

FLORIDA MUNICIPAL PENSION TRUST FUND

FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

**Florida Municipal Pension Trust Fund  
Financial Statements  
September 30, 2022**

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**SHORSTEIN & SHORSTEIN, P.A.**

CERTIFIED PUBLIC ACCOUNTANTS  
8265 BAYBERRY ROAD  
JACKSONVILLE, FLORIDA 32256

JACK F. SHORSTEIN, C.P.A., J.D. (1929-2014)  
SAMUEL R. SHORSTEIN  
MARK J. SHORSTEIN, C.P.A.  
BENJAMIN I. SHORSTEIN, C.P.A.  
BARBARA J. HOUSTON, C.P.A.  
MARGARET R. CONOVER, C.P.A.  
JEFFREY C. PHILLIPS, C.P.A.  
MICHAEL K. PARRISH, C.P.A.

TELEPHONE (904) 739-1311  
FACSIMILE (904) 739-2069  
WWW.SHORSTEINCPA.COM

JOAN B. MOELL, C.P.A.  
WALTER L. HUNTER, C.P.A.  
MELISSA R. STEPHENS, C.P.A.  
PHILLIP H. CAMPBELL, C.P.A.  
JEWEL A. MCCANCE, C.P.A.  
BEVERLY W. PARKER, C.P.A.  
MICHAEL H. BROSS, C.P.A.  
MARINA CUNNINGHAM, C.P.A.

March 9, 2023

**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, 2022, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, which collectively comprise the 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, 2022, 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, 2022**

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, 2022. 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 decreased \$138.7 million during FY 21-22, compared to an increase of \$175.3 million during FY 20-21. Fiduciary net position at September 30, 2022 was \$895.8 million.
- Total additions to fiduciary net position for FY 21-22 were \$(93.4) million, compared to additions of \$225.5 million for FY 20-21. This is a decrease of \$318.9 million. Total deductions were \$45.2 million for FY 21-22 compared to \$50.2 million for FY 20-21, which is a decrease of \$5 million.
- The two main components of additions to fiduciary net position are contributions and transfers received from plans and investment earnings. During the year, the Fund collected \$48.2 million in contributions and transfers, compared to \$51.8 million for the prior year. Net investment losses during FY 21-22 were \$143.7 million compared to investment earnings of \$171.7 million during FY 20-21. During FY 21-22, seven new member plans joined the Fund, transferring assets and making new contributions totaling \$237 thousand. During FY 21-22, a participant self-directed DROP program was added to the Fund, transferring assets and making new contributions totaling \$1.2 million.
- The two main deductions from fiduciary net position are benefits paid to participants and transfers to member plans leaving the Fund. During FY 21-22, \$43.2 million was paid out compared to \$48.3 million paid out during FY 20-21. During FY 21-22, no 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, 2022 totaled over \$888.1 million, compared to nearly \$1.03 billion at September 30, 2021. Information on specific investments can be found in the footnotes to the financial statements.

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, 2022. 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, 2021 through September 30, 2022. 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, 2022**

Comparative Financial Information

Table 1  
Fiduciary Net Position

	<u>FY 21-22</u>	<u>FY 20-21</u>
Cash and Receivables	\$ 7,951,300	\$ 6,531,200
Investments	<u>888,183,900</u>	<u>1,028,312,500</u>
Total Assets	<u>896,135,200</u>	<u>1,034,843,700</u>
Accounts Payable	<u>322,200</u>	<u>368,200</u>
Total Liabilities	<u>322,200</u>	<u>368,200</u>
Net Position Restricted for Member Plans	<u>\$ 895,813,000</u>	<u>\$ 1,034,475,500</u>

Changes in Fiduciary Net Position

	<u>FY 21-22</u>	<u>FY 20-21</u>
Contributions	\$ 48,220,300	\$ 51,839,000
Investment and Other Income/(Loss)	<u>(141,643,600)</u>	<u>173,661,400</u>
Total Additions	<u>(93,423,300)</u>	<u>225,500,400</u>
Transfers and Benefits	43,248,500	48,337,700
Other Expenses	<u>1,990,700</u>	<u>1,903,600</u>
Total Deductions	<u>45,239,200</u>	<u>50,241,300</u>
Change in Net Position Restricted for Member Plans	<u>\$ (138,662,500)</u>	<u>\$ 175,259,100</u>

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, 2022**

Economic Factors

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

Stocks and bonds both continued their retreat in September as growth fears were fed by central banks remaining resolute in their fight against inflation. The U.S. Fed hiked rates by 75 bps for a third straight meeting while setting expectations for similar hikes to end the year with their forward guidance. A higher-than-expected CPI inflation result, with core inflation rising 0.6% MoM vs 0.3% expected, emboldened the Fed to continue to act aggressively. While the labor market cooled modestly from July's pace, it remained strong and wage growth stayed steady, further supporting the Fed's actions. Central banks in several developed and emerging markets – including the U.K., Switzerland, Norway, Sweden, and the EU – also aggressively raised policy rates to fight inflation, even as fears of a global recession have grown. In Europe, the Ukraine conflict and energy crisis showed no signs of abating as key pipelines suffered suspected sabotage and Russia held referendums in occupied territories that will likely lead to additional sanctions, further imperiling global growth and complicating the inflation fight.

Global Equity – Equity markets gave back the rest of the summer's gains to hit new YTD lows in September. U.S. markets outperformed non-U.S. as growth concerns and currency impact weighed on returns. Index level P/E multiples on forward earnings moved lower even as forward earnings outlooks have softened, and current valuations sit below historic averages for all major indices. U.S. Dollar strength continued to play a key role in the underperformance of non-U.S. indices, with the British Pound hitting its lowest level ever against the dollar. Equity market volatility is likely to continue given central bank policy risk, Europe's energy crisis, and China's struggles with COVID lockdowns and a real estate slowdown. Valuations are supportive, but with growth below trend and further downward revisions possible, equities remain vulnerable.

Global Fixed Income – Global bond yields were higher in September following aggressive central bank activity. Bond market volatility rose as new U.K. fiscal policy measures were received unfavorably, forcing the Bank of England to announce a bond-buying program as an intervention. In the U.S., the 10-year treasury yield briefly topped 4% before undergoing its largest 1-day drop since 2020, but still finished the month sharply higher. Credit spreads moved wider, with investment grade credit widening 19 bps and high yield widening 68 bps. An approaching end to the tightening cycle will help limit additional duration downside, and higher yields have improved the outlook for core bonds going forward. Spreads could widen further in a recession scenario, but strong corporate balance sheets should soften the impact to credit of a growth slowdown. Volatility in rates and currency should provide enhanced opportunities for absolute return strategies, which can also offer downside protection. A cash allocation provides portfolio flexibility while rising front-end yields have improved the asset's return potential.

Global Real Assets & Private Markets – Core real estate returns declined from the last several quarters' record pace but maintained strong positive performance. Weaker returns were felt across all sectors except hotels, though industrial property returns continue to lead sector performance. New deal activity in private equity continues to slow from 2021's elevated rate but overall remains at healthy levels. The broad commodities index declined in September amid fears a global slowdown would weigh on demand, with oil falling far enough that OPEC+ is expected to make a large production cut in October. Core CPI rose +6.3% year-over-year, exceeding expectations with its rise from 5.9%. Measures of future inflation expectations were sharply lower, with the 10-year inflation breakeven down 33 bps to 2.15%, the lowest point for that measure since February 2021.



**Florida Municipal Pension Trust Fund  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2022**

State of Florida Update

The Florida Legislature Office of Economic and Demographic Research, in August of 2022, issued a report entitled "Florida: An Economic Overview." The report showed Florida's Gross Domestic Product posted growth of 5.2% from July 2021 through June 2022. Florida's GDP growth was ranked 19th in the nation during the first quarter of calendar year 2022. The Estimating Conference projects growth to slow to 1.0% during FY 23 and then increase again to 2.0% during FY 24. State personal income growth grew moderately, with an annualized growth rate of 5.5% from July 2021 – June 2022. The state's personal income growth rate declined from FY 21, as federal relief measures ended. Going forward in the near term, annual growth rates are projected to remain above 4.0%, due to continued strength of salary growth. Florida's average annual wage data from 2021 reverses the downward trend with the average wage climbing to 89.2% 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 grew by 1.67% from April 2020 to April 2021. However, population growth for Florida is expected to slow to an average of 1.24% between 2021 and 2030. Florida's long-term growth rate between 1970 and 1995 was over 3% in comparison. Homeownership rates for 2021 remained above the long-term average, posting 67.2% for the year. Data from the first two quarters of calendar year 2022 second quarter data indicate that the rate has remained steady at 67.3%. Florida's leisure and hospitality industry was strongly impacted by the pandemic-induced economic contraction, resulting in long-term economic consequences. However, the growth in tourists grew 39.4% over the prior year during the period from July 2021 through June 2022, representing growth of 4.6% over the prior peak. Tourism growth rates are projected to return to moderate rates of 2.4% from 2022 to 2023. Florida's economy grew 2.5% in FY 21 and 5.2% in FY 22. However, the Estimating Conference is projecting slower growth for FY 23, as economic imbalances weigh down the economy.

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, 2022**

ASSETS

Cash and Cash Equivalents		\$ 7,054,667
Receivables from Members and Participants		896,630
Investments at Fair Value		
Florida Municipal Investment Trust	\$ 751,730,575	
Mutual Funds Held by Newport Trust Company	<u>136,453,372</u>	<u>888,183,947</u>
Total Assets		896,135,244

LIABILITIES

Accounts Payable - Florida League of Cities, Inc.	253,253	
Accounts Payable - Other	<u>68,932</u>	
Total Liabilities		<u>322,185</u>

NET POSITION

Net Position Restricted for Member Plans		<u>\$ 895,813,059</u>
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\*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, 2022**

ADDITIONS

Contributions		
Transfers and Employer Contributions	\$ 24,372,183	
Employee Contributions	18,964,074	
State Contributions	<u>4,884,052</u>	\$ 48,220,309
Investment Earnings:		
Net Decrease in Fair Value of Investments	(151,192,975)	
Interest and Dividends	<u>8,121,499</u>	
Total	(143,071,476)	
Less: Investment Expenses	<u>(585,960)</u>	
Net Investment Loss		(143,657,436)
Service and Maintenance Fee Income		<u>2,013,859</u>
Total Additions		(93,423,268)

DEDUCTIONS

Transfers and Benefits Paid to Participants	43,248,542	
Administrative Expenses	<u>1,990,697</u>	
Total Deductions		<u>45,239,239</u>
Change in Net Position Restricted for Member Plans		(138,662,507)
Net Position, Beginning of Year		<u>1,034,475,566</u>
Net Position, End of Year		<u>\$ 895,813,059</u>

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

**Florida Municipal Pension Trust Fund**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2022**

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 (FMIvT), 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, 2022**

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 \$7,054,667.

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, 2022**

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, 2022:

<u>Shares</u>	<u>Investment Type</u>	<u>Fair Value</u>	<u>Duration (In Years)</u>
	<u>Bond Funds</u>		
4,556,211	Broad Market High Quality Bond Fund	\$104,812,159	5.46
9,979,107	Core Plus Fixed Income Fund	100,690,773	6.02
	<u>Equity Funds</u>		
912,509	Diversified Small to Mid (SMID) Cap Equity Portfolio	107,997,732	
10,085,040	International Equity Portfolio	133,867,595	
12,078,433	Diversified Large Cap Equity Portfolio	178,881,607	
	<u>Real Estate Funds</u>		
<u>8,429,715</u>	Core Real Estate Portfolio	<u>125,480,709</u>	
<u>46,041,015</u>	Total	<u>\$751,730,575</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, 2022, 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, 2022**

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.

*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.

Participant-Directed Investments Held by Newport Trust Company at September 30, 2022:

<u>Shares</u>	<u>Investment Type</u>	<u>Fair Value</u>	<u>Duration (In Years)</u>
6,019,221	Money Market Fund	\$ 6,019,221	.13
	<u>Bond and Hybrid Funds</u>		
9,517,261	Core Bond Funds	14,069,452	3.4 - 7.54
3,479,040	Balanced Funds	76,448,528	5.76 - 6.84
	<u>Equity Funds</u>		
525,312	Domestic Equity Funds	35,918,973	
161,446	International Equity Funds	3,997,198	
<u>19,702,280</u>	Total	<u>\$136,453,372</u>	

**Florida Municipal Pension Trust Fund**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2022**

Note 3 - Investments (Continued)

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.

The Fund has the following recurring fair value measurements as of September 30, 2022:

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	\$ 6,019,221	\$ 6,019,221	\$ -	\$ -
Bond and Hybrid Funds	296,020,912	90,517,980	104,812,159	100,690,773
Equity Portfolios	460,663,105	39,916,171	420,746,934	-
Real Estate	125,480,709	-	-	125,480,709
<b>Total Investments</b>	<b>\$ 888,183,947</b>	<b>\$136,453,372</b>	<b>\$525,559,093</b>	<b>\$226,171,482</b>

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, 2022**

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 funds and equity portfolios classified as Level 2 are derived from market-corroborated data. The values of the bond funds and the Core Real Estate Portfolio classified as Level 3 are based on unobservable inputs. Those bond funds 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 funds 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 fund'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 fund'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 fund 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 funds 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, 2022**

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>9/30/2022</u>	Unfunded <u>Commitments</u>	Redemption <u>Frequency</u>	Redemption <u>Notice Period</u>
Bonds	\$205,502,932	\$ -	Monthly	5-15 Days
Equities	420,746,934	-	Monthly	1-3 Days
Real Estate	<u>125,480,709</u>	-	Quarterly	90 Days
Total	<u>\$751,730,575</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	\$ (14,425,442)
Diversified Small to Mid (SMID) Cap Equity Portfolio	(11,962,130)
International Equity Portfolio	(53,982,198)
Diversified Large Cap Equity Portfolio	(39,152,580)
Core Plus Fixed Income Fund	(16,909,020)
Core Real Estate Portfolio	18,026,347
Mutual Funds Held by Newport Trust Company*	<u>(32,787,952)</u>
Total	<u>\$ (151,192,975)</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 \$1,311,247 were charged by the League during the year.

**Florida Municipal Pension Trust Fund  
SCHEDULE OF ADMINISTRATIVE EXPENSES  
For the Year Ended September 30, 2022**

Actuary Fees	\$ 294,817
Administrative and Service Fees - Florida League of Cities, Inc.	1,311,247
Administrative Fees - Newport Group, Inc.	196,436
Consulting Services	35,313
Audit Fees and Travel	77,616
Miscellaneous and Promotional	4,504
Insurance	55,000
Travel and Meetings Expense	12,364
Trustee Fees	<u>3,400</u>
Total Administrative Expenses	<u>\$ 1,990,697</u>

**Florida Municipal Pension Trust Fund**  
**SCHEDULE OF MEMBER BALANCES BY PLAN TYPE**  
**September 30, 2022**

<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>
Alachua County OPEB*	\$ 2,180,577	\$ -	\$ -	\$ -	\$ 2,180,577
Avon Park	-	662,299	171,301	-	833,600
Belle Isle	-	1,208,943	155,324	-	1,364,267
Belleair Beach	-	548,058	539,623	-	1,087,681
Belleair Bluffs	-	331,435	103,712	-	435,147
Boca Raton Housing Authority	3,429,259	-	-	-	3,429,259
Boca Raton Excess	6,073	-	-	-	6,073
Boca Raton Management Plan	53,462,578	-	-	1,201,802	54,664,380
Bradenton Beach	-	2,356	-	-	2,356
Bradenton Beach Police	65,041	-	-	-	65,041
Broward Metropolitan Planning Organization	-	-	985,456	-	985,456
Bushnell	-	518,576	546,708	-	1,065,284
Callaway	-	-	313,587	-	313,587
Cape Canaveral	-	2,871,327	1,078,345	-	3,949,672
Cedar Hammock Fire OPEB*	2,152,992	-	-	-	2,152,992
Cedar Key	-	180,858	-	-	180,858
Cedar Key Sewer & Water	-	425,546	98,737	-	524,283
Cinco Bayou	-	52,944	79,574	-	132,518
Clermont	215,424	-	-	-	215,424
Clewiston Fire	117,519	-	-	-	117,519
Cocoa Beach OPEB*	2,300,397	-	-	-	2,300,397
Cooper City Management	4,354,765	-	-	-	4,354,765
Coral Springs OPEB*	6,210,675	-	-	-	6,210,675
Cottdale	-	163,565	107,458	-	271,023
Dade City	-	2,188,787	840,186	-	3,028,973
Dania Beach OPEB*	10,970,519	-	-	-	10,970,519
Davie General & Management	92,543,498	-	-	-	92,543,498
Davie OPEB*	2,701,472	-	-	-	2,701,472
Daytona Beach	-	-	2,092,376	-	2,092,376
Daytona Beach Shores	-	157,892	2,367,011	-	2,524,903
Deland OPEB*	873,565	-	-	-	873,565
Dunnellon	-	561,866	475,721	-	1,037,587
Dunnellon Fire & Police	3,208,819	-	-	-	3,208,819
Eagle Lake	-	279,836	829,681	-	1,109,517
Eatonville	-	234,990	76,587	-	311,577
Emerald Coast Utilities	-	819,080	-	-	819,080
Estero Fire District	36,975,520	2,098,477	6,118,631	-	45,192,628
Estero Village	-	401,457	410,607	-	812,064
Flagler County Sheriff	-	170,280	384,593	-	554,873
Florida Atlantic Research	-	120,197	199,237	-	319,434
Fort Meade Firefighters	365,111	-	-	-	365,111
Fort Meade General	5,058,088	-	-	-	5,058,088
Fort Meade Police Officers	1,104,913	-	-	-	1,104,913

**Florida Municipal Pension Trust Fund**  
**SCHEDULE OF MEMBER BALANCES BY PLAN TYPE**  
**September 30, 2022**

<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 White	\$ -	\$ 17,822	\$ 17,460	\$ -	\$ 35,282
Frostproof General	1,626,110	-	-	-	1,626,110
Greater Boca Beach & Park District	-	47,135	90,378	-	137,513
Green Cove Springs Fire & Police	7,442,771	-	79,500	-	7,522,271
Greenacres	-	3,816,786	2,120,779	-	5,937,565
Greenacres Fire & Police	52,050,643	-	-	-	52,050,643
Greenwood	-	17,354	12,698	-	30,052
Gulf Breeze	-	2,756,201	641,803	-	3,398,004
Gulf Breeze Police	6,539,839	-	-	-	6,539,839
High Springs	-	671	-	-	671
Holly Hill	-	129,277	1,658,614	-	1,787,891
Howey-in-the-Hills Police	2,088,774	-	-	-	2,088,774
Indialantic General	1,713,556	-	-	-	1,713,556
Indian Harbour Beach Police	377,347	-	-	-	377,347
Indian River Shores	1,298,082	365,090	200,353	-	1,863,525
Indian River Shores OPEB*	2,093,824	-	-	-	2,093,824
Inverness	-	160,035	84,798	-	244,833
Jacksonville Electric Authority OPEB*	34,146,085	-	-	-	34,146,085
Jennings	-	-	5,297	-	5,297
Joshua Water Control District	-	27,204	8,227	-	35,431
Juno Beach	-	968,578	1,332,146	-	2,300,724
Jupiter Inlet Colony	-	280,953	9,760	-	290,713
Jupiter Inlet District	-	292,958	225,603	-	518,561
Key West Housing Authority	-	-	62,024	-	62,024
Keys Energy Services	-	280,934	1,945,878	-	2,226,812
LaBelle	-	-	30,324	-	30,324
LaBelle Fire	2,026,685	-	-	-	2,026,685
Lake Alfred General	5,719,111	171,913	357,371	-	6,248,395
Lake Hamilton	-	90,424	214,903	-	305,327
Lake Helen Police	1,522,459	-	-	-	1,522,459
Lantana	-	5,419,800	2,920,096	-	8,339,896
Lighthouse Point Police & Fire	26,626,499	-	-	-	26,626,499
Longwood	-	3,236,347	1,008,023	-	4,244,370
Longwood Fire & Police	24,582,845	-	-	-	24,582,845
Macclenny	-	-	13,101	-	13,101
Macclenny Housing Authority	-	110,065	-	-	110,065
Malone	-	90,842	29,831	-	120,673
Marathon Fire	11,930,249	-	-	-	11,930,249
Marianna General	-	994,861	1,268,911	-	2,263,772
Marianna Health & Rehab	-	774,490	485,070	-	1,259,560
McIntosh	-	79,008	-	-	79,008
Mexico Beach	-	8,962	39,758	-	48,720
Micanopy	-	-	48,144	-	48,144

**Florida Municipal Pension Trust Fund**  
**SCHEDULE OF MEMBER BALANCES BY PLAN TYPE**  
**September 30, 2022**

<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>
Midway Fire District Firefighters	\$ 8,734,660	\$ -	\$ -	\$ -	\$ 8,734,660
Montverde	-	39,039	71,361	-	110,400
Mulberry	-	1,141,972	481,869	-	1,623,841
North Miami Beach Management	19,314,241	-	-	-	19,314,241
North Miami Beach OPEB*	4,545,383	-	-	-	4,545,383
Oakland	-	2,198,118	376,710	-	2,574,828
Oakland Park	39,229,050	3,777,170	49,049	-	43,055,269
Oldsmar	-	5,741,554	1,954,266	-	7,695,820
Oldsmar Fire	8,122,802	-	-	-	8,122,802
Orange Park General	11,580,763	-	-	-	11,580,763
Pace Fire Rescue District	712,932	-	-	-	712,932
Pahokee	-	500,782	136,820	-	637,602
Palm Beach Gardens General	2,943,276	-	-	-	2,943,276
Palm Beach TPA	-	-	156,783	-	156,783
Palm Coast Firefighters	5,052,699	-	-	-	5,052,699
Panama City Management	3,548,603	-	-	-	3,548,603
Panama City Port Authority	-	1,872,216	205,886	-	2,078,102
Parkland Police	2,072,087	-	-	-	2,072,087
Penney Farms	-	100,802	3,491	-	104,293
Plant City	-	18,842,031	4,467,160	-	23,309,191
Ponce Inlet	-	8,564	26,661	-	35,225
Redington Beach	-	165,058	34,833	-	199,891
Redington Shores	-	202,035	44,328	-	246,363
Royal Palm Beach Police	80,001	-	-	-	80,001
Safety Harbor Fire	13,120,993	-	-	-	13,120,993
San Carlos Park Fire	27,992,155	-	-	-	27,992,155
Sanibel	-	1,932,893	591,304	-	2,524,197
Sarasota Bay Estuary Program	-	-	71,948	-	71,948
Sarasota County OPEB*	7,939,588	-	-	-	7,939,588
Satellite Beach General	7,341,913	-	-	-	7,341,913
Satellite Beach Police & Fire	22,427,475	-	-	-	22,427,475
Sebring	-	2,460	108,927	-	111,387
Shalimar	-	-	227,852	-	227,852
South Bay	-	51,330	52,954	-	104,284
South Central Regional Wastewater	-	1,479,136	1,106,033	-	2,585,169
South Indian River Water Control District	-	510,791	70,840	-	581,631
South Pasadena	-	896,118	-	-	896,118
South Seminole	-	172,325	-	-	172,325
Southern Manatee Fire & Rescue District	56,533,288	-	3,588,267	-	60,121,555
Southern Manatee Fire & Rescue District General	3,724,132	-	-	-	3,724,132
Space Florida	-	-	1,615,903	-	1,615,903
Springfield	-	8,203	57,236	-	65,439
St. Leo	-	34,151	4,209	-	38,360

**Florida Municipal Pension Trust Fund**  
**SCHEDULE OF MEMBER BALANCES BY PLAN TYPE**  
**September 30, 2022**

<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>
St. Marks	\$ -	\$ 99,663	\$ 66,666	\$ -	\$ 166,329
Tamarac Executive & Professional	64,020,713	-	-	-	64,020,713
Tampa	-	-	9,930,412	-	9,930,412
Umatilla	-	-	225,280	-	225,280
Umatilla Police	2,309,758	-	-	-	2,309,758
Valparaiso	-	1,248,469	933,918	-	2,182,387
Valparaiso Fire & Police	3,475,070	-	-	-	3,475,070
Wauchula General	20,073,346	-	-	-	20,073,346
Wauchula OPEB*	583,690	-	-	-	583,690
Wauchula Police	3,001,386	-	-	-	3,001,386
Welaka	-	96,490	15,956	-	112,446
Wellington	-	2,198	-	-	2,198
Wellington OPEB*	1,901,360	-	-	-	1,901,360
Wewahitchka	-	496,362	135,171	-	631,533
Williston General	4,639,750	-	-	-	4,639,750
Williston Police	2,998,830	-	-	-	2,998,830
Winter Garden	-	245,342	-	-	245,342
Zolfo Springs	-	160,453	149,176	-	309,629

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