

**CITY OF NEW PORT RICHEY  
POLICE OFFICERS' RETIREMENT SYSTEM  
FINANCIAL STATEMENTS  
SEPTEMBER 30, 2024 AND 2023**

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of  
City of New Port Richey Police Officers' Retirement System  
New Port Richey, Florida

### Opinion

We have audited the financial statements of the City of New Port Richey Police Officers' Retirement System (the "Plan"), which comprise the statements of fiduciary net position as of September 30, 2024 and 2023, and the related statements of changes in fiduciary net position for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, information regarding the fiduciary net position of the Plan as of September 30, 2024 and 2023, and the changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.

Board of Trustees of  
City of New Port Richey Police Officers' Retirement System  
New Port Richey, Florida

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

### **Auditor's Responsibility**

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

In performing an audit in accordance with GAAS, we:

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

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

### **Emphasis of Matter**

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

Board of Trustees of  
City of New Port Richey Police Officers' Retirement System  
New Port Richey, Florida

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 through 10 and the required supplementary information on pages 28 through 32 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to management's discussion and analysis and 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 audits 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.

### *Other Information*

The additional information on page 33 is presented for the purpose of additional analysis and is also not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the above information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Tampa, Florida  
February 25, 2025

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2024 AND 2023**

The City of New Port Richey Police Officers' Retirement System's (the "Plan") financial statements are comprised of the Statements of Fiduciary Net Position, Statements of Changes in Fiduciary Net Position, and Notes to the Financial Statements. Also contained in the Financial Section is other required supplementary information in addition to the basic financial statements.

The *Statements of Fiduciary Net Position* provide information on the Plan's assets and liabilities, where Assets - Liabilities = Net Position Restricted for Pensions at September 30, 2024 and 2023. The statements are a snapshot of the financial position of the Plan at those specific points in time.

The *Statements of Changes in Fiduciary Net Position* report how the Plan's net position changed during the current year, where Additions - Deductions = Change in Fiduciary Net Position Restricted for Pensions. The statements report the Plan's activity that occurred during the past two years and support the changes in net position that occurred from the beginning of the reporting year to the end of the year.

The *Notes to the Financial Statements* provide additional data, which is not included in the statements themselves, but is vital in understanding the financial statements. The Notes to the Financial Statements are immediately following the basic financial statements.

The *Required Supplementary Information* following the *Notes to the Financial Statements* provide additional historical and detailed information considered useful in evaluating the condition of the Plan.

This discussion and analysis of the Plan's financial performance provides an overview of the financial activities and funding conditions for the fiscal years ended September 30, 2024 and 2023. Please review it in conjunction with the basic financial statements which begin on page 11.

## **FINANCIAL HIGHLIGHTS**

The Plan's net position increased by \$6.4 million, or 19%, as a result of the fiscal year's activities.

The required contributions from the City, the Florida state excise tax rebate (excluding the excess frozen amount) and employee sources, in total, increased by \$18,843 or 2%.

There were no Plan member buy-backs during the years ended September 30, 2024 and 2023.

Net investment income increased \$4.6 million or 167% more than the previous year.

Benefit payments decreased by \$21,918 from the prior year.

There were four participant refunds issued during the year ended September 30, 2024, totaling \$53,206.

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2024 AND 2023**

**PLAN HIGHLIGHTS**

The increase in the equity markets in the fiscal year ended September 30, 2024, resulted in higher investment earnings for the Plan. For the fiscal year ended September 30, 2024, the annual money-weighted rate of return was 22%, which was higher than the 7.25% target rate of return.

Since actual state excise tax monies received during the fiscal year ended September 30, 2024, (\$260,651) was above the threshold (\$248,077) to provide an increase in supplemental benefit but below the threshold (\$285,159) to provide the full supplemental benefit, the supplemental benefit to be paid in calendar year 2025 will be at a prorated increase amount of \$433.91 for members hired prior to October 20, 1994 and \$301.73 for members hired on or after October 20, 1994. .

**FIDUCIARY NET POSITION**

The table below shows a comparative summary of net position as of each respective September 30<sup>th</sup> that demonstrates that the Plan is primarily focused on cash and investments and the restricted net position.

**TABLE 1  
FIDUCIARY NET POSITION**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Cash and investments	\$ 39,743,119	\$ 33,372,112	\$ 31,273,989
Receivables	59,472	59,359	285,057
Prepaid expenses	<u>2,896</u>	<u>2,896</u>	<u>150,806</u>
Total Plan assets	39,805,487	33,434,367	31,709,852
Liabilities	<u>35,088</u>	<u>29,000</u>	<u>31,713</u>
Plan net position	<u><u>\$ 39,770,399</u></u>	<u><u>\$ 33,405,367</u></u>	<u><u>\$ 31,678,139</u></u>

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2024 AND 2023**

**CHANGES IN FIDUCIARY NET POSITION**

The following comparative summary of the changes in net position as of each respective year ended September 30th, reflects the activities of the Plan.

**TABLE 2  
CHANGES IN FIDUCIARY NET POSITION**

	2024	2023	2022
Additions:			
Contributions	\$ 603,197	\$ 586,254	\$ 534,221
State excise tax rebate	260,651	259,111	225,052
Investment income (loss), net	7,379,204	2,765,320	(3,320,986)
Total plan additions (deductions), net	<u>8,243,052</u>	<u>3,610,685</u>	<u>(2,561,713)</u>
Deductions:			
Pension benefits	1,806,464	1,795,548	2,063,324
Administrative expenses	71,556	87,909	71,868
Total plan deductions	<u>1,878,020</u>	<u>1,883,457</u>	<u>2,135,192</u>
Net change in Plan net position	<u>\$ 6,365,032</u>	<u>\$ 1,727,228</u>	<u>\$ (4,696,905)</u>

Economic activity in the US has continued to expand at a solid pace. However, economies around the globe continue to struggle with taming inflation. Markets are continuing to experience pressures brought on by higher costs of debt and inflation, in expectation of interest rates remaining somewhat elevated for longer than originally anticipated. On September 18, 2024, the US Federal Reserve (the "Fed") cut the fed funds rate by 0.5% for the first time in four years, to a range of 4.75%- 5%. Capital markets celebrated the move after struggling to predict the pace and timing of future Fed actions earlier in the year. In its press release for the September meeting, the Fed continued to assert its stance on fighting inflation, while also inserting that the committee is strongly committed to "supporting maximum employment." Fed Chairman Jerome Powell signaled to the markets that the expectation is for the committee to shift to a more expansionary policy moving forward. The Fed then cut rates by 0.25% in November and 0.25% in December, bringing the target range to 4.25%-4.5%. The Fed indicated a slower pace of rate cuts in 2025 than previously anticipated. The policymakers' 2025 projections revealed upward revisions in growth and inflation forecasts, and a downward revision in the unemployment rate, indicating recent stronger-than-expected economic growth. The forecast for core inflation was 2.5%.

The Plan's investment income (loss), measured as of the end of any quarter or fiscal year, is a function of the underlying marketplace for the period measured and the investment policy's asset allocation. There were positive returns on investment of the Plan's diversified portfolio this fiscal year.

The benefit payments are a function of changing payments to retirees, their beneficiaries (if the retiree is deceased) and new retirements during the year.



**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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**PLAN MEMBERSHIP**

The following table reflects the Plan's membership as of the beginning of the fiscal year.

**TABLE 3  
CHANGES IN PLAN MEMBERSHIP**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2023-2024</u> Change	<u>2022-2023</u> Change
Vested	17	7	24	10	(17)
Non-vested	24	29	17	-5	12
DROP retirees	1	1	1	0	-
Retirees and beneficiaries	46	47	45	-1	2
Terminated entitled to benefits	6	6	5	0	1

**FUNDING STATUS**

Of primary concern to most Plan participants is the amount of money available to pay benefits. Historically, pension plans have been under-funded when the employer failed to make annual actuarially required contributions to the plan. The City has traditionally contributed the annual required contribution ("ARC") as determined by the Plan's actuary. A net pension asset has typically existed for the Plan. This is due in large part to implementation of conservative business practices and to the funding requirements established in Florida law.

In 1968, Florida became the first state to constitutionally require local governments to fund pension obligations in a reasonable and systematic manner. Additionally, F.S. Chapter 112 requires local pension plans to be funded based upon actuarial valuations prepared in conformance with industry standards and by enrolled actuaries. To ensure this, the state has an actuary on staff. Each actuarial report must be submitted to and accepted by the state. State acceptance must be obtained before the actuarial report and its proposed contribution rate is authorized for use.

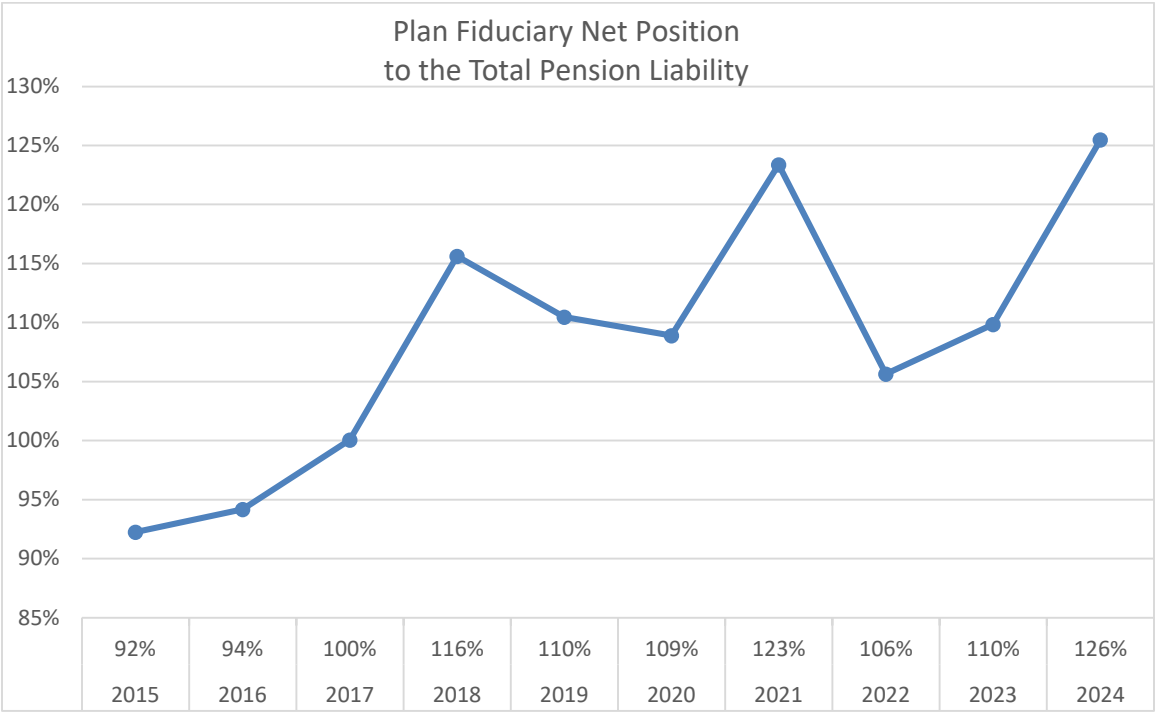
An indicator of funding status is the ratio of the Plan fiduciary net position to the total pension liability. An increase in this percentage over time usually indicates a plan is becoming financially stronger. However, a decrease will not necessarily indicate a plan is in financial decline. Changes in actuarial assumptions can significantly impact the total pension liability. Performance of investments can have a material impact on the value of the Plan fiduciary net position.

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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**TABLE 4**

**SCHEDULE OF FUNDING PROGRESS**

The ratios of the Plan fiduciary net position to the total pension liability as of each respective year ended September 30th are shown below:



**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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**ASSET ALLOCATION**

The following table indicates the target asset allocation policy for September 30, 2024, 2023 and 2022:

**TABLE 5  
ASSET ALLOCATION POLICY**

	2024		2023		2022	
<b>EQUITY</b>						
Domestic:	-	60%	-	60%	-	60%
Growth	30%	-	30%	-	30%	-
Value	30%	-	30%	-	30%	-
<b>BONDS</b>	-	30%	-	30%	-	30%
Aggregate	30%	-	30%	-	30%	-
<b>ALTERNATIVE</b>	-	-	-	-	-	-
REIT	10%	10%	10%	10%	10%	10%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

As of September 30, 2024 and 2023, the Plan's investment allocations were within the targeted ranges.

**INVESTMENT ACTIVITIES**

Investment income is vital to the Plan's current and continued financial stability. Therefore, the Board of Trustees (the "Board") have a fiduciary responsibility to act prudently and discretely when making Plan investment decisions. To assist the Board in this area, a comprehensive formal Investment Policy Statement (the "Policy") is followed. As managers and asset classes have been added, specific detailed investment guidelines have been developed, adopted, and included as an addendum to each manager's Investment Advisory Agreement. The Policy was amended for Board approval in 2023 to incorporate changes or clearly address statutory requirements adopted by the Florida State Legislature. The Policy generally follows the Employee Retirement Income Security Act ("ERISA") private sector diversification guidelines and is periodically reviewed, modified (if necessary) and ratified. Significant limitations are placed on the Board's investment authority by F.S. Chapter 185.

Portfolio performance is reviewed quarterly by the Board and its consultant. Performance is evaluated individually by money manager style, collectively by investment type and for the aggregate portfolio. Investment types include domestic equity, fixed income and alternative investments.

The Plan's investment performance for fiscal year 2024 yielded a positive return of 22%, which was over the long-term 7.25% actuarial assumption target for the year. These returns are viewed, at this time, to be cyclical. However, as with all the actuarial assumptions, it is monitored annually.

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM  
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**ECONOMIC FACTORS**

The primary function of the Plan is to (a) appropriately award and pay benefits and (b) manage investments. The opportunity available considering various investment choices is invaluable in the asset allocation and money manager oversight.

**CONTACTING THE PLAN'S FINANCIAL MANAGEMENT**

The financial report is designed to provide citizens, taxpayers, Plan participants and the marketplace's credit analysis with an overview of the Plan's finances and the prudent exercise of the Board's oversight. If you have any questions regarding this report or need additional information, please contact the Board's Plan Administrator, 6739 Adams Street, New Port Richey, Florida 34652.

## **BASIC FINANCIAL STATEMENTS**

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**STATEMENTS OF FIDUCIARY NET POSITION**  
**SEPTEMBER 30, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>Assets:</b>		
Cash	\$ 85,933	\$ 149,772
Receivables:		
Interest	53,601	55,608
Dividends	5,871	3,751
Total receivables	<u>59,472</u>	<u>59,359</u>
Prepays	<u>2,896</u>	<u>2,896</u>
Investments:		
U.S. Government obligations	3,980,102	3,334,838
U.S. Government agency obligations	5,605,385	4,608,934
Corporate bonds	943,250	932,878
Domestic stocks	25,237,132	20,013,289
Real estate investment funds	3,499,929	3,924,401
Temporary investment funds	391,388	408,000
Total investments	<u>39,657,186</u>	<u>33,222,340</u>
<b>Total Assets</b>	39,805,487	33,434,367
<b>Liabilities:</b>		
Accounts payable	<u>35,088</u>	<u>29,000</u>
<b>Net Position Restricted for Pensions</b>	<u><u>\$ 39,770,399</u></u>	<u><u>\$ 33,405,367</u></u>

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

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION**  
**YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

	2024	2023
<b>Additions:</b>		
Contributions:		
Employer	\$ 385,837	\$ 385,694
Plan members	217,360	200,560
Total contributions	<u>603,197</u>	<u>586,254</u>
Intergovernmental revenue:		
State excise tax rebate	<u>260,651</u>	<u>259,111</u>
Investment income:		
Net appreciation in fair value of investments	6,815,254	2,085,016
Interest	293,219	286,340
Dividends	411,096	506,339
Class action settlements	1,362	504
Total investment income	<u>7,520,931</u>	<u>2,878,199</u>
Less investment expenses	<u>141,727</u>	<u>112,879</u>
Net investment income	<u>7,379,204</u>	<u>2,765,320</u>
Total additions	<u>8,243,052</u>	<u>3,610,685</u>
<b>Deductions:</b>		
Benefits:		
Age and service	1,677,842	1,700,564
Disability	75,416	74,612
Refunds	53,206	20,372
Administrative expenses	71,556	87,909
Total deductions	<u>1,878,020</u>	<u>1,883,457</u>
<b>Net Increase in Net Position</b>	6,365,032	1,727,228
<b>Net Position Restricted for Pensions:</b>		
Beginning of year	<u>33,405,367</u>	<u>31,678,139</u>
End of year	<u><u>\$ 39,770,399</u></u>	<u><u>\$ 33,405,367</u></u>

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

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

**NOTE 1 - DESCRIPTION OF PLAN**

The following brief description of the City of New Port Richey Police Officers' Retirement System (the "Plan") is provided for general information purposes only. Participants should refer to the Plan Ordinance for more complete information.

The Plan is a defined benefit pension plan covering all full-time sworn police officers of the city of New Port Richey (the "City").

At October 1, 2023, the date of the most recent actuarial valuation, the Plan's membership consisted of:

Retirees and beneficiaries:

Currently receiving benefits	46
DROP retirees	1
Terminated employees entitled to but not yet receiving benefits	<u>6</u>

Total	<u><u>53</u></u>
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Current employees:

Vested	17
Nonvested	<u>24</u>

Total	<u><u>41</u></u>
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General - Participation in the Plan is required as a condition of employment. Originally established in 1969 and subsequently amended, the Plan provides for retirement, death and disability benefits. The Plan is subject to the provisions of Chapter 185 of the state of Florida Statutes.

The Plan, in accordance with the above statute, is governed by a five-member Board of Trustees (the "Board"). Two police officers, two City residents, and a fifth member elected by the other four members constitute the Board. The City and the Plan participants are obligated to fund all Plan costs based upon actuarial valuations. The City is authorized to establish benefit levels and the Board approves the actuarial assumptions used in the determination of contribution levels.

Pension Benefits - The benefit structure in effect on November 7, 2017, was frozen. All members were vested in benefits accrued to that date and payable under the terms and conditions of the benefit structure then in effect. No additional benefits of any kind will accrue for those members; provided, however, that for any member who was eligible to retire with normal benefits prior to midnight on November 7, 2017, the benefit structure was not frozen.



**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 1 - DESCRIPTION OF PLAN (Continued)**

Pension Benefits (Continued) - Members are eligible for normal retirement upon the attainment of age 52 and the completion of 10 years of credited service, or completion of 23 years of credited service; provided, however, if the member had at least 10 years of credited service earned prior to midnight on November 7, 2017, the member is eligible for normal retirement upon the attainment of age 50 and the completion of 10 years of credited service. Benefits are equal to 3.5% of the member's average final compensation ("AFC") times years of credited service through November 7, 2017; and 3.25% of AFC times years of credited service after November 8, 2017, with a maximum of 75% of AFC and a minimum of 2% of AFC times years of credited service. Members with 10 or more years of service as of November 7, 2017, are eligible for early retirement upon the attainment of age 50 and completion of 10 years of credited service or the completion of 20 years of credited service. Members with less than 10 years of credited service as of November 7, 2017, are eligible for early retirement upon the attainment of age 50 and completion of 10 years of credited service.

Death Benefits - Members who are eligible for early, normal or deferred retirement are entitled to death benefits payable for 10 years. Service incurred death benefits are 60% of regular base salary ("RBS"). After 5 years of credited service, non-service incurred death benefits are 30% of RBS. If a member was vested, but not eligible for early or normal retirement, the beneficiary is entitled to benefits payable for 10 years, beginning on the date that the member would have been eligible for early or normal retirement. The benefit is calculated as for normal retirement based on credited service and AFC as of the date of death, and reduced for early retirement, if applicable. The beneficiary may also elect to receive an immediate benefit, payable for 10 years, which is actuarially reduced to reflect the commencement of benefits prior to the early retirement date.

Disability Benefits - Benefits for service incurred disabilities are 60% of RBS. For members hired prior to October 20, 1994, benefits for non-service incurred disabilities are 30% of RBS. For members hired on or after October 20, 1994, benefits are 5% of RBS times years of credited service, not to exceed 30% of RBS. Disability benefits are subject to certain limitations.

Supplemental Benefit - All retirees and their beneficiaries receive a \$500 a month supplemental benefit. This supplemental benefit is subject to a reduction based on the availability of state funding, but cannot be reduced below a monthly supplemental benefit of \$400 for members hired prior to October 20, 1994, and \$200 for members hired on and after October 20, 1994.

Refund of Contributions - If a nonvested member retires, dies, becomes disabled, or terminates employment with the City, the member's accumulated contributions may be refunded to the member or the designated beneficiary, without interest.

Deferred Retirement Option Plan ("DROP") - Any Plan participant who is eligible for normal or early retirement benefits may elect to participate in a DROP while continuing his or her active employment as a police officer. Upon participation in the DROP, the member becomes a retiree for all Plan purposes so that he or she ceases to accrue any further benefits under the Plan. Normal retirement benefits otherwise payable to the member as a result of retirement are accumulated and invested in the DROP to be distributed to the member upon his or her termination of employment. Participation in the DROP ceases after 5 years.

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Accounting:*

The financial statements of the Plan are prepared on the accrual basis of accounting.

*Basis of Presentation:*

The accompanying financial statements are presented in accordance with Governmental Accounting Standards Board ("GASB") Statement 67, *Financial Reporting for Defined Benefit Pension Plans*, and the Codification of Governmental Accounting and Financial Reporting Standards which covers the reporting requirements for defined benefit pensions established by a governmental employer.

*Cash and Temporary Investment Funds:*

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

*Valuation of Investments:*

The Plan's investments are stated at fair value. See Note 12 for discussion of fair value measurements.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes Plan's gains and losses on investments bought and sold as well as held during the year. The net realized and unrealized investment appreciation (depreciation) for the year is reflected in the statements of changes in fiduciary net position.

*Custody of Assets:*

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

*Authorized Plan Investments:*

The Board recognizes that the obligations of the Plan are long-term and that its investment policy should be made with a view toward performance and return over a number of years. The general investment objective is to obtain a reasonable total rate of return defined as interest and dividend income plus realized and unrealized capital gains or losses commensurate with the prudent investor rule and Chapter 185 of the Florida Statutes.

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Authorized Plan Investments (Continued):*

Permissible investments include obligations of the U.S. Treasury and U.S. agencies, high capitalization common or preferred stocks, foreign stocks, convertible securities, pooled equity funds, high quality bonds or notes, fixed income funds, and real estate funds.

In addition, the Plan's investment limitations include the following:

- a. No more than 5% of the Plan's assets may be invested in the common stock, capital stock, or convertible stock of any single corporation.
- b. The Plan's investment in any single corporation shall not exceed 5% of such corporation's outstanding capital stock.
- c. No more than 70% of the Plan's assets are to be invested in common stock and convertible bonds.
- d. The value of bonds issued by any single corporation shall not exceed 3% of the Plan's assets.
- e. Foreign securities (regardless of asset class) shall not exceed 25% of the Plan's assets.

*Actuarial Cost Method:*

The Plan has elected the Entry Age Normal Cost Method for funding purposes. Under this method, the normal cost for each participant is a level percentage of pay that would be required annually from the entry age to the assumed retirement age. The actuarial accrued liability for each participant is the excess of the actuarial present value of estimated future benefits over the actuarial present value of current and future normal costs. The unfunded actuarial accrued liability is the excess of the actuarial accrued liability over the actuarial value of Plan assets.

*Reporting Entity:*

The financial statements presented are only for the Plan and are not intended to present the basic financial statements of the City. The Plan is included in the City's Annual Comprehensive Financial Report ("ACFR") for the years ended September 30, 2024 and 2023, which are separately issued documents. Anyone wishing further information about the City is referred to the City's ACFR. The Plan is a pension trust fund (fiduciary fund type) of the City which accounts for the single employer defined benefit pension plan for all City police officers.

*Funding Policy:*

Members are required to contribute 6.5% of their compensation to the Plan. This amount is reduced (but not lower than 1%) if the City's required contribution is less than 6.5% of covered payroll. The City's funding policy is to make monthly contributions to the Plan in fixed amounts, actuarially computed, such that, when combined with police officers' contributions and the state insurance fund excise tax rebate, all members' benefits will be fully provided by the time they retire.

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Payment of Benefits:*

Benefit payments to participants are recorded upon distribution.

*Administrative Expenses:*

Plan expenses, including fees and expenses connected with providing administrative services by external service providers, are paid from Plan assets.

*Federal Income Taxes:*

A favorable determination letter indicating that the Plan is qualified and exempt from federal income taxes was not requested from the Internal Revenue Service. The Board believes that the Plan is designed and continues to operate in compliance with the applicable requirements of the Internal Revenue Code and therefore has recorded no income tax liability or expense.

*Use of Estimates:*

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

*Subsequent Events:*

Management has considered subsequent events through February 25, 2025, which is the date the financial statements were available to be issued.

**NOTE 3 - 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 Commission of New Port Richey, 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 officer in the Plan at such termination date would be non-forfeitable.

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

**NOTE 4 - NET REALIZED AND UNREALIZED APPRECIATION IN FAIR VALUE OF INVESTMENTS**

The Plan's investments appreciated in value during the years ended September 30, 2024 and 2023 as follows:

	<u>2024</u>	<u>2023</u>
Realized appreciation	\$ 1,796,594	\$ 1,596,989
Unrealized appreciation	<u>5,018,660</u>	<u>488,027</u>
	<u>\$ 6,815,254</u>	<u>\$ 2,085,016</u>

**NOTE 5 - DEPOSITS AND INVESTMENTS**

*Deposits:*

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

*Asset Allocation:*

The Plan's adopted asset allocation as of September 30, 2024 is as follows:

<u>Asset Class</u>	<u>Target</u>	<u>Range</u>	<u>Benchmark Index</u>
Domestic Equity:	60%	55% - 65%	
Large Cap Growth	30%	25% - 35%	Russell 1000 Growth
Large Cap Value	30%	25% - 35%	Russell 1000 Value
Broad Market Fixed Income	30%	25% - 35%	Bloomberg Intermediate US Govt/Credit
Real Estate*	<u>10%</u>	5% - 15%	NCREIF Property
	<u>100%</u>		

\*Benchmark will default to "broad market fixed income" if these portfolios are not funded. Targets and ranges above are based on market value of total Plan assets.

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

**NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)**

*Asset Allocation (Continued):*

The Plan's independently managed investments are segregated into separate accounts and managed under separate investment agreements. These accounts give FTIOS custodianship, but give the individual investment managers the authority to manage the investments.

The investment managers are monitored by the Board and an investment advisor.

*Foreign Tax Withholdings and Reclaims:*

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

*Rate of Return:*

The annual money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the years ended September 30, 2024 and 2023, the annual money-weighted rate of return was 22.22% and 8.62%, respectively.

**NOTE 6 - INVESTMENTS**

The Plan's investments at both fair value and cost or adjusted cost as of September 30, 2024 and 2023 are summarized as follows:

Investment Type	2024		2023	
	Cost	Fair Value	Cost	Fair Value
U.S. Government obligations	\$ 3,914,342	\$ 3,980,102	\$ 3,437,007	\$ 3,334,838
U.S. Government agency obligations	5,440,375	5,605,385	4,875,743	4,608,934
Corporate bonds	971,789	943,250	1,099,143	932,878
Domestic stocks	14,973,944	25,237,132	14,423,698	20,013,289
Real estate investment funds	2,388,460	3,499,929	2,417,013	3,924,401
Temporary investment funds	391,388	391,388	408,000	408,000
Total investments	<u>\$ 28,080,298</u>	<u>\$ 39,657,186</u>	<u>\$ 26,660,604</u>	<u>\$ 33,222,340</u>

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

**NOTE 6 - INVESTMENTS (Continued)**

The Plan held the following fixed income investments as of September 30, 2024 and 2023:

Investment Type	Fair Value		Rating Standard & Poor's	Effective Duration (Years)
	2024	2023		
U.S. Government obligations	\$ 3,980,102	\$ 3,334,838	AA+	4.39
U.S. Government agency obligations	5,605,385	4,608,934	AA+	9.32
Corporate bonds	943,250	932,878	A	5.17
Temporary investment funds	<u>391,388</u>	<u>408,000</u>	N/A	N/A
Total	<u>\$ 10,920,125</u>	<u>\$ 9,284,650</u>		

**NOTE 7 - RESTRICTIONS**

A portion of the Plan's net position restricted for pensions is designated for benefits that accrue in relation to the DROP accounts. Allocations to the DROP accounts as of September 30, 2024 and 2023 are as follows:

	2024	2023
Restricted for DROP accounts (fully funded)	\$ 184,421	\$ 97,900
Restricted for defined benefits	<u>39,585,978</u>	<u>33,307,467</u>
Total net position restricted for pensions	<u>\$ 39,770,399</u>	<u>\$ 33,405,367</u>

**NOTE 8 - PLAN AMENDMENTS**

The Plan was amended during the fiscal year ended September 30, 2024 as follows:

- To amend the definition of salary to clarify the determination period for maximum annual compensation.
- To clarify Board discretion on seeking recovery of inadvertent overpayments in compliance with the SECURE Act 2.0.
- To change the required beginning date for distributions in compliance with the SECURE Act 2.0.
- To provide for the statutory minimum for benefits under the worker's compensation offset.
- To provide for allowable in-service distributions from the Plan.

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

**NOTE 8 - PLAN AMENDMENTS (Continued)**

The amendments during the fiscal year ended September 30, 2024 had no actuarial impact on the City's funding requirements.

There were no amendments for the fiscal year ended September 30, 2023.

**NOTE 9 - ACTUARIAL ASSUMPTION CHANGES**

There were no changes in actuarial assumptions for the fiscal years ended September 30, 2024 and 2023.

**NOTE 10 - ACTUARIAL METHOD CHANGES**

There were no changes in actuarial methods for the fiscal years ended September 30, 2024 and 2023.

**NOTE 11 - RISKS AND UNCERTAINTIES**

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

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

**NOTE 12 - INVESTMENT MEASUREMENT AT FAIR VALUE**

*Fair Value Hierarchy:*

GASB Statement 72, *Fair Value Measurement and Application*, addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement provides guidance for determining a fair value measurement for financial reporting purposes. This statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.



**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

**NOTE 12 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)**

*Fair Value Hierarchy (Continued):*

The three levels of inputs used to measure fair value are as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities in active markets, quoted prices in inactive markets, and other inputs that are observable or corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a plan's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The Plan has the following recurring fair value measurements as of September 30, 2024 and 2023:

- *Domestic stocks, temporary investment funds* - Valued at the quoted net asset value ("NAV") of shares held by the Plan at year end.
- *U.S. Government obligations, U.S. Government agency obligations, corporate bonds* - Valued with Matrix pricing used by International Data Pricing and Reference Data, LLC.
- *Real estate investment fund* - Valued at the NAV per unit of the Plan's ownership interest in partners' capital. The NAV is used as a practical expedient to estimate fair value. The real estate investment fund is excluded from the fair value hierarchy.

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

**NOTE 12 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)**

*Fair Value Hierarchy (Continued):*

<u>Investment Type</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>2024</u>
U.S. Government obligations	\$ -	\$ 3,980,102	\$ -	\$ 3,980,102
U.S. Government agency obligations	-	5,605,385	-	5,605,385
Corporate bonds	-	943,250	-	943,250
Domestic stocks	25,237,132	-	-	25,237,132
Temporary investment funds	391,388	-	-	391,388
Total investments by fair value level	<u>\$ 25,628,520</u>	<u>\$ 10,528,737</u>	<u>\$ -</u>	<u>36,157,257</u>

*Investment measured at NAV:*

Real estate investment fund	<u>3,499,929</u>
Total, September 30, 2024	<u>\$ 39,657,186</u>

<u>Investment Measured at NAV</u>	<u>2024</u>	<u>Redemption Frequency (if Currently Eligible)</u>	<u>Redemption Notice Period</u>
Real estate investment fund:			
U.S. Real Estate Investment Fund, LLC.	<u>\$ 3,499,929</u>	Quarterly	90 days

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

**NOTE 12 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)**

*Fair Value Hierarchy (Continued):*

Investment Type	Level 1	Level 2	Level 3	2023
U.S. Government obligations	\$ -	\$ 3,334,838	\$ -	\$ 3,334,838
U.S. Government agency obligations	-	4,608,934	-	4,608,934
Corporate bonds	-	932,878	-	932,878
Domestic stocks	20,013,289	-	-	20,013,289
Temporary investment funds	408,000	-	-	408,000
Total investments by fair value level	<u>\$ 20,421,289</u>	<u>\$ 8,876,650</u>	<u>\$ -</u>	<u>29,297,939</u>
<i>Investment measured at NAV:</i>				
Real estate investment fund				<u>3,924,401</u>
Total, September 30, 2023				<u>\$ 33,222,340</u>

Investment Measured at NAV	2023	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Real estate investment fund:			
U.S. Real Estate Investment Fund, LLC.	<u>\$ 3,924,401</u>	Quarterly	90 days

**NOTE 13 - NET PENSION LIABILITY (ASSET) OF THE CITY**

The components of net position liability (asset) of the City as of September 30, 2024 and 2023, were as follows:

	2024	2023
Total pension liability	\$ 31,690,181	\$ 30,410,100
Plan fiduciary net position	<u>39,770,399</u>	<u>33,405,367</u>
City's net pension liability (asset)	<u>\$ (8,080,218)</u>	<u>\$ (2,995,267)</u>
Plan fiduciary net position as a percentage of total pension liability (asset)	<u>(125.50%)</u>	<u>(109.85%)</u>

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

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

*Actuarial Assumptions:*

The total pension liability (asset) was determined by an actuarial valuation as of October 1, 2023, updated to September 30, 2024, using the following actuarial assumptions applied to all measurement periods.

Inflation	2.5%
Salary increases	3.5%-7%
Investment rate of return	7.25%
Discount rate	7.25%

*Mortality Rate Healthy Active Lives:*

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

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

*Mortality Rate Retiree Lives:*

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

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

*Mortality Rate Disabled Lives:*

80% PubG.H-2010 for Disabled Retirees

20% PubS.H-2010 for Disabled Retirees

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

The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of assumptions used in either of the two most recent valuations of the Florida Retirement System ("FRS"). The above rates are outlined in July 1, 2023, FRS valuation report for special risk employees, with appropriate adjustments made based on Plan demographics.

The most recent actuarial experience study performed for the 5 years ending September 30, 2018, was used to review the other significant assumptions.

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024 AND 2023**

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

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2024 are as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	60%	7.5%
Domestic fixed income	30%	2.5%
Real estate	10%	4.5%

*Discount Rate:*

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate:*

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.25%, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate.

	1% Decrease 6.25%	Current Single Discount Rate 7.25%	1% Increase 8.25%
City's net pension liability (asset)	<u>\$ (4,422,864)</u>	<u>\$ (8,080,218)</u>	<u>\$ (11,120,214)</u>

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2024 AND 2023**

**NOTE 14 - COMMITMENTS AND CONTINGENCIES**

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

## **REQUIRED SUPPLEMENTARY SCHEDULES**

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**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY**  
**LAST TEN FISCAL YEARS**

	2024	2023	2022	2021
<b>Total pension liability:</b>				
Service cost	\$ 714,776	\$ 607,449	\$ 696,224	\$ 675,563
Interest	2,202,320	2,116,375	2,096,351	2,054,813
Benefit changes	-	-	-	-
Difference between expected and actual experience	169,449	(504,520)	(228,156)	(69,441)
Assumption changes	-	-	-	(11,954)
Benefit payments, including refunds of employee contributions	(1,806,464)	(1,795,548)	(2,063,324)	(1,862,505)
Net change in total pension liability	<u>1,280,081</u>	<u>423,756</u>	<u>501,095</u>	<u>786,476</u>
Total pension liability, beginning	<u>30,410,100</u>	<u>29,986,344</u>	<u>29,485,249</u>	<u>28,698,773</u>
Total pension liability, ending (a)	<u><u>\$ 31,690,181</u></u>	<u><u>\$ 30,410,100</u></u>	<u><u>\$ 29,986,344</u></u>	<u><u>\$ 29,485,249</u></u>
<b>Plan fiduciary net position:</b>				
Contributions - employer and state	\$ 646,488	644,805	\$ 576,514	\$ 595,276
Contributions - members	217,360	200,560	182,759	188,808
Net investment income (loss)	7,379,204	2,765,320	(3,320,986)	6,269,073
Benefit payments, including refunds of employee contributions	(1,806,464)	(1,795,548)	(2,063,324)	(1,862,505)
Administrative expenses	(71,556)	(87,909)	(71,868)	(65,728)
Net change in plan fiduciary net position	<u>6,365,032</u>	<u>1,727,228</u>	<u>(4,696,905)</u>	<u>5,124,924</u>
Plan fiduciary net position - beginning	<u>33,405,367</u>	<u>31,678,139</u>	<u>36,375,044</u>	<u>31,250,120</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 39,770,399</u></u>	<u><u>\$ 33,405,367</u></u>	<u><u>\$ 31,678,139</u></u>	<u><u>\$ 36,375,044</u></u>
Net pension liability (asset) (a) - (b)	<u><u>\$ (8,080,218)</u></u>	<u><u>\$ (2,995,267)</u></u>	<u><u>\$ (1,691,795)</u></u>	<u><u>\$ (6,889,795)</u></u>

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 605,593	\$ 710,034	\$ 676,144	\$ 770,072	\$ 760,315	\$ 685,630
2,000,243	1,997,614	1,916,514	1,970,862	1,939,254	1,895,631
134,434	615,658	(2,507,861)	-	-	-
(101,689)	(722,312)	654,544	(610,687)	(704,111)	(18,648)
874,824	-	-	686,077	-	-
<u>(1,845,797)</u>	<u>(1,481,477)</u>	<u>(1,466,384)</u>	<u>(1,727,246)</u>	<u>(1,456,540)</u>	<u>(1,337,591)</u>
1,667,608	1,119,517	(727,043)	1,089,078	538,918	1,225,022
<u>27,031,165</u>	<u>25,911,648</u>	<u>26,638,691</u>	<u>25,549,613</u>	<u>25,010,695</u>	<u>23,785,673</u>
<u>\$ 28,698,773</u>	<u>\$ 27,031,165</u>	<u>\$ 25,911,648</u>	<u>\$ 26,638,691</u>	<u>\$ 25,549,613</u>	<u>\$ 25,010,695</u>
\$ 654,162	\$ 594,598	\$ 1,046,237	\$ 1,262,959	\$ 1,182,194	\$ 1,118,829
173,300	167,338	111,835	111,261	105,320	97,124
2,484,432	700,585	3,696,996	3,011,138	1,211,993	1,036,070
(1,845,797)	(1,481,477)	(1,466,384)	(1,727,246)	(1,456,540)	(1,337,591)
<u>(78,280)</u>	<u>(73,964)</u>	<u>(90,802)</u>	<u>(65,265)</u>	<u>(53,575)</u>	<u>(58,144)</u>
1,387,817	(92,920)	3,297,882	2,592,847	989,392	856,288
<u>29,862,303</u>	<u>29,955,223</u>	<u>26,657,341</u>	<u>24,064,494</u>	<u>23,075,102</u>	<u>22,218,814</u>
<u>\$ 31,250,120</u>	<u>\$ 29,862,303</u>	<u>\$ 29,955,223</u>	<u>\$ 26,657,341</u>	<u>\$ 24,064,494</u>	<u>\$ 23,075,102</u>
<u>\$ (2,551,347)</u>	<u>\$ (2,831,138)</u>	<u>\$ (4,043,575)</u>	<u>\$ (18,650)</u>	<u>\$ 1,485,119</u>	<u>\$ 1,935,593</u>

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**SCHEDULE OF RATIOS**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll
2015	92.26%	\$	2,158,300	89.68%
2016	94.19%		2,335,381	63.59%
2017	100.07%		2,472,455	(0.75)%
2018	115.61%		2,484,983	(162.72)%
2019	110.47%		2,574,417	(109.97)%
2020	108.89%		2,666,145	(95.69)%
2021	123.37%		2,904,741	(237.19)%
2022	105.64%		2,811,690	(60.17)%
2023	109.85%		3,085,547	(97.07)%
2024	125.50%		3,343,996	(241.63)%

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**SCHEDULE OF CONTRIBUTIONS**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year Ended September 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution*</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a Percentage of Covered Payroll</u>
2015	\$ 1,118,829	\$ 1,118,829	\$ -	\$ 2,158,300	51.84%
2016	1,162,424	1,182,194	(19,770)	2,335,381	50.62%
2017	1,075,632	1,262,959	(187,327)	2,472,455	51.08%
2018	992,658	1,046,237	(53,579)	2,484,983	42.10%
2019	587,634	594,598	(6,964)	2,574,417	23.10%
2020	660,836	654,162	6,674	2,666,145	24.54%
2021	598,547	595,276	3,271	2,904,741	20.49%
2022	581,282	576,514	4,768	2,811,690	20.50%
2023	603,289	644,805	(41,516)	3,085,547	20.90%
2024	602,924	646,488	(43,564)	3,343,996	19.33%

\* Actual contribution as shown in the actuarial report.

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM  
NOTES TO THE SCHEDULE OF CONTRIBUTIONS  
SEPTEMBER 30, 2024**

Valuation Date:

October 1, 2022

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

Methods and assumptions used to determine contribution rates can be found in the October 1, 2022 actuarial valuation prepared by Gabriel, Roeder, Smith & Company.

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**SCHEDULE OF INVESTMENT RETURNS**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Annual Money-Weighted Rate of Return Net of Investment Expense
2015	4.06%
2016	6.31%
2017	12.46%
2018	13.53%
2019	1.99%
2020	8.31%
2021	20.49%
2022	-9.55%
2023	8.62%
2024	22.22%

## **ADDITIONAL INFORMATION**

**CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM**  
**SCHEDULEs OF INVESTMENT AND ADMINISTRATIVE EXPENSES**  
**YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

	2024		2023	
	<u>Investment*</u>	<u>Administrative</u>	<u>Investment*</u>	<u>Administrative</u>
Accounting fees	\$ -	\$ -	\$ -	\$ 8,000
Actuary fees	-	26,548	-	24,282
Administrator fees	-	11,000	-	11,000
Audit fees	-	15,100	-	12,500
Education and dues	-	750	-	2,820
Fiduciary insurance	-	4,116	-	3,958
Legal fees	-	10,020	-	21,908
Investment expenses	141,727	-	112,879	-
Seminar and travel expenses	-	3,495	-	3,041
Office expenses	-	527	-	400
	<u>-</u>	<u>527</u>	<u>-</u>	<u>400</u>
Total	<u>\$ 141,727</u>	<u>\$ 71,556</u>	<u>\$ 112,879</u>	<u>\$ 87,909</u>
Percentage of				
Plan net position	<u>0.36%</u>	<u>0.18%</u>	<u>0.34%</u>	<u>0.26%</u>

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