Saltmarsh
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CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

CITY OF NEW PORT RICHEY
POLICE OFFICERS' RETIREMENT SYSTEM

FINANCIAL STATEMENTS

SEPTEMBER 30, 2022 AND 2021

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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, 2022 and 2021, 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, 2022 and 2021, 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.

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 31 through 36 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 audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

The additional information on page 37 is presented for purposes 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 audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the above information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Saltmarsh Cleaveland & Gund

Tampa, Florida
March 20, 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 available at September 30, 2022 and 2021. 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*** reports how the Plan's net assets changed during the current year, where Additions - Deductions = Change in Fiduciary Net Position. The statements report the Plan's activity that occurred during the past two years and supports 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, 2022 and 2021. Please review it in conjunction with the basic financial statements which begin on page 11.

FINANCIAL HIGHLIGHTS

The Plan's net position decreased by $4.7 million, or 13% 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, decreased by $25 thousand or 3%.

Please note that there were no Plan member buy-backs during the years ended September 30, 2022 and 2021.

Net investment income was $9.6 million or 153% less than the previous year.

Benefit payments increased by $201 thousand over the prior year. There were five participant refunds issued during the year ended September 30, 2022.

PLAN HIGHLIGHTS

The decline in the equity markets in fiscal year 2021-2022 resulted in lower investment results for the Plan. The portfolio's actual allocation was under committed to domestic fixed income (as compared to the asset allocation), and the relative actuarial return of 11.00% was more than its benchmark target of 7.25%.

Since actual State monies received during fiscal year ended September 30, 2022 ($225,052) were less than $285,189, we understand the supplemental benefit to be paid in calendar year 2023 will continue to be paid at a reduced amount of $400 for Members hired prior to October 20, 1994 and $200 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 30th that demonstrates that the pension plan is primarily focused on the cash and investments and the restricted net position.

TABLE 1
FIDUCIARY NET POSITION

	2022	2021	2020
Cash and investments	$ 31,273,989	$ 36,251,218	$ 31,326,134
Receivables	285,057	24,336	48,544
Prepaid expenses	150,806	135,907	129,765
Total Plan Assets	31,709,852	36,411,461	31,504,443
Liabilities	31,713	36,417	254,323
Plan Net Position	$ 31,678,139	$ 36,375,044	$ 31,250,120

CHANGES IN FIDUCIARY NET POSITION

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

TABLE 2
CHANGES IN FIDUCIARY NET POSITION

	2022	2021	2020
Additions:			
Contributions	$ 534,221	$ 566,489	$ 597,641
State excise tax rebate	225,052	217,595	229,821
Investment income (loss), net	(3,320,986)	6,269,073	2,484,432
Total plan additions (deductions), net	(2,561,713)	7,053,157	3,311,894
Deductions:			
Pension benefits	2,063,324	1,862,505	1,845,797
Other	71,868	65,728	78,280
Total plan deductions	2,135,192	1,928,233	1,924,077
Net Change in Plan Net Position	$ (4,696,905)	$ 5,124,924	$ 1,387,817

US equities declined during the year as concerns regarding inflation, the path of interest rates, and a slowing global economy acted as headwinds. Small cap growth was the best performing domestic segment of the equity market relative to other US market capitalizations and styles during the period while large cap value performed the worst.

The Fed continued increasing interest rates which acted as a headwind for fixed income performance during the year. The combination of higher coupons and a shorter maturity profile relative to high quality government bonds was the primary driver of the relative outperformance of high yield bonds during the year.

The Plan's investment activity, measured as of the end of any quarter or year, is a function of the underlying marketplace for the period measured and the investment policy's asset allocation. There was some opportunity for positive returns on investment of a diversified portfolio for 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.

PLAN MEMBERSHIP

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

TABLE 3
CHANGES IN PLAN MEMBERSHIP

	2022	2021	2020	2021-2022 Change	2020-2021 Change
Vested	24	26	9	(2)	17
Non-vested	17	15	32	2	(17)
DROP retirees	1	2	4	(1)	(2)
Retirees and beneficiaries	45	43	44	2	(1)
Terminated entitled to benefits	5	7	6	(2)	1

FUNDING STATUS

Of primary concern to most pension 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.

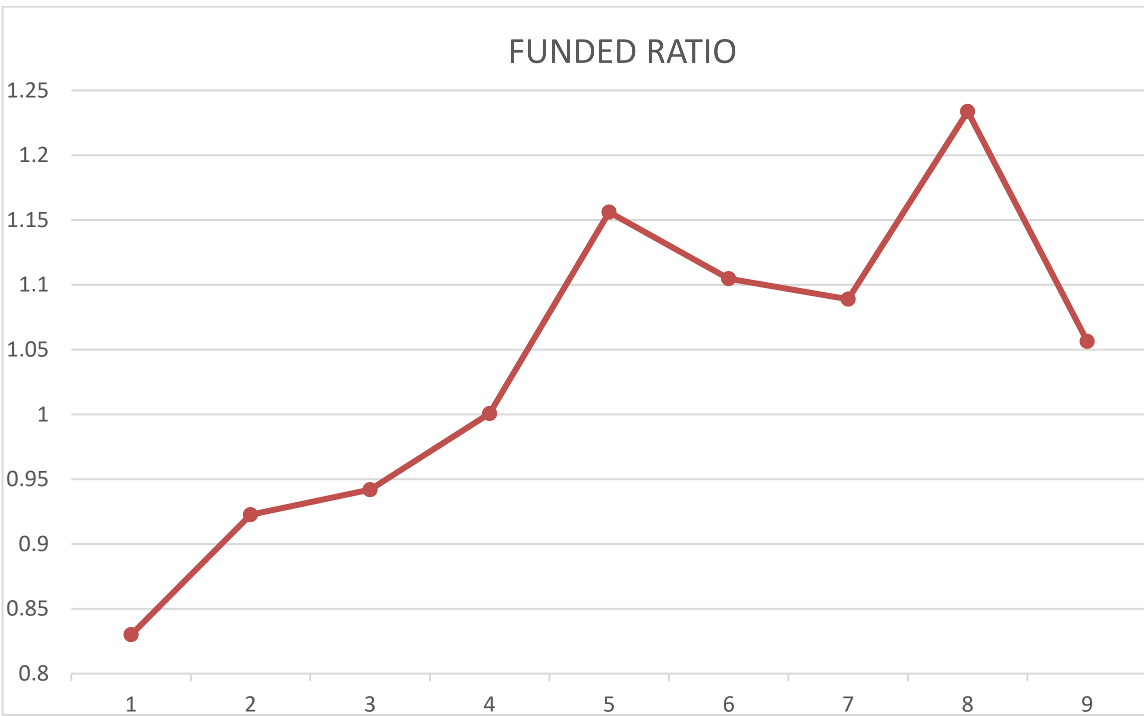
In 1968, Florida became the first state to constitutionally require local governments to fund pension obligations in a reasonable and systematic manner. Additionally, F.S. Chapter 112 requires local pension plans to be funded based upon actuarial valuations prepared in conformance with industry standards 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 Actuarial Accrued Liability. Performance in the stock and bond markets can have a material impact on the Actuarial Value of Assets.

TABLE 4

SCHEDULE OF FUNDING PROGRESS

The actuary uses a five-year forward fair value smoothing method to establish the Actuarial Value of Assets (used to determine the funded ratio). As of September 30, 2022 the Actuarial Value of Assets exceeded the actual Fair Value of net assets as a result of the smoothing methodology.



ASSET ALLOCATION

The following table indicates the policy target asset allocation for September 30, 2022, 2021 and 2020.

TABLE 5
ASSET ALLOCATION POLICY

	2022		2021		2020	
EQUITY						
Domestic:	-	60%	-	60%	-	60%
Growth	30%	-	30%	-	30%	-
Value	30%	-	30%	-	30%	-
BONDS	-	30%	-	30%	-	30%
Aggregate	30%	-	30%	-	30%	-
ALTERNATIVE	-	-	-	-	-	-
REIT	10%	10%	10%	10%	10%	10%
	100%	100%	100%	100%	100%	100%

INVESTMENT ACTIVITIES

Investment income is vital to the Plan's current and continued financial stability. Therefore, Trustees 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 is updated periodically. 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 Investment Policy Statement was amended for Board approval in 2019 to incorporate changes or clearly address statutory requirements adopted by the Florida State Legislature. The Policy generally follows Employee Retirement Income Security Act (ERISA) private sector diversification guidelines and is periodically reviewed, modified (if necessary) and ratified. Significant and atypical limitations (although recently reduced) 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.

The total fund investment performance for fiscal year 2022 yielded a market value negative return of -9.55%, which was under the long-term net 7.25% actuarial return assumption target for the year. These returns are viewed, at this time, to be cyclical and the 7.25% assumption is still deemed reasonable in the long-term. However, as with all the actuarial assumptions, it is monitored annually.

ECONOMIC FACTORS

The primary function of the pension trust 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, 2022 AND 2021

	2022	2021
Assets:		
Cash	$ 149,235	$ 84,310
Receivables:		
Interest	38,351	23,308
Dividends	1,410	1,028
Broker-Dealers	245,296	-
Total receivables	285,057	24,336
Prepaids	150,806	135,907
Investments:		
U.S. Government obligations	5,785,748	3,838,236
U.S. Government agency obligations	697,225	3,202,418
Corporate bonds	1,340,248	1,665,060
Domestic stocks	18,134,841	22,504,152
Real estate investment fund	5,045,192	4,123,542
Temporary investment funds	121,500	833,500
Total investments	31,124,754	36,166,908
Total Assets	31,709,852	36,411,461
Liabilities:		
Accounts payable	31,713	36,417
Total Liabilities	31,713	36,417
Net Position Restricted for Pensions	$ 31,678,139	$ 36,375,044

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, 2022 AND 2021

	2022	2021
Additions:		
Contributions:		
Employer	$ 351,462	$ 377,681
Plan members	182,759	188,808
Total contributions	534,221	566,489
Intergovernmental revenue:		
State excise tax rebate	225,052	217,595
Investment income (loss):		
Net (depreciation) appreciation in fair value of investments	(3,903,076)	5,804,783
Interest	177,684	160,921
Dividends	517,555	430,247
Total investment (loss) income	(3,207,837)	6,395,951
Less investment expenses	113,149	126,878
Net investment (loss) income	(3,320,986)	6,269,073
Total (deductions) additions, net	(2,561,713)	7,053,157
Deductions:		
Benefits:		
Age and service	1,663,851	1,488,587
Disability	74,582	74,612
DROP payments	248,094	264,796
Refunds of contributions	76,797	34,510
Administrative expenses	71,868	65,728
Total deductions	2,135,192	1,928,233
Net (Decrease) Increase in Net Position	(4,696,905)	5,124,924
Net Position Available for Benefits:		
Beginning of year	36,375,044	31,250,120
End of year	$ 31,678,139	$ 36,375,044

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

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 participating full-time sworn police officers of the City of New Port Richey (the "City").

At October 1, 2021, the Plan's membership consisted of:

Retirees and beneficiaries:	
Currently receiving benefits	45
DROP Retirees	1
Terminated employees entitled to benefits but not yet receiving them	5
Total	51
Current employees:	
Vested	9
Nonvested	32
Total	41

At October 1, 2021, the date of the most recent actuarial valuation, there were 45 retirees and beneficiaries receiving benefits.

General - The Plan is a defined benefit pension plan covering all sworn police officers of the City. Participation in the Plan is required as a condition of employment. Originally established in 1969 and subsequently amended, the Plan provides for pension, 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 pension board. Two police officers, two city residents and a fifth member elected by the other four members constitute the pension 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 of Trustees approves the actuarial assumptions used in the determination of contribution levels.

NOTE 1 - DESCRIPTION OF PLAN (Continued)

Pension Benefits - Under the Plan, participants with 10 or more years of continuous service are entitled to annual pension benefits beginning at normal retirement age (50) or before age 50 if they have completed 20 continuous years of service. Benefits are equal to 3.25% of the participants' average final compensation for each year of credited service provided, however, in no extent shall the monthly benefit exceed 75% of average final compensation. A participant's monthly retirement benefit ceases upon the later of death or 120 months from the date of commencement. A participant who terminates prior to 10 continuous years of service forfeits the right to receive all benefits he/she has accumulated. However, he/she retains the right to refund of all personal contributions made to the Plan. All retirees including disability retirees and vested terminated persons who retire on or after October 1, 2004 and their beneficiaries shall receive a $500 ($400 as of January 1, 2010) supplemental benefit. This benefit shall also include participants who enter the DROP on or after October 1, 2004. An additional benefit of four hundred dollars per month, payable for life, shall be paid to all retirees who became members of the Plan prior to October 20, 1994. This benefit was temporarily reduced to three hundred dollars per month for the period from January 31, 1993 through September 14, 1994. Effective September 15, 1994 the supplemental benefit returned to four hundred dollars per month. For those who became members on or after October 20, 1994 the additional benefit is two hundred dollars per month.

Death Benefits - For any deceased employee who had been an actively employed participant eligible for early, normal or delayed retirement, the benefit payable shall be at least equal to the annuity of ten years calculated as of the date of death. Benefits payable under service-connected death for participants ineligible for early retirement shall be payable to the spouse at the rate of 60% of the participant's regular base salary plus $500 (before January 1, 2010), $400 or $200 per month until death. If there is no spouse, or upon the death of the spouse, each unmarried child shall receive 15% of the participant's regular base salary (aggregate not greater than 60%) plus $500 (before January 1, 2010), $400 or $200 per month until age of 18, or the age of 22 if a fulltime student at an accredited institution. After five years of continuous service, nonservice connected death benefits shall be payable to the spouse at the rate of 30% of the participant's regular base salary plus $400 or $200 per month until the earlier of death or remarriage of the spouse. Benefits are payable to the children in amounts equal to one-half of the benefits as are payable by reason of service-incurred death.

Disability Benefits - Benefits payable to participants under service-incurred disability shall be monthly installments of 60% of participant's regular monthly base salary in effect at the date of disability plus $500 (before January 1, 2010), $400 or $200 per month. The benefit shall be paid from the date of disability until recovery or death of the participant and continued to the beneficiary for life. After one year of continuous service, should a participant become disabled due to a nonservice-incurred cause, benefits of 30% of the participant's regular monthly base salary plus $500 (before January 1, 2010), or $400 shall be paid monthly from date of disability until recovery or death. For those who became members on or after October 20, 1994 the benefit will equal 5% of regular base salary for each year of service not to exceed 30%. Disability payments may be reduced proportionally to the extent that the disabled participant's benefits received hereunder with additional earned income exceed his earnings for the calendar year preceding disability. An optional form of benefit, providing death benefits, may be elected, but one hundred twenty (120) payments shall be guaranteed in any event.

NOTE 1 - DESCRIPTION OF PLAN (Continued)

Notwithstanding the foregoing, the benefits for service-connected disabilities cannot be reduced below the greater of 42% of average final compensation, two percent of average compensation times the number of years of credited service or 3.25% of regular base salary for each year of credited service not to exceed 75% of regular base salary.

Deferred Retirement Option Plan - Any Plan participant who is eligible to receive a normal or early retirement pension may elect to participate in a deferred retirement option plan (DROP) while continuing his or her active employment as a police officer. Upon participation in the DROP, the participant becomes a retiree for all Plan purposes so that he or she ceases to accrue any further benefits under the pension plan. Normal retirement payments that would have been payable to the participant as a result of retirement are accumulated and invested in the DROP to be distributed to the participant upon his or her termination of employment. Participation in the DROP ceases for a Plan participant after the earlier of sixty months or the date elected by the participant.

Refund and Compulsory Contributions - Nonvested participants, upon termination, may request the return of their compulsory contributions or leave them on deposit with the Plan. The Plan does not pay any interest on compulsory account balances or contributions returned.

Covered officers were required to contribute 4.5% of their salary to the Plan for the period from October 1, 1998 through January 16, 1999, 1.9% for the period from January 17, 1999 through the payroll for the week ended July 15, 2000, and 4.5% for the period from July 16, 2000 through the year ended September 30, 2009. Effective November 7, 2017, members will contribute 6.5% of salary, reduced to equal the City contribution in any year that the City contribution is less than 6.5% of covered payroll. If an officer retires, dies, becomes disabled, or terminates employment with the City, accumulated contributions are refunded to the officer or his/her designated beneficiary.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting:

Basis of accounting is the method by which revenues and expenses are recognized in the accounts and are reported in the financial statements. The accrual basis of accounting is used for the Plan. Under the accrual basis of accounting, revenues are recognized when they are earned and collection is reasonably assured, and expenses are recognized when the liability is incurred. Plan member contributions are recognized in the period in which the contributions are due. City contributions to the plan, as calculated by the Plan's actuary, are recognized as revenue when due and the City 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share Account:

A Chapter, 185 share account was established during the fiscal year ended September 30, 2018. This supplemental benefit component was not funded during the fiscal years ended September 30, 2022 or 2021.

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. 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.

Valuation of Investments:

Investments traded on a national securities exchange are valued at the last reported sales price on the last business day of the year; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean between the past reported bid and asked prices; investments in securities not having an established market value are valued at fair value as determined by the Board of Trustees. The fair value of an investment is the amount that the Plan could reasonably expect to receive for it in a current sale between a willing buyer and a willing seller, other than in a forced or liquidation sale. Purchases and sales of investments are recorded on a trade date basis.

Investment income is recognized on the accrual basis as earned. Unrealized appreciation or depreciation in fair value of investments includes the difference between cost and fair value of investments held. The net realized and unrealized investment appreciation or depreciation for the year is reflected in the Statement 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Permissible investments include obligations of the U.S. Treasury and U.S. agencies, high capitalization common or preferred stocks, pooled equity funds, high quality bonds or notes and fixed income funds. In addition, the Board requires that Plan assets be invested with no more than 60% in stocks and convertible securities measured at cost or 70% of the Plan assets at market (fair) value.

In addition, the Plan limits investment in common stock (equity investments) as follows:

a. No more than five percent of the Plan's assets may be invested in the common or capital stock of any single corporation.

b. The Plan's investment in the common stock of any single corporation shall not exceed three percent of such corporation's outstanding common or capital stock.

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 his entry age to his 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, 2022 and 2021, which are separately issued documents. Anyone wishing further information about the City is referred to the City's ACFR.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued):

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. The provisions of the Plan provide for retirement, disability, and survivor benefits.

Temporary Investment Funds:

The Plan considers money market and demand accounts, 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.

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 adopted the provisions set forth in GASB statement No. 56, *Subsequent Events,* and considered subsequent events through March 20, 2023, which is the date that the financial statements were available to be issued.

NOTE 3 - FUNDING POLICY

As a condition of participation, officers are required to contribute 6.5% of their earnings to the Plan. These contributions are designated as employer contributions under Section 414(h) of the Internal Revenue Code. The accumulated contributions of current participants at September 30, 2022 and 2021 were $772,005 and $904,264, respectively. The City's funding policy is to make fixed, actuarially computed monthly contributions to the Plan in amounts, such that, when combined with officers' contributions and the State insurance excise tax, all officers' benefits will be fully provided for by the time they retire. The participants' contribution shall be reduced to equal the City's contribution in years where the annual actuarial valuation indicates that the City's required contribution is less than 6.5% but shall not be reduced to less than one percent. The City’s contributions as a percentage of covered payroll for the year ended September 30, 2022 was 13%.

The Plan’s administrative costs are financed through investment earnings. The Plan has no undue investment concentrations.

NOTE 4 - PLAN TERMNATION

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.

NOTE 5 - NET APPRECIATION IN FAIR VALUE OF INVESTMENTS

The Plan's investments appreciated (depreciated) in value during the years ended September 30, 2022 and 2021 as follows:

	2022	2021
Realized appreciation (depreciation)	$ 640,472	$ 3,663,001
Unrealized appreciation (depreciation)	(4,543,548)	2,141,782
	$ (3,903,076)	$ 5,804,783

The calculation of realized gains and losses is independent of the calculation of net appreciation (depreciation) in the fair value of plan investments.

Unrealized gains and losses on investments sold in 2022 that had been held for more than one year were included in net appreciation (depreciation) reported in the prior year.

NOTE 6 - 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.

Investments:

The Plan’s investments are uninsured and unregistered, or the securities are held by the Plan or 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.

NOTE 6 - DEPOSITS AND INVESTMENTS

Investments (Continued):

The Plan's independently managed investments are segregated into separate accounts and managed under separate investment agreements. These accounts give Fiduciary Trust Company of the South, Inc. custodianship, but gives the individual investment managers the authority to manage the investments. These assets are invested in accordance with the specific investment guidelines as set forth in Section 4 of the Plan Ordinance. Investment management and custodial fees are calculated quarterly as a percentage of the fair market value of the Plan's assets managed.

The real estate investment trust (REIT) is held by U.S. Real Estate Investment Fund, L.L.C. (U.S. Real Estate). These assets are invested in accordance with the specific investment guidelines of the Plan. Investment management fees are calculated quarterly as a percentage of the fair market value of the Plan's assets managed.

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

Except for the investments held by U.S. Real Estate, the Plan's investments are uninsured and unregistered and are held in the custodian's or the Bank's accounts in the Plan's name as described above.

The REIT is an alternative investment vehicle valued using the net asset value (NAV) provided by the investment managers of this fund. The NAV is based on the value of the underlying assets owned by this fund minus its liabilities and then divided by the number of shares or percentage of ownership outstanding. The NAV's unit price is quoted on a private market that is not active; however, the unit price is based on underlying investments.

The value of these alternative investments is not necessarily indicative of the amount that could be realized in a current transaction. The fair value may differ significantly from the value that would have been used had a ready market for the underlying funds existed, and the differences could be material. Future confirming events will also affect the estimates of fair value and the effect of such events on the estimates of fair value could be material.

The Plan held no investments that individually represent 5% or more of the Plan's net assets available for benefits during the years ended September 30, 2022 and 2021, respectively.

The Plan has no instrument that, in whole or in part, is accounted for as a derivative instrument under GASB statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* during the current Plan year.

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued):

The Plan held the following fixed income investments as of September 30, 2022 and 2021:

Investment Type	Fair Value 2022	Fair Value 2021	Overall Credit Rating (Standards & Poor's)	Average Effective Duration (Years)
U.S. Government obligations	$ 5,785,748	$ 3,838,236	AAA	4.4
U.S. Government agency obligations	697,225	3,202,418	AAA	4.5
Corporate bonds	1,340,248	1,665,060	A	4.6
Temporary investment funds	121,500	833,500	N/A	N/A
Total	$ 7,944,721	$ 9,539,214		

Interest Rate Risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest rate risk. Through its investment policies the Plan manages its exposure to fair value losses arising from increasing interest rates. In this regard the Plan adopted the Barclays Capital Aggregate Bond Index benchmark. The Plan further limited the effective duration of its fixed investment portfolio to 120% of the duration of the LBAB duration.

Credit Risk:

Credit risk is the risk that a debt issuer will not fulfill its obligations. Consistent with state law, the Plan’s investment guidelines limit its fixed income investments to a quality rating of ‘A’ or equivalent as rated by one or more recognized bond rating service at the time of purchase. Fixed income investments which are downgraded to ‘BAA’ or equivalent must be liquidated within a reasonable period of time not to exceed twelve months. Fixed income investments which are downgraded below ‘BAA’ shall be liquidated immediately.

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

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.

Investment in Real Estate:

The Plan is subject to the risk inherent in the ownership and operation of real estate. These risks include, among others, those normally associated with changes in the general economic climate, trends in the industry including creditworthiness of tenants, competition for tenants, changes in tax laws, interest rate levels, the availability of financing and potential liability under environmental and other laws.

Investment Cost and Fair Value:

Investments at both fair value and cost or adjusted cost as of September 30, 2022 and 2021, are summarized as follows:

	2022		2021	
Investments	Cost	Fair Value	Cost	Fair Value
U.S. Government obligations	$ 6,109,518	$ 5,785,748	$ 322,577	$ 3,838,236
U.S. Government agency obligations	817,047	697,225	3,461,603	3,202,418
Corporate bonds	1,564,631	1,340,248	3,744,503	1,665,060
Domestic stocks	13,746,290	18,134,841	11,626,033	22,504,152
Real estate investment fund	2,666,500	5,045,192	2,462,433	4,123,542
Temporary investment funds	121,500	121,500	902,500	833,500
Total	$ 25,025,486	$ 31,124,754	$ 22,519,649	$ 36,166,908

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

Investment Asset Allocation:

The Plan's adopted asset allocation policy as of September 30, 2022 is as follows:

In order to provide a diversified portfolio, the Board has engaged investment professional(s) to manage and administer the fund. The investment manager(s) are responsible for the assets and allocation of their mandate only and may be provided as an addendum to this policy with their specific performance objectives and investment criteria. The Board has established the following asset allocation targets for the total fund:

Asset Class	Target
Domestic equity	60%
Domestic fixed income	30%
Real estate	10%

The investment consultant will monitor the aggregate asset allocation of the portfolio and will rebalance to the target asset allocation based on market conditions. If at the end of any calendar quarter, the allocation of an asset class falls outside of its allowable range, barring extenuating circumstances such as pending cash flows or allocation levels viewed as temporary, the asset allocation will be rebalanced into the allowable range. To the extent possible, contributions and withdrawals from the portfolio will be executed proportionally based on the most current market value available. The Board does not intend to make short-term changes to the target allocation.

Rate of Return:

For the years ended September 30, 2022 and 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was -9.55% and 20.49%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 7 - INVESTMENT MEASUREMENT AT FAIR VALUE

The accounting standards break down the fair value hierarchy into three levels based on how observable the inputs are that make up the valuation. The most observable inputs are classified as Level 1 where the unobservable inputs are classified as Level 3.

Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

As a general rule, any asset that has a daily closing price and is actively traded will be classified as a Level 1 input.

Level 2 inputs are inputs (other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly. Inputs to the valuation methodology include: (1) quoted market prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in active markets, (3) inputs other than quoted prices that are observable for the asset or liability, and (4) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

As a general rule, if an asset or liability does not fall into the requirements of a Level 1 or Level 3 input, it would default to Level 2. With Level 2 inputs, there is usually data that can be easily obtained to support the valuation, even though it is not as easily obtained as a Level 1 input would be.

Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As a general rule, Level 3 inputs are those that are difficult to obtain on a regular basis and require verification from an outside party, such as an auditor or an appraisal, to validate the valuation.

Net asset value (NAV) is a common measurement of fair value for Level 1, Level 2, and Level 3 investments. A fund's NAV is simply its assets less its liabilities and is often reported as a per share amount for fair value measurement purposes. The Plan would multiply the NAV per share owned to arrive at fair value. Level 1 investment in funds such as mutual funds report at a daily NAV per share and are actively traded. NAV also comes in to play for Level 2 and 3 investments. As a matter of convenience (or referred to in accounting literature as a "practical expedient"), a Plan can use the NAV per share for investments in a nongovernmental entity that does not have a readily determined fair value, such as an alternative investment. Investments measured at NAV as a practical expedient would be excluded from the fair value hierarchy because the valuation is not based on actual market inputs but rather is quantified using the fund's reported NAV as a matter of convenience.

NOTE 7 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)

The Plan categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following total recurring fair value measurements as of September 30, 2022 and 2021:

- *Mutual funds* - The rationale for inclusion in Level 1 or Level 2 points to the unobservable inputs involved in mutual fund pricing. Mutual funds do not trade using bid and ask, as with ETF's or common stock. Instead, the prices are determined by the net asset value of the underlying investments at the close of business for the next day's open. The underlying assets themselves may include a variety of Level 1 and Level 2 securities and some may be valued using matrix pricing which interpolates the price of a security based on the price of similar securities.

- *Fixed income funds* - Valued using pricing models maximizing the use of observable input for similar securities. This includes basing value on yield currently available on comparable securities of issues with similar credit ratings.

- *Equity funds* - Valued at market prices for similar assets in active markets.

- *Common stock* - Valued at quoted market prices for identical assets in active markets.

- *Debt securities* - Debt securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair hierarchy are valued using a matrix pricing technique. Matrix pricing is used by International Data Corporation and Bloomberg, L.P. to value securities based on the securities' relationship to benchmark quoted prices.

NOTE 7 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)

Investments by type	September 30, 2022	Level 1	Level 2	Level 3
Debt Securities:				
U.S. Government obligations	$ 5,785,748	$ -	$ 5,785,748	$ -
U.S. Government agency obligations	697,225	-	697,225	-
Corporate bonds	1,340,248	-	1,340,248	-
Total debt securities	7,823,221	-	7,823,221	-
Equity Securities:				
Domestic stocks	18,134,841	18,134,841	-	-
Temporary investment funds	121,500	121,500	-	-
Total investments by fair value level	26,079,562	$ 18,256,341	$ 7,823,221	$ -
Investments measured at Net Asset Value (NAV):				
Real estate investment fund	5,045,192			
Total investments	$ 31,124,754			

Investment by type	September 30, 2021	Level 1	Level 2	Level 3
Debt Securities:				
U.S. Government obligations	$ 3,838,236	$ -	$ 3,838,236	$ -
U.S. Government agency obligations	3,202,418	-	3,202,418	-
Corporate bonds	1,665,060	-	1,665,060	-
Total debt securities	8,705,714	-	8,705,714	-
Equity Securities:				
Domestic stocks	22,504,152	22,504,152	-	-
Temporary investment funds	833,500	833,500	-	-
Total investments by fair value level	32,043,366	$ 23,337,652	$ 8,705,714	$ -
Investments measured at Net Asset Value (NAV):				
Real estate investment fund	4,123,542			
Total investments	$ 36,166,908			

NOTE 7 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)

The real estate investment fund (U.S. Real Estate Investment Fund, LLC) is an open end, commingled private real estate portfolio. This REIT - based fund is structured as a limited partnership. Its primary focus is to invest in well-leased, income producing properties within major U.S. markets. The fair values of the investments in this fund have been determined using the NAV per unit of the Plan's ownership interest in partners' capital. The investments of the fund are valued quarterly. Withdrawal requests must be made 90 days in advance and may be paid in one or more installments.

Investment measured at NAV	2022	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
U.S. Real Estate Investment Fund, LLC	$ 5,045,192	Quarterly	90 days
Total investments measured at NAV	$ 5,045,192		

Investment measured at NAV	2021	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
U.S. Real Estate Investment Fund, LLC.	$ 4,123,542	Quarterly	90 days
Total investments measured at NAV	$ 4,123,542		

NOTE 8 - DESIGNATIONS

A portion of the fiduciary net position is designated for benefits that accrue in relation to the DROP account as further described in Note 1. Allocations of net position for the years ended September 30, 2022 and 2021 are presented below:

	Net Position	
	2022	2021
Designated for DROP accounts (fully funded)	$ 44,031	$ 216,421
Undesignated net position	31,634,108	36,158,623
Total net position	$ 31,678,139	$ 36,375,044

NOTE 9 - 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 position restricted for pensions.

NOTE 10 - MORTGAGE-BACKED SECURITIES

The Plan invests in mortgage-backed securities representing interests in pools of mortgage loans as part of its interest rate risk management strategy. The mortgage-backed securities are not used to leverage investments in fixed income portfolios. The mortgage-backed securities held by the Plan were guaranteed by federally sponsored agencies such as: Government National Mortgage Association, Federal National Mortgage Association and Federal Home Loan Mortgage Corporation.

NOTE 11 - ACTUARIAL ASSUMPTION AND METHOD CHANGES

There were not any actuarial assumption or method changes since the last actuarial valuation.

NOTE 12 - PLAN AMENDMENTS

The Plan was amended during the fiscal years ended September 30, 2022 as follows:

- Amends the definition of retirement in Section 17-51 to include a member's entry into the Deferred Retirement Option Plan (DROP).
- Amends Section 17-53 to provide that DROP participants may be elected to serve as a member trustee on the Board but may not vote for elected trustees.
- Amends the required beginning date in compliance with the Setting Every Community Up for Retirement Enhancement ("SECURE") Act.

In the opinion of the actuary, the proposed Ordinance has no actuarial impact on the cost of the Plan.

There were no Plan amendments for the fiscal years ended September 30, 2021

NOTE 13 - NET PENSION LIABILITY OF THE CITY

The components of net position liability of the City as of September 30, 2022 were as follows:

Total Pension Liability	$	29,986,344
Plan Fiduciary Net Position		31,678,139
City's Net Pension Liability (Asset)	$	(1,691,795)
Plan Fiduciary Net Position as a percentage of Total Pension Liability (Asset)		(105.64%)

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

The long-term expected rate of return on pension 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 pension 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 weighting 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 pension plan's target asset allocation as of September 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	60%	7.50%
Domestic fixed income	30%	2.50%
Real estate	10%	4.50%

Discount Rate - The discount rate used to measure the total pension liability was 7.25 percent. 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 City’s Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the City, calculated using the discount rate of 7.25%, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate.

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
City's net pension liability (asset)	$ 1,777,801	$ (1,691,795)	$ (4,580,343)

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 NINE FISCAL YEARS *

	2022	2021	2020	2019
Total pension liability:				
Service cost	$ 696,224	$ 675,563	$ 605,593	$ 710,034
Interest	2,096,351	2,054,813	2,000,243	1,997,614
Benefit changes	-	-	134,434	615,658
Difference between expected and actual experience	(228,156)	(69,441)	(101,689)	(722,312)
Assumption changes	-	(11,954)	874,824	-
Benefit payments, including refunds of employee contributions	(2,063,324)	(1,862,505)	(1,845,797)	(1,481,477)
Net change in total pension liability	501,095	786,476	1,667,608	1,119,517
Total pension liability, beginning	29,485,249	28,698,773	27,031,165	25,911,648
Total pension liability, ending (a)	$ 29,986,344	$ 29,485,249	$ 28,698,773	$ 27,031,165
Plan fiduciary net position:				
Contributions - employer and state	576,514	$ 595,276	$ 654,162	$ 594,598
Contributions - members	182,759	188,808	173,300	167,338
Net investment income	(3,320,986)	6,269,073	2,484,432	700,585
Benefit payments, including refunds of employee contributions	(2,063,324)	(1,862,505)	(1,845,797)	(1,481,477)
Administrative expenses	(71,868)	(65,728)	(78,280)	(73,964)
Net change in plan fiduciary net position	(4,696,905)	5,124,924	1,387,817	(92,920)
Plan fiduciary net position - beginning	36,375,044	31,250,120	29,862,303	29,955,223
Plan fiduciary net position - ending (b)	$ 31,678,139	$ 36,375,044	$ 31,250,120	$ 29,862,303
Net pension liability (asset) (a) - (b)	$ (1,691,795)	$ (6,889,795)	$ (2,551,347)	$ (2,831,138)

* Information prior to fiscal year 2014 was not readily available.

	2018	2017	2016	2015	2014
	$ 676,144	$ 770,072	$ 760,315	$ 685,630	$ 728,582
	1,916,514	1,970,862	1,939,254	1,895,631	1,799,225
	(2,507,861)	-	-	-	-
	654,544	(610,687)	(704,111)	(18,648)	(780,543)
	-	686,077	-	-	-
	(1,466,384)	(1,727,246)	(1,456,540)	(1,337,591)	(1,205,714)
	(727,043)	1,089,078	538,918	1,225,022	541,550
	26,638,691	25,549,613	25,010,695	23,785,673	23,244,123
	$ 25,911,648	$ 26,638,691	$ 25,549,613	$ 25,010,695	$ 23,785,673
	$ 1,046,237	$ 1,262,959	$ 1,182,194	$ 1,118,829	$ 943,208
	111,835	111,261	105,320	97,124	90,712
	3,696,996	3,011,138	1,211,993	1,036,070	2,603,632
	(1,466,384)	(1,727,246)	(1,456,540)	(1,337,591)	(1,205,714)
	(90,802)	(65,265)	(53,575)	(58,144)	(51,602)
	3,297,882	2,592,847	989,392	856,288	2,380,236
	26,657,341	24,064,494	23,075,102	22,218,814	19,838,578
	$ 29,955,223	$ 26,657,341	$ 24,064,494	$ 23,075,102	$ 22,218,814
	$ (4,043,575)	$ (18,650)	$ 1,485,119	$ 1,935,593	$ 1,566,859

CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM
SCHEDULE OF RATIOS
LAST NINE 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
2014	83.42%	$ 1,912,968	81.91%
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)%

Update procedures used to roll forward TPL including DROP account balances and reserve for excess State Funds to the measurement dates - actual DROP account balances and reserve for excess State Fund as of the measurement dates included in TPL.

See Notes to Schedule of Contributions for a history of benefit and assumption changes prior to fiscal year ended September 30, 2022. For fiscal year ended September 30, 2022, Benefit changes - None; Assumption changes - None.

* Reported payroll used to determine contribution as provided under GASB Statement Number 82.

** Information prior to fiscal year 2014 was not readily available.

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

Fiscal Year Ended September 30,	Actuarially Determined Contribution	Actual Contribution[1]	Contribution Deficiency (Excess)	Covered Payroll[2][3]	Actual Contribution as a Percentage of Covered Payroll
2013	1,126,730	1,126,730	-	2,144,794	52.53%
2014	1,183,428	943,208	240,220	1,912,968	49.31%
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%

(1) - Reflects contributions on a cash basis as provided under GASB Statement Number 67

(2) - Projected prior to fiscal year ended September 30, 2014

(3) - Reported payroll used to determine contribution as provided under GASB Statement Number 82

Valuation Date:	Actuarially determined contribution rates are calculated as of October 1 - two year(s) prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates for Fiscal Year Ended September 30, 2022:

Actuarial Cost Method	Entry age normal
Amortization Method	Level percentage of payroll, closed
Amortization Period	30 years
Asset Valuation Method	5-year smoothed
Inflation	2.50%
Salary Increases	3.5% -7.0%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	For healthy Police Officer participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy Police Officer participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

Cost-of-Living increases None

Other Information:

Benefit Changes

2019: one-time additional benefit payment payable on December 1, 2019, supplemental benefit reduced due to insufficiency of State payments effective following January 1st; 2018: early retirement eligibility changed to completion of twenty (20) years of credited service if ten (10) or more years of credited service as of November 7, 2017; early retirement reduction removed if ten (10) or more years of credited service as of November 7, 2017; supplemental benefit reduced due to insufficiency of State payments effective following January 1st. 2017: accrued benefits frozen November 7, 2017; member contributions increased to 6.5%; average final compensation changed to highest three (3) years of the last five (5) years; normal retirement eligibility changed to earlier of attainment of age fifty-two (52) (age fifty (50) if ten (10) or more years of credited service as of November 7, 2017) and the completion of ten (10) years of Credited Service, or the completion of twenty-three (23) years of credited service; early retirement eligibility changed to attainment of age fifty (50) and completion of ten (10) years of credited service; 3.25% accrual rate (future accruals); 3% early retirement reduction factor added; DROP interest crediting rate updated to Fund return (minimum 0%) or fixed return of 1.5% as elected by the Member; supplemental benefit reduced due to insufficiency of State payments effective following January 1st. 2014-2016: supplemental benefit reduced due to insufficiency of State payments effective following January 1st. 2013: participation by Police Chief made optional; supplemental benefit reduced due to insufficiency of State payments effective following January 1st. 2011 - 2012: supplemental benefit reduced due to insufficiency of State payments effective following January 1st.

Assumption Changes

2020: mortality assumption for disabled participants updated. 2019: investment return, mortality assumptions, employee withdrawal rates, salary increase factors and assumed retirement age updated. 2018: assumed retirement age updated due to benefit changes. 2017: salary increase factors and assumed retirement age updated due to benefit changes. 2016: investment return decreased to 7.75%; mortality assumptions, salary increase factors, employee withdrawal rates and assumed retirement age updated. 2012: mortality assumptions for healthy lives updated to RP-2000 Combined Mortality Table with Blue Collar Adjustment with separate rates for males and females and fully generational mortality improvements projected by Scale AA to each future decrement date; mortality assumption for disabled lives updated to the RP-2000 Disabled Mortality Table with separate rates for males and females and fully generational mortality improvements projected by Scale AA to each future decrement date.

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

Fiscal Year Ended September 30,	Annual Money-Weighted Rate of Return Net of Investment Expense
2014	14.00%
2015	4.06%
2016	6.31%
2017	12.46%
2018	13.53%
2019	1.99%
2020	8.31%
2021	20.49%
2022	-9.55%

* Information prior to fiscal year 2014 was not readily available.

ADDITIONAL INFORMATION

CITY OF NEW PORT RICHEY POLICE OFFICERS' RETIREMENT SYSTEM
SCHEDULE OF INVESTMENT AND ADMINISTRATIVE EXPENSES
YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	2022		2021	
	Investment	Administrative	Investment	Administrative
Accounting	$ -	$ 7,800	$ -	$ 4,500
Actuary	-	22,302	-	16,937
Administrator	-	12,000	-	12,000
Audit	-	11,500	-	15,000
Dues and subscriptions	-	750	-	620
Fiduciary Trust Custodial fee	11,903	-	15,256	-
Fiduciary insurance	-	3,958	-	4,236
Legal	-	11,214	-	9,771
Logan Capital Management fees	58,904	-	69,278	-
Garcia, Hamilton & Associates, L.P. fees	21,488	-	22,135	-
Performance monitor	20,854	-	20,209	-
Seminars and meetings	-	2,144	-	2,405
Office	-	200	-	259
Total	$ 113,149	$ 71,868	$ 126,878	$ 65,728
Percentage of Plan net position (A)	0.36%	0.23%	0.35%	0.18%

(A) Investment expenses do not include management fees withheld from investment fund revenues.