

**RETIREMENT PLAN AND TRUST
FOR THE FIREFIGHTER'S OF
THE CITY OF OLDSMAR, FLORIDA
(a pension trust fund of the City of Oldsmar, Florida)**

Independent Auditor's Report
And
Audited Financial Statements

September 30, 2024

RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTER’S OF
THE CITY OF OLDSMAR, FLORIDA
(a pension trust fund of the City of Oldsmar, Florida)

Year Ended September 30, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees and Management
Retirement Plan for the Firefighter's of the City of Oldsmar, Florida
(a pension trust fund of the City of Oldsmar, Florida)
Oldsmar, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Retirement Plan and Trust for the Firefighter's of the City of Oldsmar, Florida (the Plan) (a pension trust fund of the City of Oldsmar, Florida) comprise the statement of fiduciary net position as of September 30, 2024 and 2023 and the related statement of changes in fiduciary net position for the years ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the plan net position of the Retirement Plan and Trust for the Firefighter's of the City of Oldsmar, Florida, as of September 30, 2024 and 2023, and the changes in its net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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.

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 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information – Management's Discussion and Analysis

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by GASB Statement No. 34. Management has elected not to provide this information.

Supplementary Information and Other Required Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The required supplementary information listed in the Table of Contents on pages 14 – 15 is not a required part of the financial statements, but is supplementary information required by Governmental Accounting Standards Board Statement No. 67. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2025, on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control over financial reporting and compliance.



Wells, Houser & Schatzel, P.A.
St. Petersburg, Florida
March 17, 2025

RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTER'S OF
THE CITY OF OLDSMAR, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUND

September 30, 2024

With comparative amounts for September 30, 2023

	Firefighters' Retirement Pension Trust Fund	
	2024	2023
ASSETS		
Cash and cash equivalents	\$ 159,991	\$ 127,458
Investments, at fair value		
Broad Market HQ Bond Fund	1,645,625	1,329,208
Core Plus Fixed Income Fund	1,702,765	1,238,166
Diversified Small to Mid Cap Fund	1,657,053	1,265,479
International Equity Portfolio	2,342,731	1,757,104
Diversified Large Cap Portfolio	2,845,561	2,221,416
Core Real Estate Portfolio	1,074,228	1,165,333
Total Investments, at fair value	<u>11,267,963</u>	<u>8,976,706</u>
TOTAL ASSETS	11,427,954	9,104,164
LIABILITIES		
Advance employer contributions	2,279	5,450
Due to Share Plan	865,968	722,470
TOTAL LIABILITIES	<u>868,247</u>	<u>727,920</u>
NET POSITION		
Restricted for pension benefits	10,559,707	8,376,244
TOTAL NET POSITION	<u>\$ 10,559,707</u>	<u>\$ 8,376,244</u>

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

RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTER'S OF
THE CITY OF OLDSMAR, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUND

For the fiscal year ended September 30, 2024
With comparative amounts for the year ended September 30, 2023

	Firefighters' Retirement Pension Trust Fund	
	2024	2023
ADDITIONS		
Contributions - Employees	\$ 40,186	\$ 38,568
Contributions - City	412,287	268,849
Contributions -Advance Employer Contribution	3,171	39,452
Fire insurance premium tax	158,638	116,798
Investment return	1,707,109	633,084
Total additions	2,321,391	1,096,751
DEDUCTIONS		
Benefit payments	90,035	87,413
Administrative charges	47,893	45,599
Total deductions	137,928	133,012
NET INCREASE	2,183,463	963,739
NET POSITION RESTRICTED FOR PENSION BENEFITS - BEGINNING		
	8,376,244	7,412,505
NET POSITION RESTRICTED FOR PENSION BENEFITS - ENDING		
	\$ 10,559,707	\$ 8,376,244

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

RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTER'S OF
THE CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE A – DESCRIPTION OF PLAN

The following brief description of the Retirement Plan and Trust for the Firefighter's of the City of Oldsmar, Florida (the Plan) is provided for general information purposes only. Participants should refer to the Plan Ordinance for more complete information.

The plan is a single-employer defined benefit pension plan covering all full-time firefighters of the City of Oldsmar, Florida (the City) hired on or after January 1, 1996 and before October 1, 2014.

As at the October 1, 2023 actuarial valuation date the Plan's membership consisted of:

Retirees and beneficiaries receiving benefits	3
Terminated plan members entitled to but not receiving benefits	5
Active plan members	<u>9</u>
Total active participants	<u><u>17</u></u>

General: On July 16, 1996, the City established a pension plan for its firefighters pursuant to Chapter 175, Florida Statutes. The Retirement Plan and Trust for the Firefighters' of the City of Oldsmar (the Plan) is a single-employer, defined benefit pension plan established and administered by the City of Oldsmar and the Board of Trustees of the Plan. Florida Statute 175 assigns the authority to establish and amend the benefit provisions of the plans that participate in the Florida Municipal Pension Trust Fund (FMPTF) to the respective employer entities; for the City of Oldsmar this is the City Council. The City entered into a Master Trust Agreement with the Florida Municipal Pension Trust Fund (FMPTF) for administration of the plan. The investments of the plan are held by the FMPTF in a trustee capacity and are maintained in pooled trust accounts, which are managed by a professional trustee pursuant to a trust agreement with the City. The Plan provides retirement, disability and death benefits to Plan members and their beneficiaries. The Plan contains early retirement and cost of living increase provisions.

Firefighters' Pension Board: The board is composed of five (5) members that meet on a quarterly basis. Two members are elected firefighters, two members are appointed by the City of Oldsmar City Council and one member is board appointed. Members serve two-year terms.

Pension Benefits: Under the plan, participants are entitled to annual pension benefits beginning at normal retirement age of 55 with at least 10 years of credited service or at any age with at least 25 years of credited service. Normal retirement benefits shall be equal to the number of years of credited service, multiplied by 3.25% of average final compensation for credited service prior to May 31, 2012 and 3.125% of average final compensation for credited service after June 1, 2012. Early retirement is available to those at the age of 50 with at least 10 years of credited service. Early retirement benefits are reduced a maximum of 3% for each year before the normal retirement age.

Death Benefits: If a participant dies in the line of duty prior to retirement, the participant's beneficiary receives an immediate monthly life annuity equal to the greater of 50% of the deceased participant's plan compensation at the time of his death or 100% of the participant's accrued benefit.

If a vested participant dies prior to retirement other than in the line of duty, that participant's beneficiary receives a life annuity commencing immediately. The life annuity is equal to 50% of the participant's accrued benefit.

RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTER'S OF
THE CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE A – DESCRIPTION OF PLAN (continued)

If a non-vested participant dies prior to retirement other than in the line of duty, the participant's beneficiary receives the participant's accumulated contributions.

Disability Benefits: A member deemed to be totally and permanently disabled from service connected injury or disease will receive the greater of monthly pension equal to 66% of average monthly average final compensation or an amount equal to the accrued retirement benefit. A member deemed to be totally and permanently disabled from non-service connected injury or disease and who has completed at least 10 years of service will receive the greater of a monthly pension equal to 25% of average monthly compensation or an amount equal to the accrued retirement benefit. Before 10 years of service, a member deemed to be totally and permanently disabled from non-service connected injury or disease will receive a return of employee contributions only.

Cost of Living Adjustment: A cost of living increase is awarded each year to benefits in payment status in the amount equal to 3%. The adjustment will be effective each October 1 after benefit payments have been in force for 12 consecutive payments. This applies to service and disability retirees, joint pensioners and other beneficiaries.

Deferred Retirement Option Plan: A deferred retirement option plan is not applicable to the plan.

Refund and Compulsory Contributions: Plan members are required to contribute 5% of their salary on a pre-tax basis. If a member has less than ten (10) years of credited service upon termination of employment, the member shall be entitled to a refund of accumulated contributions or the member may leave the accumulated contributions with the fund. Employee contributions are accumulated without interest.

Supplemental Retirement Benefit: A supplemental retirement benefit shall be added to each early retirement benefit or normal retirement benefit at an amount of \$3.00 per year of service per month (maximum of \$90 per month).

Share Plan: Participants actively employed by the City on October 1, 2016, will participate in the Share Plan. Shares shall be allocated based on years of credited service under the Retirement Plan. Vesting period is 10 years. Participants are entitled to a distribution at the same time as receiving their retirement benefits. Account balances are not guaranteed and will change as the quarterly actual rate of return changes.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting: The Plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan, as calculated by the Plan's Actuary, are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Administrative expenses are paid by the plan.

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

RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTER'S OF
THE CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Method used to value investments: Investments are reported at fair value. Short-term money market type investments are reported at cost, which is equal to fair value. The FMPTF's plan investment portfolio is valued at fair value based on market quotes of the individual investments in the portfolio.

Custody of Assets: Custodial and certain investment services are provided to the Plan under contracts with a custodian having trust powers in the State of Florida. The Plan's investment policies are governed by ordinances of the City of Oldsmar, Florida and Florida State Statutes.

Asset Allocation: Assets shall be invested in a diversified portfolio consisting of equity, debt and real estate with an allocation of 60%/30%/10%, respectively.

Investments: The FMPTF investment policy authorizes investment in repurchase agreements with a maximum maturity at purchase price not to exceed 180 days with a total average maturity for all repurchase agreements held of not greater than 60 days, direct obligations of the United States Treasury, the State Board of Administration investment pool, commercial paper rated "A1/P1" with a maximum maturity of 270 days from the time of purchase, banker's acceptances with a long-term debt rating of at least "AA" or short-term debt rating of "P1" with no more than 5% issued by any one depository and a maturity not to exceed 270 days from the time of purchase, certificates of deposit issued by qualified public depositories in the State of Florida and a maximum maturity of 2 years, obligations of federal government agencies or instrumentalities, money market mutual funds, mortgage obligations guaranteed by the U.S. government and sponsored agencies and/or instrumentalities, corporate fixed income securities with any "A" rating with no more than 3% in any one issuing corporation, asset backed securities issued in the United States rated "A" or better, securities of state, municipal and county governments or their public agencies rated "A" or better, commingled governmental investment trusts, no-load investment master trust funds, or no-load mutual master trust funds, guaranteed investment contracts rated in the highest category by AM Best, investment agreements with other financial institutions, common stock, preferred stock and interest bearing obligations convertible into common stock, and Florida Municipal Investment Trust (FMIvT) Portfolios. The Plan's investments have been determined to conform to the current investment policy.

Actuarial Cost Method: The Plan has elected the aggregate cost method. Under this method a funding cost is developed for the plan as a level percentage of payroll. The level funding percentage is calculated as the excess of the total future benefit liability over accumulated assets and future employee contributions, with the excess spread over the expected future payroll for current active participants. The normal cost is equal to the level of funding percentage multiplied by the expected payroll for the year immediately following the valuation date. The actuarial accrued liability is equal to the accumulated assets. Therefore, under the aggregate cost method, no unfunded accrued liability is developed.

Reporting Entity: Governmental Accounting Standards Board Statement Nos. 14 and 61 require that this financial statement present the Retirement Plan for the Firefighter's of the City of Oldsmar Florida (the component unit) and disclose its primary government, the City of Oldsmar, Florida. Component units generally are legally separate entities for which a primary government is financially accountable. In addition, if the primary government appoints a voting majority of the organization's board and it is able to impose its will upon the component unit, or there is a possibility that the component unit may provide specific financial benefits, or impose specific financial burdens on the primary government, the primary government is financially accountable. The Plan has determined that it is not a component unit of the City of Oldsmar, Florida.

RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTER'S OF
THE CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE C – FUNDING POLICY

The City is required to contribute to the Plan at actuarially determined rates using the aggregate actuarial cost method. The aggregate actuarial cost method does not identify or separately amortize unfunded actuarial liabilities. Plan members contribute 5% of their salary. In accordance with Florida Statute 175, excise taxes on fire insurance policies reduce the required contribution of the City. The contribution rate for the City was 71.43% for the fiscal year ended 2024, 55.11% for the fiscal year ended 2023 and 27.064% for the fiscal year ended 2022. For fiscal 2024 the City contributed \$412,287, which along with on behalf payments of state excise contributions in the amount of \$158,638 and available Advance Employer Payments in the amount of \$3,171 equaled the actuarially determined contribution rate. The net pension liability is liquidated in the fund that incurs the respective liability, which is the City of Oldsmar's General Fund.

NOTE D – PLAN'S FUNDED STATUS

Net Pension Liability (Asset) –

Total Pension Liability	\$ 10,071,389
Plan Fiduciary Net Position	(10,561,986)
Net Pension Liability (Asset)	<u>\$ (490,597)</u>

Plan Fiduciary Net Position as a Percentage of the Total Net Pension Liability	104.87%
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Change in Net Pension Liability (Asset) –

Beginning balance – October 1, 2023	\$ 525,189
Service Cost	272,312
Expected interest growth	29,952
Effect of economic/demographic gain or loss	349,227
Assumption changes	-
Employer contributions	(570,925)
Member contributions	(40,186)
Investment (gain) loss	(1,104,109)
Administrative expense	47,983
Ending balance – September 30, 2024	<u>\$ (490,597)</u>

Net pension liability (asset): The City's net pension liability (asset) for the current year and related information is as follows:

Total pension liability	\$ 10,071,389
Fiduciary net position	\$ 10,561,986
Net pension liability (asset)	\$ (490,597)
Measurement date	September 30, 2024
Actuarial valuation date	October 1, 2023
Employer's reporting date	September 30, 2024
Discount rate	7.00% per annum (2.62% attributed to long-term inflation)
Salary increases	4.5% per annum
Cost of living increases	3.0% per annum

RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTER'S OF
THE CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE D – PLAN'S FUNDED STATUS (continued)

Mortality basis	For non-retired participants, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Employee Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year (pre-retirement mortality); for non-disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Healthy Retiree Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year; for disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Disabled Retiree Mortality Table (80% general employee rates plus 20% public safety employee rates), with full generational improvements in mortality using Scale MP-2018
Retirement	Assumed to occur at the most valuable retirement age
Non-investment expenses	Liabilities have been loaded by 2.75% to account for non-investment expenses
Future contributions	Employer and employee contributions are assumed to be made as legally required
Changes	No assumptions have been changed since the prior measurement date

Comparison of net pension liability (asset) using alternative discount rates:

	Discount rate minus 1%	Discount rate at 7.00%	Discount rate plus 1%
Total pension liability	\$ 11,671,984	\$ 10,071,389	\$ 8,778,166
Less fiduciary net position	<u>(10,561,986)</u>	<u>(10,561,986)</u>	<u>(10,561,986)</u>
Net pension liability (asset)	<u>\$ 1,109,998</u>	<u>\$ (490,597)</u>	<u>\$ (1,783,820)</u>

Determination of the long-term expected rate of return:

	Target allocation	Expected long-term real return
Core bonds	15%	1.60% per annum
Core plus	15%	2.10% per annum
U.S. large cap equity	25%	4.60% per annum
U.S. small cap equity	14%	5.50% per annum
Non-U.S. equity	21%	6.70% per annum
Core real estate	10%	5.00% per annum
Weighted arithmetic average	100%	4.38% per annum

RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTER'S OF
THE CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE E – PLAN TERMINATION

Although it has not expressed any intention to do so, the City may terminate the Plan at any time by a written ordinance of the City Council of Oldsmar, duly certified by an official of the City. In the event that the Plan is terminated or contributions to the Plan are permanently discontinued, the benefits of each member in the Plan at such termination date would be non-forfeitable.

NOTE F – DEPOSITS AND INVESTMENTS

Deposits: FMPTF periodically holds un-invested cash in its capacity as custodian of the Plan. These funds exist temporarily as cash in the process of collection from the sale of investments.

Investments: The Plan's investments are uninsured and unregistered or the securities are held by the Plan or by its agent in the Plan's name. Investments that are not evidenced by securities that exist in physical or book-entry form include investments in open-end mutual funds.

The Plan's investments are managed under a Master Trust Agreement with the Florida Municipal Pension Trust Fund (FMPTF) with the Florida League of Cities, Inc. acting as the plan sponsors agent. FMPTF maintains custody and manages the investments. The assets are invested in accordance with the investment policy in the Master Trust Agreement. Investment management and custodial fees are calculated quarterly as a percentage of the fair market value of the Plan's assets managed.

The Plan held no investments that individually represent 5% or more of the Plan's net assets available for benefits during the year September 30, 2024. The Plan has no instrument that, in whole or in part, is accounted for as a derivative instrument under GASB No. 53, *Accounting and Financial Reporting for Derivative Instruments* during the current plan year. The Plan held the following investments as of September 30, 2024:

Investment Type	% Of Fund	Fair Market Value	Fitch Credit Rating	Effective Duration (years)
FMIvT:				
Broad Market High Quality Bond Fund	14.4%	\$ 1,645,625	AAf/S4	5.10
Core Plus Fixed Income Fund	14.9%	1,702,765	N/A	6.24
Diversified Small to Mid Cap Fund	14.5%	1,657,053	N/A	N/A
International Equity Portfolio	20.5%	2,342,731	N/A	N/A
Diversified Large Cap Portfolio	24.9%	2,845,561	N/A	N/A
Core Real Estate Portfolio	9.4%	1,074,228	N/A	N/A
		<u>\$ 11,267,963</u>		

Credit Risk: To limit the Plan's credit risks against possible losses, the maximum amount that may be invested in the securities of an individual issuer or trust, not backed by the full faith and credit of the United States Government, its sponsored agencies and/or instrumentalities shall not, at the time of purchase exceed 5% of the assets in the invested portfolio based on cost. Investments in the FMIvT Broad Market High Quality Bond Fund are Fitch rated AAf/S4. Other investments in FMIvT funds are not rated.

Foreign Currency Risk: Investments in the FMIvT International Equity Portfolio are not subject to foreign currency risk.

Interest Rate Risk: FMPTF manages interest rate risk through portfolio diversification, controlled duration strategies and maturity limitations. The weighted average maturity in years for the FMIvT Broad Market

RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTER'S OF
THE CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE F – DEPOSITS AND INVESTMENTS (continued)

High Quality Bond fund is 7.10 years. The weighted average maturity in years for the FMIVT Core Fixed Plus Income fund is 6.66 years.

Custodial Credit Risk: Custodial credit risk is defined as the risk that the Plan may not recover cash and investments held by another party in the event of a financial failure. The Plan requires all securities to be held by a third party custodian in the name of the Plan. Securities transactions between a broker-dealer and the custodian involving the purchase or sale of securities must be made on a “delivery vs. payment” basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

Money-weighted rate of return: expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested. The return for September 30, 2024 was 19.87%

NOTE G – ADMINISTRATIVE EXPENSES

Investment and administrative expenses for the years ended September 30, 2024 and 2023 are summarized as follows:

	2024	2023
Legal fees	\$ 12,185	\$ 19,764
Insurance	2,381	1,893
Investment fees	18,112	11,867
Audit fees	4,840	4,700
Admin fee	5,500	1,750
Actuarial fees	4,875	4,875
Membership fees	-	750
	\$ 47,893	\$ 45,599

NOTE H – PLAN AMENDMENTS

In accordance with City Ordinance 2002-07 adopted May 21, 2002, the Firefighters’ Pension Plan was amended to increase the disability benefit for a member deemed to be totally and permanently disabled from a service connected injury or disease from 42% to 66% of average monthly salary at the time of disability.

In accordance with City Ordinance 2005-02 adopted April 5, 2005 the Firefighter’s Pension Plan was amended to increase the benefit formula multiplier from 3% to 3.25% and increase the member contribution rate from 1% to 1.5%.

In accordance with City Ordinance 2006-31 adopted December 5, 2006 the Firefighter’s Pension Plan was amended to define salary as the total compensation for services rendered to the City as a firefighter reportable on the member’s W-2 form, plus all tax deferred or tax exempt items of income.

In accordance with City Ordinance 2011-05 adopted September 7, 2011 the Firefighter’s Pension Plan was amended to increase the member contribution rate from 1.5% to 2%.

In accordance with City Ordinance 2012-01 adopted May 15, 2012 the Firefighter’s Pension Plan was amended to increase the member contribution rate from 2% to 5% and decrease the benefit formula multiplier from 3.25% to 3.125%.

RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTER'S OF
THE CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE H – PLAN AMENDMENTS (continued)

In accordance with City Ordinance 2014-09 adopted November 4, 2014 the Firefighter's Pension Plan was closed to new members. Effective October 1, 2014 newly hired firefighters will participate in the Florida Retirement System.

In accordance with City Ordinance 2018-01 adopted January 16, 2018 a defined contribution share plan component was created as an additional benefit for active participants of the Oldsmar Firefighter's Pension Plan as of October 1, 2016. This additional benefit allowed the usage of \$500,000 in frozen excess premium tax monies held by the plan.

NOTE I – RISKS AND UNCERTAINTIES

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

NOTE J – SUBSEQUENT EVENTS

The Pension Plan Board of Trustees have evaluated whether any events have occurred subsequent to September 30, 2024 and before issuance of the financial statements that would have an impact on the Plan's financial condition as of September 30, 2024 or would influence the conclusions reached by a reader of the financial statements regarding the Plan's overall financial condition. The Board has evaluated such events through March 17, 2025 which is the date the financial statements were available to be issued and determined there were no such events that should be disclosed.

NOTE K – FAIR VALUE OF INVESTMENTS

The Plan categorizes its fair value of investments within the fair value hierarchy established by generally accepted accounting principles pursuant to *GASB No. 71, Fair Value Measurements and Application*. The hierarchy is based on the valuation inputs used to measure the fair value of an asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Plan has the following recurring fair value measurements as of September 30, 2024:

	Level 2	Level 3
Broad Market HQ Bond Fund	\$ 1,645,625	\$ -
Core Plus Fixed Income Fund	-	1,702,765
Diversified Small to Mid-Cap Fund	1,657,053	-
International Equity Portfolio	2,342,731	-
Diversified Large Cap Portfolio	2,845,561	-
Core Real Estate Portfolio	-	1,074,228
	<u>\$ 8,490,970</u>	<u>\$ 2,776,993</u>

REQUIRED SUPPLEMENTARY INFORMATION

RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTER'S OF
THE CITY OF OLDSMAR, FLORIDA

FIREFIGHTERS' PENSION TRUST FUND - PENSION SCHEDULES

September 30, 2024

Net Pension Liability (Asset)

Measurement Date	Total Pension Liability	Fiduciary Net Position	Net Pension Liability (Asset)	Funded Percentage	Covered Payroll	Net Pension Liability as a % of Covered Payroll
9/30/2015	\$ 3,058,624	\$ 4,060,837	\$ (1,002,213)	132.77%	\$ 663,716	N/A
9/30/2016	4,429,432	4,485,246	(55,814)	101.26%	577,978	N/A
9/30/2017	5,257,263	5,294,935	(37,672)	100.72%	619,479	N/A
9/30/2018	5,608,460	5,731,241	(122,781)	102.19%	622,131	N/A
9/30/2019	6,332,032	6,240,897	91,135	98.56%	656,329	13.89%
9/30/2020	6,929,325	6,936,386	(7,061)	100.10%	623,128	N/A
9/30/2021	7,490,758	8,493,797	(1,003,039)	113.39%	648,942	N/A
9/30/2022	8,252,683	7,457,406	795,277	90.36%	686,907	115.78%
9/30/2023	8,906,883	8,381,694	525,189	94.10%	648,155	81.03%
9/30/2024	10,071,389	10,561,986	(490,597)	104.87%	729,716	N/A

Schedule of Contributions

Year Ended September 30,	(1) Actuarially Determined Contribution	(2) Contributions Recognized by the Plan	(3) Difference Between (1) and (2)	Covered Payroll	Column (2) as a % of Covered Payroll
2015	\$ 144,198	\$ 112,900	\$ (31,298)	\$ 663,716	17.01%
2016	144,645	99,574	(45,071)	577,978	17.23%
2017	184,020	184,020	-	619,479	29.71%
2018	217,876	167,472	(50,404)	622,131	26.92%
2019	246,065	246,065	-	656,329	37.49%
2020	297,162	379,171	82,009	623,128	60.85%
2021	276,439	226,233	(50,206)	648,942	34.86%
2022	185,822	198,920	13,098	686,907	28.96%
2023	425,099	385,647	(39,452)	648,155	59.50%
2024	574,095	570,925	(3,170)	729,716	78.24%

Notes to Schedule

Employer's reporting date: September 30, 2024
Measurement date: September 30, 2024
Actuarial valuation date: October 1, 2023

Actuarial assumptions

Discount rate: 7.00% per annum (2.62% per annum is attributable to long-term inflation; this rate was used to discount all future benefit payments).

Salary increases: 4.50% per annum

Cost of living increases: 3.00% per annum

Mortality basis: For non-retired participant, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Employee Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year (pre-retirement mortality); for non-disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Healthy Retiree Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year; for disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Disabled Retiree Mortality Table (80% general employee rates plus 20% public safety employee rates), with full generational improvements in mortality using Scale MP-2018.

Retirement: Retirement is assumed to occur at the most valuable retirement age.

Other decrements: None assumed.

Non-investment expenses: Liabilities have been loaded by 2.75% to account for non-investment expenses.

Future contributions: Contributions from the employer and employees are assumed to be made as legally required.

Changes: No assumptions have been changed since the prior measurement date.

RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTER'S OF
THE CITY OF OLDSMAR, FLORIDA

FIREFIGHTERS' PENSION TRUST FUND - CHANGE IN NET PENSION LIABILITY (ASSET) AND
RELATED RATIOS

September 30, 2024

	<u>9/30/2024</u>	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>9/30/2021</u>
Total Pension Liability	\$ 10,071,389	\$ 8,906,883	\$ 8,252,683	\$ 7,490,758
Plan Fiduciary Net Position	(10,561,986)	(8,381,694)	(7,457,406)	(8,493,797)
Net Pension Liability (Asset)	<u>\$ (490,597)</u>	<u>\$ 525,189</u>	<u>\$ 795,277</u>	<u>\$ (1,003,039)</u>
Plan Net Position as a Percentage of Total Net Pension Liability (Asset)	105%	94%	90%	113%
Service Cost	\$ 272,312	\$ 230,751	\$ 242,382	\$ 227,521
Expected interest growth	29,952	52,097	(63,464)	6,702
Effect of economic/demographic gain or loss	349,277	(73,273)	69,861	111,218
Changes in assumptions	-	-	-	(210,570)
Amortization payments	-	-	-	-
Investment gain/loss	(1,104,109)	(101,046)	1,734,603	(912,261)
Employer contributions	(570,925)	(385,647)	(198,920)	(226,233)
Member contributions	(40,186)	(38,568)	(34,335)	(35,995)
Net investment income	-	-	-	-
Benefit payments and refunds	-	-	-	-
Administrative expense	47,893	45,598	48,189	43,640
Net change in net pension liability (asset)	(1,015,786)	(270,088)	1,798,316	(995,978)
Net pension liability (asset) - beginning	525,189	795,277	(1,003,039)	(7,061)
Net pension liability (asset) - ending	<u>\$ (490,597)</u>	<u>\$ 525,189</u>	<u>\$ 795,277</u>	<u>\$ (1,003,039)</u>
Covered employee payroll	\$ 729,716	\$ 648,155	\$ 686,907	\$ 648,942
Net pension liability (asset) as a percentage of covered employee payroll	-67%	81%	116%	-155%

RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTER'S OF
THE CITY OF OLDSMAR, FLORIDA

SCHEDULE OF INVESTMENT RETURNS

September 30, 2024

	<u>9/30/2024</u>	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>9/30/2021</u>
Annual money-weighted rate of return	19.870%	10.360%	-13.320%	19.303%

9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
\$ 6,929,325	\$ 6,332,032	\$ 5,608,460	\$ 5,257,263	\$ 4,429,432	\$ 3,058,624
(6,936,386)	(6,240,897)	(5,731,241)	(5,294,935)	(4,485,246)	(4,060,837)
<u>\$ (7,061)</u>	<u>\$ 91,135</u>	<u>\$ (122,781)</u>	<u>\$ (37,672)</u>	<u>\$ (55,814)</u>	<u>\$ (1,002,213)</u>

100%	99%	102%	101%	101%	133%
\$ 223,740	\$ 241,827	\$ 226,988	\$ 231,334	\$ 199,534	\$ 139,774
4,780	(376)	4,945	5,777	(64,218)	(40,079)
(22,553)	129,277	(201,974)	35,655	(246,786)	(311,266)
-	-	-	288,393	1,242,240	(585,238)
-	-	-	-	-	3,070
65,752	82,238	42,881	(367,915)	(93,742)	365,974
(379,171)	(246,065)	(167,472)	(184,020)	(99,574)	(112,900)
(34,805)	(33,216)	(31,403)	(29,767)	(29,640)	(29,561)
-	-	-	-	-	59,491
-	-	-	-	-	2,600
<u>44,061</u>	<u>40,231</u>	<u>40,926</u>	<u>38,685</u>	<u>38,585</u>	<u>36,563</u>
(98,196)	213,916	(85,109)	18,142	946,399	(471,572)
91,135	(122,781)	(37,672)	(55,814)	(1,002,213)	(530,641)
<u>\$ (7,061)</u>	<u>\$ 91,135</u>	<u>\$ (122,781)</u>	<u>\$ (37,672)</u>	<u>\$ (55,814)</u>	<u>\$ (1,002,213)</u>
\$ 623,128	\$ 656,329	\$ 622,131	\$ 619,479	\$ 577,978	\$ 663,716
-1%	14%	-20%	-6%	-10%	-151%

9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
6.630%	5.334%	7.495%	13.273%	8.225%	0.005%

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

To The Board of Trustees and Management
Retirement Plan for the Firefighter's of the City of Oldsmar, Florida
(a pension trust fund of the City of Oldsmar, Florida
Oldsmar, Florida

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 financial statements of the financial statements of the Retirement Plan for the Firefighter's of the City of Oldsmar, Florida (the Plan) as of and for the years ended September 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements, and have issued our report thereon dated March 17, 2025.

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) to determine the auditing 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 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Plan's financial statements are free of 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



Wells, Houser & Schatzel, P.A.
St. Petersburg, FL
March 17, 2025