 21-22, which is an increase of \$9.5 million.
- The two main components of additions to fiduciary net position are investment earnings as well as contributions and transfers received from plans. Net investment earnings during FY 22-23 were \$86.7 million compared to investment losses of \$143.7 million during FY 21-22, primarily due to a significant rebound in the financial markets over the previous fiscal year. For additional information regarding market factors that may have impacted investment earnings, please reference the Economic Factors section of the MD&A. During the year, the Fund also collected \$52.2 million in contributions and transfers, compared to \$48.2 million for the prior year. During FY 22-23, three new member plans joined the Fund, transferring assets and making new contributions totaling \$96 thousand.
- The two main deductions from fiduciary net position are benefits paid to participants and transfers to member plans leaving the Fund. During FY 22-23, \$52.6 million was paid out compared to \$43.2 million paid out during FY 21-22. During FY 22-23, four member plans left the Fund.
- Investments are recorded at fair value and comprise the largest single asset of the Fund. The Fund currently is invested in various portfolios of the Florida Municipal Investment Trust and in mutual funds held by Newport Trust Company. Balances at September 30, 2023 totaled over \$972.5 million, compared to over \$888.1 million at September 30, 2022. Information on specific investments can be found in the footnotes to the financial statements.

**Florida Municipal Pension Trust Fund**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended September 30, 2023**

Basic Financial Statements

The Florida Municipal Pension Trust Fund operates as a fiduciary fund under governmental accounting rules that require the Fund to prepare a series of financial statements. The Statement of Fiduciary Net Position provides information about the assets and liabilities at a specific point in time, in this case September 30, 2023. The Statement of Changes in Fiduciary Net Position provides information about revenues (additions to net position) and expenses (deductions from net position) recorded during the entire fiscal period from October 1, 2022 through September 30, 2023. Plan contributions, transfers, and benefit payments to participants are recorded when paid or received. All other changes in fiduciary net position are recorded when revenues have been earned and expenses have been incurred, regardless of whether or not cash has been received or paid.

The footnotes provide additional information essential to the understanding of the financial statements.

Supplementary information is more detailed and illustrates individual accounts that are combined in the Statement of Changes in Fiduciary Net Position.

**Florida Municipal Pension Trust Fund  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2023**

Comparative Financial Information

Table 1  
Fiduciary Net Position

	<u>FY 22-23</u>	<u>FY 21-22</u>
Cash and Receivables	\$ 9,864,700	\$ 7,951,300
Investments	972,503,300	888,183,900
Total Assets	982,368,000	896,135,200
Accounts Payable	358,000	322,200
Total Liabilities	358,000	322,200
Net Position Restricted for Member Plans	\$ 982,010,000	\$ 895,813,000

Changes in Fiduciary Net Position

	<u>FY 22-23</u>	<u>FY 21-22</u>
Contributions	\$ 52,230,200	\$ 48,220,300
Investment and Other Income/(Loss)	88,643,100	(141,643,600)
Total Additions	140,873,300	(93,423,300)
Transfers and Benefits	52,626,700	43,248,500
Other Expenses	2,049,600	1,990,700
Total Deductions	54,676,300	45,239,200
Change in Net Position Restricted for Member Plans	\$ 86,197,000	\$ (138,662,500)

Capital Asset and Long-Term Debt Activity

The Florida Municipal Pension Trust Fund has no capital assets or long-term debt.



**Florida Municipal Pension Trust Fund**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended September 30, 2023**

Economic Factors

Economic and Market Update (Reported by Performance Consultant Asset Consulting Group)

A hawkish Fed weighed on markets in September. While the target rate remained unchanged at 5.25% - 5.50%, the decision was accompanied by upward revisions for growth forecasts and a reiteration of the Fed's 'higher-for-longer' messaging, which sent Treasury yields higher and stock markets lower. Higher oil prices stemming from recent OPEC+ production cuts have also hurt sentiment, as rising gas prices pressure consumer spending and contribute upside risk to inflation. Headline inflation surprised to the upside with its largest monthly gain of the year, fed by higher energy prices. Core CPI still eased with the year-over-year change falling from 4.7% to 4.3% while core PCE, the Fed's preferred gauge, declined to a 3.9% annual rate after its smallest monthly increase since 2020. The U.S. government narrowly avoided a shutdown with a last-minute deal to fund the government. However, that potential economic headwind was only delayed for now, with the deal extending funding to November 17th.

Global Equity – Higher rate expectations, rising oil prices, and uncertainty over the UAW strike and government shutdown combined to drag equities to their worst month of the year. Valuations on forward earnings declined and are now very near their averages across equity indices, with the exception of U.S. large caps where valuations remain elevated. U.S. dollar strength reemerged as a headwind for non-U.S. equity, with USD returns trailing their local currency counterpart by over 200 bps in September for developed markets. The possibility of an additional hike from the Fed could limit currency tailwinds for non-U.S. equities in the near-term.

Global Fixed Income – U.S. Treasury yields rose sharply across the curve in response to a hawkish Fed and higher than expected inflation, with the 10-yr UST yield rising 46 bps to its highest level in 16 years. Sovereign yields moved higher around the world. While central bank rates are thought to be near their peak, investors have come around to the idea that rates could remain high for some time. The ECB raised its rate but signaled that the hike was likely the last, while the Bank of England paused after 14 straight hikes. Credit spreads rose in September, with investment grade rising 3 bps and high yield 22 bps higher, though both measures remain well below their averages.

Global Real Assets & Private Markets – Core real estate returns delivered a fourth consecutive quarter of negative returns in Q3, while the appreciation component of returns had its fifth consecutive negative quarter. Real estate returns could continue to be challenged amid higher interest rates, tighter lending conditions, and reduced demand for office space.

**Florida Municipal Pension Trust Fund  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2023**

State of Florida Update

The Florida Legislature Office of Economic and Demographic Research, in August of 2023, issued a report entitled "Florida: An Economic Overview." Per the report, the Economic Estimating Conference anticipates the state's economy expanded at a rate of 3.0% during the period from July 2022 through June 2023. It projects the state's economy will expand only by 2.5% during FY 24, as economic imbalances weigh down the economy. Florida's GDP growth was ranked 11th in the nation during the first quarter of calendar year 2023. State personal income growth grew at an anticipated growth rate of 7.8% from July 2022 through June 2023. The state's personal income growth rate increased from FY 22, primarily due to the continued strength of salary growth. Going forward in the near term, annual growth rates are projected to remain above 4.0%. Florida's average annual wage data from 2022 indicates the average wage climbed to 91.1% of the U.S. average. Population growth is the state's primary engine of economic growth, fueling both employment and income growth. Florida's population growth is expected to be 1.58% from April 2022 through April 2023. However, population growth for Florida is expected to slow to a long-term average of 1.27% between 2022 and 2030. Florida's long-term growth rate between 1970 and 1995 was over 3% in comparison. Homeownership rates for 2022 remained close to the long-term average, posting 67.3% for the year. Data from the first two quarters of calendar year 2023 indicate that the rate has remained steady. Florida's leisure and hospitality industry was strongly impacted by the pandemic-induced economic contraction, resulting in long-term economic consequences. While the year-over-year growth in tourists during the period from July 2021 through June 2022 was 39%, the year-over-year growth in tourists during the period from July 2022 through June 2023 has returned to a more moderate level of 4.5%.

Economic conditions and financial markets are important elements to consider for the Fund as well as the members throughout the state of Florida.

Request for Information

The information contained in this discussion was designed to provide readers with a general overview of the Florida Municipal Pension Trust Fund's existing and foreseeable financial condition. Questions or requests for additional information should be addressed to Jeannie Garner, Administrator for the Florida Municipal Pension Trust Fund, 301 South Bronough Street, Suite 300, Tallahassee, FL 32301.

**Florida Municipal Pension Trust Fund**  
**\*STATEMENT OF FIDUCIARY NET POSITION**  
**September 30, 2023**

ASSETS

Cash and Cash Equivalents		\$	8,782,545
Receivables from Members and Participants			1,082,167
Investments at Fair Value			
Florida Municipal Investment Trust	\$		809,219,433
Mutual Funds Held by Newport Trust Company			163,283,883
			972,503,316
Total Assets			982,368,028

LIABILITIES

Accounts Payable - Florida League of Cities, Inc.			287,206
Accounts Payable - Other			70,744
			357,950
Total Liabilities			357,950

NET POSITION

Net Position Restricted for Member Plans		\$	982,010,078
			982,010,078

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

**Florida Municipal Pension Trust Fund**  
**\*STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**For the Year Ended September 30, 2023**

ADDITIONS

Contributions		
Transfers and Employer Contributions	\$ 28,969,724	
Employee Contributions	18,090,049	
State Contributions	<u>5,170,477</u>	\$ 52,230,250
Investment Earnings:		
Net Increase in Fair Value of Investments	80,686,996	
Interest and Dividends	<u>6,550,102</u>	
Total	87,237,098	
Less: Investment Expenses	<u>(561,101)</u>	
Net Investment Income		86,675,997
Service and Maintenance Fee Income		<u>1,967,077</u>
Total Additions		140,873,324

DEDUCTIONS

Transfers and Benefits Paid to Participants	52,626,730	
Administrative Expenses	<u>2,049,575</u>	
Total Deductions		<u>54,676,305</u>
Change in Net Position Restricted for Member Plans		86,197,019
Net Position, Beginning of Year		<u>895,813,059</u>
Net Position, End of Year		<u>\$ 982,010,078</u>

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

**Florida Municipal Pension Trust Fund**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2023**

Note 1 - Organization and Significant Accounting Policies

- A. Organization and Purpose - The Florida Municipal Pension Trust Fund (Fund) is an external investment pool established for the purpose of funding the individually designed employee pension plans and certain other post-employment benefit plans of the participating municipalities, public agencies and political subdivisions of the State of Florida.
- B. Reporting Entity and Basis of Accounting - The Fund is an independent reporting entity accounted for as a fiduciary fund in accordance with accounting principles for governments generally accepted in the United States of America as established by the Governmental Accounting Standards Board (GASB). These financial statements have been prepared utilizing accounting principles for governmental external investment pools.

These statements do not purport to present the financial status of the individual plans. Accordingly, these statements do not contain certain information on net pension liabilities, pension expense and other disclosures necessary for the fair presentation of the financial status of the individual plans in accordance with accounting principles generally accepted in the United States of America. Plan contributions, transfers and benefits to participants are recorded as they are received or paid. All other changes in fiduciary net position are recorded using the accrual method of accounting.

The Fund is not subject to U.S. Securities and Exchange Commission (SEC) or other regulatory oversight; the Fund's Board of Trustees provides oversight.

- C. The Fund is exempt from federal income taxes under Section 115 of the Internal Revenue Code.
- D. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.
- E. The Fund provides participant-directed accounts for the defined contribution and deferred compensation plans through mutual funds offered by Newport Group, Inc. and held by Newport Trust Company. Participant-directed accounts are valued daily.

The assets of the defined benefit plans and other post-employment benefit plans are invested through the Florida Municipal Investment Trust (FMIT), an external investment pool. Investment income is allocated to the individual plans monthly, based on beginning-of-the-month balances.

**Florida Municipal Pension Trust Fund**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2023**

Note 1 - Organization and Significant Accounting Policies (Continued)

F. Investments are reported at fair value. The mutual funds are stated at fair value based on quoted market prices as provided by Newport Trust Company. FMIvT determines the fair value of its shares based on quoted market prices of the underlying securities. Net increase or decrease in the fair value of investments includes gains and losses on investments bought and sold as well as held during the year. Purchases and sales of investments are recorded on the trade-date basis. Interest and dividend income is recorded on the accrual basis.

No legally binding guarantees to support the value of shares were provided or obtained during the year.

Note 2 - Cash and Cash Equivalents

Cash and cash equivalents comprise interest-bearing demand deposits in the amount of \$8,782,545.

Florida Statutes require that all qualified public depositories holding public funds collateralize deposits in excess of F.D.I.C. insurance with the State Treasurer. Since the Fund uses only qualified public depositories, all demand deposits are fully insured or collateralized.

Note 3 - Investments

Non-Participant-Directed Investments

The Board of Trustees adopted an investment policy authorizing investments in a variety of fixed-income, domestic and international equity instruments, and real estate funds. Among the types of instruments the Fund is authorized to invest in are: common stock, preferred and convertible preferred stock, repurchase agreements, commingled governmental trusts, no-load investment funds, no-load mutual funds, FMIvT portfolios, obligations of the United States of America, its agencies and instrumentalities, corporate debt obligations, asset-backed securities and money market instruments and/or funds.

FMIvT is an external investment pool open to eligible units of local governments to invest in one or more investment portfolios under the direction and daily supervision of investment advisors. FMIvT is not subject to SEC or other regulatory oversight. The FMIvT Board of Trustees provides oversight. The fair value of the positions in the FMIvT portfolios is the same as the value of the portfolio shares. The Florida League of Cities, Inc. (League) serves as Administrator for the Fund and serves as Administrator, Investment Manager and Secretary-Treasurer for FMIvT.

**Florida Municipal Pension Trust Fund**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2023**

Note 3 - Investments (Continued)

FMLvT is governed by a Board of Trustees consisting of the President (or his appointee) and Second Vice President of the League, one representative of the Florida Municipal Insurance Trust, one representative of the Fund, and up to three additional appointed members who are elected officials of the governmental entities who actively participate in FMLvT.

Investments Held in FMLvT at September 30, 2023:

<u>Shares</u>	<u>Investment Type</u>	<u>Fair Value</u>	<u>Duration (In Years)</u>
	<u>Bonds</u>		
4,790,721	Broad Market High Quality Bond Fund	\$ 110,094,139	5.58
9,965,962	Core Plus Fixed Income Fund	102,278,270	6.80
	<u>Equities</u>		
846,109	Diversified Small to Mid (SMID) Cap Equity Portfolio	115,076,426	
10,511,369	International Equity Portfolio	163,358,844	
11,845,915	Diversified Large Cap Equity Portfolio	211,249,754	
	<u>Real Estate</u>		
<u>7,775,910</u>	Core Real Estate Portfolio	<u>107,162,000</u>	
<u>45,735,986</u>	Total	<u>\$ 809,219,433</u>	

*Interest Rate Risk:* As a means of managing its exposure to fair value losses arising from increasing interest rates, the Fund allocates its investments in the various FMLvT portfolios as authorized by the investment policy.

*Credit Risk:* The Fund has no policy on credit risk in the FMLvT portfolios. As of September 30, 2023, the Broad Market High Quality Bond Fund was rated AA by Fitch Ratings. The Core Plus Fixed Income Fund was not rated. The equity and real estate portfolios are not rated.

**Florida Municipal Pension Trust Fund**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2023**

Note 3 - Investments (Continued)

Participant-Directed Investments

The investments at Newport Trust Company are participant-directed investments. The Fund's investment policy is to make available a range of diversified investment options that have varying degrees of risk and return. These options include a money market fund, core bond funds, balanced funds, domestic equity funds and international equity funds. The investment policy describes the characteristics of the offered funds as follows:

- Money market funds invest in cash or cash equivalents.
- Core bond funds will generally invest in fixed-income securities with average credit ratings of BBB or better and with a range of effective duration positions that spans the intermediate to long-term time horizon.
- Balanced funds invest in a diversified mix of domestic and international equity and fixed-income securities with average credit ratings of BBB or better.
- Domestic equity funds invest in a range of large-company to small/mid-company stocks.
- International equity funds invest in equity securities of issuers located outside the United States.
- In addition to the offered funds governed by the Fund's investment policy, open architecture investment is available to plans with assets greater than \$10 million. Participating employers under open architecture investment are exempt from the provisions of the Fund's investment policy. Participating employers who select open architecture investment are responsible for selecting and overseeing investment options for participating employees, beneficiaries, and alternate payees which includes, among other matters, establishing default investment option(s), and which may also include establishing an investment policy, asset classes, and desired performance results. As of September 30, 2023, investments totaling \$387,820 were held in various open architecture funds.

*Interest Rate Risk:* The Fund does not limit the duration of the individual funds.

*Credit Risk:* The Fund does not require the funds to be rated, and the funds are not rated.



**Florida Municipal Pension Trust Fund**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2023**

Note 3 - Investments (Continued)

Participant-Directed Investments Held by Newport Trust Company at September 30, 2023:

<u>Shares</u>	<u>Investment Type</u>	<u>Fair Value</u>	<u>Duration (In Years)</u>
9,518,833	Money Market Fund	\$ 9,518,833	.13
	<u>Bond and Hybrid Funds</u>		
8,256,683	Core Bond Funds	12,671,198	3.5 - 7.14
3,871,158	Balanced Funds	94,268,993	5.54 - 6.6
	<u>Equity Funds</u>		
563,683	Domestic Equity Funds	42,318,977	
156,732	International Equity Funds	4,505,882	
<u>22,367,089</u>	Total	<u>\$ 163,283,883</u>	

All Investments

The Fund categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The three-tier hierarchy of inputs is summarized in the three broad levels below:

- Level 1 includes unadjusted quoted prices for identical investments in active markets;
- Level 2 includes other significant observable inputs such as quoted prices for similar investments, quoted prices in inactive markets, adjusted quoted prices in active markets and other market-corroborated inputs; and
- Level 3 includes significant unobservable inputs, which are used only when relevant Level 1 and Level 2 inputs are unavailable.

**Florida Municipal Pension Trust Fund**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2023**

Note 3 - Investments (Continued)

The Fund has the following recurring fair value measurements as of September 30, 2023:

Investments by Fair

<u>Value Level</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money Market Funds	\$ 9,518,833	\$ 9,518,833	\$ -	\$ -
Bonds	319,312,600	106,940,191	110,094,139	102,278,270
Equities	536,509,883	46,824,859	489,685,024	-
Real Estate	107,162,000	-	-	107,162,000
Total Investments	<u>\$ 972,503,316</u>	<u>\$ 163,283,883</u>	<u>\$ 599,779,163</u>	<u>\$ 209,440,270</u>

The funds classified as Level 1 are valued based on unadjusted quoted prices for identical assets in active markets as provided by Newport Trust Company.

**Florida Municipal Pension Trust Fund**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2023**

Note 3 - Investments (Continued)

The remaining investments are valued at the net asset values provided by FMIvT, which are based upon the values of the underlying assets of the various funds and portfolios. The values of the bond and equity portfolios classified as Level 2 are derived from market-corroborated data. The values of the bond portfolios and the Core Real Estate Portfolio classified as Level 3 are based on unobservable inputs. Those bond portfolios classified as Level 2 invest in U.S. Treasury and agency securities, asset-backed securities and corporate bonds and notes. The investment objective of these portfolios is to meet or exceed the return of its benchmark. The Core Plus Fixed Income Fund is classified as Level 3 and includes securities for which exchange quotations are not readily available, and therefore the values are based on various valuation methodologies and are ultimately determined in good faith by the portfolio's management. The Core Real Estate Portfolio is also classified as Level 3 and holds securities which own real property, mortgages and notes receivable and interests in partnerships and operating companies. The values are determined based on various valuation techniques, including real property appraisals, and are ultimately determined in good faith by the portfolio's management.

The Core Plus Fixed Income Fund is designed to provide an investment alternative to members seeking a broadly diversified portfolio of fixed-income securities to maximize total investment return through a combination of interest income, capital appreciation and currency gains. The portfolio seeks to achieve this investment objective by generally investing in a portfolio of fixed- and floating-rate debt securities across the fixed-income opportunity set.

The Core Real Estate Portfolio invests in a single underlying fund, the shares of which are not publicly quoted. The portfolio is an open-ended commingled real estate investment fund diversified by property type and location that is designed to provide a stable, income-driven rate of return over the long term with potential for growth of income and appreciation of value.

The equity portfolios invest in domestic and foreign stocks. The investment objective of these portfolios is to meet or exceed the return of its benchmark.

Depending on the fund or portfolio, withdrawals can be made on a monthly or quarterly basis. All funds and portfolios require one to fifteen days' notice, with the exception of the Core Real Estate Portfolio, which can be made on the last business day of each quarter with a minimum notice of ninety days.

**Florida Municipal Pension Trust Fund**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2023**

Note 3 - Investments (Continued)

Investments measured at the net asset value per share (or its equivalent) are presented in the following table:

	Fair Value <u>9/30/2023</u>	Unfunded <u>Commitments</u>	Redemption <u>Frequency</u>	Redemption <u>Notice Period</u>
Bonds	\$212,372,409	\$ -	Monthly	5-15 Days
Equities	489,685,024	-	Monthly	1-3 Days
Real Estate	<u>107,162,000</u>	-	Quarterly	90 Days
Total	<u>\$809,219,433</u>			

Note 4 - Net Change in Fair Value of Investments

The Fund's investments experienced the following net increases (decreases) in fair value during the year:

Broad Market High Quality Bond Fund	\$ (318,020)
Diversified Small to Mid (SMID) Cap Equity Portfolio	16,063,694
International Equity Portfolio	23,676,249
Diversified Large Cap Equity Portfolio	36,428,147
Core Plus Fixed Income Fund	1,717,497
Core Real Estate Portfolio	(9,155,796)
Mutual Funds Held by Newport Trust Company*	<u>12,275,225</u>
Total	<u>\$ 80,686,996</u>

\*Participant-Directed Accounts

Note 5 - Service Contracts

The Fund has contracted with the League to serve as Administrator. This contract renews annually unless written notice of termination is given by either party not less than sixty days prior to year-end. Administrative and service fees in the amount of \$1,354,791 were charged by the League during the year.

**Florida Municipal Pension Trust Fund**  
**SCHEDULE OF ADMINISTRATIVE EXPENSES**  
**For the Year Ended September 30, 2023**

Actuary Fees	\$ 265,258
Administrative and Service Fees - Florida League of Cities, Inc.	1,354,791
Administrative Fees - Newport Group, Inc.	212,771
Consulting Services	50,000
Audit Fees and Travel	81,431
Miscellaneous and Promotional	2,798
Insurance	60,180
Travel and Meetings Expense	12,742
Legal	6,404
Trustee Fees	<u>3,200</u>
Total Administrative Expenses	<u><u>\$ 2,049,575</u></u>

**Florida Municipal Pension Trust Fund**  
**SCHEDULE OF MEMBER BALANCES BY PLAN TYPE**  
**September 30, 2023**

<u>Plan Name</u>	401(a) Defined Benefit/OPEB*	401(a) Defined Contribution	457(b) Deferred Compensation	Self-Directed DROP	<u>Total</u>
Alachua County OPEB*	\$ 2,373,177	\$ -	\$ -	\$ -	\$ 2,373,177
Avon Park	-	791,523	193,332	-	984,855
Belle Isle	-	1,630,560	216,987	-	1,847,547
Belleair Beach	-	616,211	594,392	-	1,210,603
Belleair Bluffs	-	371,481	124,893	-	496,374
Boca Raton Excess	377	-	-	-	377
Boca Raton Housing Authority	3,655,545	-	-	-	3,655,545
Boca Raton Management Plan	56,998,048	-	-	2,787,333	59,785,381
Bradenton Beach	-	3,955	-	-	3,955
Bradenton Beach General	95,009	-	-	-	95,009
Bradenton Beach Police	183,108	-	-	-	183,108
Brow ard Metropolitan Planning Organization	-	-	1,303,328	-	1,303,328
Bushnell	-	627,440	600,388	-	1,227,828
Callaw ay	-	-	384,629	-	384,629
Cape Canaveral	-	3,495,256	1,347,250	-	4,842,506
Cedar Hammock Fire OPEB*	2,352,476	-	-	-	2,352,476
Cedar Key	-	210,987	-	-	210,987
Cedar Key Sewer & Water	-	475,165	109,331	-	584,496
Cinco Bayou	-	65,696	117,529	-	183,225
Clermont	205,163	-	-	-	205,163
Clewiston Fire	125,038	-	-	-	125,038
Cocoa Beach OPEB*	2,641,079	-	-	-	2,641,079
Cooper City Management	4,303,753	-	-	-	4,303,753
Coral Springs OPEB*	6,884,036	-	-	-	6,884,036
Cottondale	-	157,858	109,615	-	267,473
Dade City	-	2,542,916	937,441	-	3,480,357
Dania Beach OPEB*	11,973,692	-	-	-	11,973,692
Davie General & Management	100,276,056	-	-	-	100,276,056
Davie OPEB*	2,935,088	-	-	-	2,935,088
Daytona Beach	-	-	2,588,357	-	2,588,357
Daytona Beach Shores	-	181,574	1,624,660	-	1,806,234
Deland OPEB*	950,408	-	-	-	950,408
Dunnellon	-	656,048	552,659	-	1,208,707
Dunnellon Fire & Police	3,457,182	-	-	-	3,457,182
Eagle Lake	-	364,871	962,798	-	1,327,669
Eatonville	-	264,431	94,494	-	358,925
Emerald Coast Utilities	-	865,327	-	-	865,327
Estero Fire District	40,935,380	2,501,548	7,608,467	-	51,045,395
Estero Village	-	548,061	548,953	-	1,097,014
Flagler County Sheriff	-	269,948	484,432	-	754,380
Florida Atlantic Research	-	154,311	261,745	-	416,056
Fort Meade Firefighters	383,142	-	-	-	383,142
Fort Meade General	5,391,949	-	-	-	5,391,949

**Florida Municipal Pension Trust Fund**  
**SCHEDULE OF MEMBER BALANCES BY PLAN TYPE**  
**September 30, 2023**

<u>Plan Name</u>	<u>401(a) Defined Benefit/OPEB*</u>	<u>401(a) Defined Contribution</u>	<u>457(b) Deferred Compensation</u>	<u>Self-Directed DROP</u>	<u>Total</u>
Fort Meade Police Officers	\$ 1,141,553	\$ -	\$ -	\$ -	\$ 1,141,553
Fort White	-	19,937	19,559	-	39,496
Frostproof General	1,736,870	-	-	-	1,736,870
Greater Boca Beach & Park District	-	77,477	140,751	-	218,228
Green Cove Springs Police	8,488,492	-	114,954	-	8,603,446
Greenacres	-	4,558,834	2,630,785	-	7,189,619
Greenacres Fire & Police	59,305,735	-	-	-	59,305,735
Greenwood	-	20,456	14,456	-	34,912
Gulf Breeze	-	3,007,191	640,667	-	3,647,858
Gulf Breeze Police	7,297,080	-	-	-	7,297,080
High Springs	-	451	-	-	451
Holly Hill	-	148,792	1,966,518	-	2,115,310
Howey-in-the-Hills Police	2,315,998	-	-	-	2,315,998
Indian River Shores	1,454,131	502,765	268,284	-	2,225,180
Indian River Shores OPEB*	2,243,565	-	-	-	2,243,565
Inverness	-	173,196	89,503	-	262,699
Jacksonville Electric Authority OPEB*	35,287,209	-	-	-	35,287,209
Jennings	-	-	6,129	-	6,129
Joshua Water Control District	-	43,331	9,091	-	52,422
Juno Beach	-	836,889	1,297,919	-	2,134,808
Jupiter Inlet Colony	-	347,159	8,274	-	355,433
Jupiter Inlet District	-	320,475	233,679	-	554,154
Key West Housing Authority	-	-	94,234	-	94,234
LaBelle	-	-	23,285	-	23,285
LaBelle Fire	2,309,511	-	-	-	2,309,511
Lake Alfred General	5,827,452	510,035	539,902	-	6,877,389
Lake Hamilton	-	78,247	181,688	-	259,935
Lake Helen Police	1,606,969	-	-	-	1,606,969
Lantana	-	6,543,530	3,647,873	-	10,191,403
Lighthouse Point Police & Fire	27,585,374	-	-	-	27,585,374
Longwood	-	3,923,974	1,565,620	-	5,489,594
Longwood Fire & Police	27,227,994	-	-	-	27,227,994
Macclenny Housing Authority	-	138,188	-	-	138,188
Malone	-	104,602	35,206	-	139,808
Marathon Fire	13,445,345	-	-	-	13,445,345
Marianna General	-	1,079,741	1,458,771	-	2,538,512
Marianna Health & Rehab	-	756,264	555,587	-	1,311,851
McIntosh	-	88,231	-	-	88,231
Mexico Beach	-	9,526	43,619	-	53,145
Micanopy	-	-	59,809	-	59,809
Midway Fire District Firefighters	10,237,350	-	-	-	10,237,350

**Florida Municipal Pension Trust Fund**  
**SCHEDULE OF MEMBER BALANCES BY PLAN TYPE**  
**September 30, 2023**

<u>Plan Name</u>	401(a) Defined Benefit/OPEB*	401(a) Defined Contribution	457(b) Deferred Compensation	Self-Directed DROP	<u>Total</u>
Montverde	\$ -	\$ 99,788	\$ 86,348	\$ -	\$ 186,136
Mulberry	-	1,596,891	663,075	-	2,259,966
North Miami Beach Management	19,542,380	-	-	-	19,542,380
North Miami Beach OPEB*	5,199,281	-	-	-	5,199,281
Oakland	-	2,386,676	598,721	-	2,985,397
Oakland Park	39,814,142	4,296,206	211,776	-	44,322,124
Oldsmar	-	6,793,641	2,334,722	-	9,128,363
Oldsmar Fire	9,104,164	-	-	-	9,104,164
Orange Park General	12,199,035	-	-	-	12,199,035
Pace Fire Rescue District	1,198,832	-	-	-	1,198,832
Pahokee	-	587,484	144,293	-	731,777
Palm Beach Gardens General	3,079,942	-	-	-	3,079,942
Palm Beach TPA	-	-	243,000	-	243,000
Palm Coast Firefighters	5,325,929	-	-	-	5,325,929
Panama City Management	3,631,688	-	-	-	3,631,688
Panama City Port Authority	-	2,190,345	256,432	-	2,446,777
Parkland Police	2,074,038	-	-	-	2,074,038
Penney Farms	-	135,998	650	-	136,648
Plant City	-	20,858,963	6,388,734	-	27,247,697
Pomona Park	-	241	379	-	620
Ponce Inlet	-	9,720	45,108	-	54,828
Redington Beach	-	87,449	5,953	-	93,402
Redington Shores	-	68,812	-	-	68,812
Royal Palm Beach Police	100,020	-	-	-	100,020
Safety Harbor Fire	14,470,583	-	-	-	14,470,583
San Carlos Park Fire	31,465,397	-	-	-	31,465,397
Sanibel	-	2,488,917	604,198	-	3,093,115
Sarasota Bay Estuary Program	-	-	83,825	-	83,825
Sarasota County OPEB*	6,614,504	-	-	-	6,614,504
Satellite Beach	7,461,913	2,344,837	657,778	-	10,464,528
Satellite Beach Police & Fire	24,528,457	-	-	-	24,528,457
Sebring	-	2,707	130,457	-	133,164
Shalimar	-	-	259,364	-	259,364
South Bay	-	83,796	84,341	-	168,137
South Central Regional Wastewater	-	1,341,690	1,131,719	-	2,473,409
South Indian River Water Control District	-	657,999	86,455	-	744,454
South Pasadena	-	1,013,301	-	-	1,013,301
Southern Manatee Fire & Rescue District	61,242,697	-	4,683,547	-	65,926,244
Southern Manatee Fire & Rescue District General	3,734,648	-	-	-	3,734,648
Space Florida	-	-	2,003,314	-	2,003,314
Springfield	-	9,227	64,627	-	73,854
St. Leo	-	49,564	11,835	-	61,399
St. Marks	-	105,507	73,802	-	179,309



**Florida Municipal Pension Trust Fund**  
**SCHEDULE OF MEMBER BALANCES BY PLAN TYPE**  
**September 30, 2023**

<u>Plan Name</u>	401(a) Defined <u>Benefit/OPEB*</u>	401(a) Defined <u>Contribution</u>	457(b) Deferred <u>Compensation</u>	Self-Directed <u>DROP</u>	<u>Total</u>
Tamarac Executive & Professional	\$ 69,088,188	\$ -	\$ -	\$ -	\$ 69,088,188
Tampa	-	-	12,661,952	-	12,661,952
Umatilla	-	-	299,691	-	299,691
Umatilla Police	2,513,454	-	-	-	2,513,454
Valparaiso	-	1,466,683	1,090,413	-	2,557,096
Valparaiso Fire & Police	3,833,184	-	-	-	3,833,184
Wauchula General	21,212,185	-	-	-	21,212,185
Wauchula OPEB*	604,116	-	-	-	604,116
Wauchula Police	3,305,725	-	-	-	3,305,725
Welaka	-	132,341	26,213	-	158,554
Wellington	-	2,456	-	-	2,456
Wellington OPEB*	2,088,663	-	-	-	2,088,663
Wewahatchka	-	386,773	145,547	-	532,320
Williston General	4,890,789	-	-	-	4,890,789
Williston Police	3,160,958	-	-	-	3,160,958
Winter Garden	-	297,363	-	-	297,363
Zolfo Springs	-	186,752	174,643	-	361,395

\*Identification of Other Post-Employment Benefits plans participating in the Fund