CITY OF MIAMI FIREFIGHTERS' AND POLICE OFFICERS' RETIREMENT TRUST

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

CITY OF MIAMI FIREFIGHTERS' AND POLICE OFFICERS' RETIREMENT TRUST

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MARCUM
ACCOUNTANTS ▲ ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees and Plan Administrator
City of Miami Firefighters' and Police Officers' Retirement Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the City of Miami Firefighters' and Police Officers' Retirement Trust (the "Trust") which comprise of the statement of fiduciary net position as of September 30, 2023 and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Trust as of September 30, 2023, and the changes in its fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Trust and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the City's net pension liability and related ratios, schedule of City contributions, schedule of investment returns and notes related to required supplementary information on pages 4–9 and 35-39 be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Investment Expenses and Administrative Expenses are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Trust's 2022 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated February 17, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 15, 2024, on our consideration of the City of Miami Firefighters' and Police Officers' Retirement Trust internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Trust's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Trust's internal control over financial reporting and compliance.

Marcum LLP

Miami, FL
February 15, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT’S DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Miami Firefighters' and Police Officers' Retirement Trust (the “Trust”) financial performance provides an overview of the Trust's financial activities for the fiscal years ended September 30, 2023, and 2022. Please read it in conjunction with the Trust's financial statements which follow this discussion.

FINANCIAL HIGHLIGHTS

- The Trust assets exceeded its liabilities at the close of fiscal year ended 2023 and 2022 by $1.6 billion and $1.5 billion, respectively. The Trust’s net position is held in trust to meet future benefit payments. The Trust experienced an increase in fiduciary net position of $90.6 million in 2023 and a decrease of $306.6 million in fiduciary net position in 2022. The increase in 2023 resulted primarily from changes in the fair value of the Trust’s investments due to better financial market performance as opposed to a poor performance in the financial market in 2022.

- For the fiscal year ended September 30, 2023, the Trust received contributions totaling $124.1 million and had a net investment gain of $148.9 million.

- For the fiscal year ended September 30, 2022, the Trust received contributions totaling $90.7 million and had a net investment loss of $221.2 million.

- For the fiscal year ended September 30, 2023, the Trust's deductions increased over the prior year from $176.6 million to $183.3 million or 3.8%. The increase can be attributed to a combination of increases in retiree payroll (more members retired), as well as the annual increase in the cost-of-living allowance (COLA II) given to retirees.

- For the fiscal year ended September 30, 2023, the total return of the portfolio was 10.1%. An increase of 22.4% from the -12.3% return of the portfolio in 2022.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements include the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position and Notes to the Financial Statements. The Trust also includes in this report additional information to supplement the financial statements.

The Trust presents required supplementary information, which provides historical trend information about the Trust.

The Trust prepares its financial statements on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America. These statements provide information about the Trust's overall financial status.

DESCRIPTION OF THE FINANCIAL STATEMENTS

The Statement of Fiduciary Net Position presents information that includes all of the Trust's assets and liabilities, with the balance representing the net position restricted for pension benefits. It is a snapshot of the financial position of the Trust at that specific point in time and reflects the resources available to pay members, retirees and beneficiaries at that point in time.

The Statement of Changes in Fiduciary Net Position reports how the Trust's net position changed during the fiscal year. The additions and deductions to net position are summarized in these statements. The additions include contributions to the retirement plan from the employer ("City") and members and net investment income, which include interest, dividends, investment expenses, and the net appreciation or depreciation in the fair value of investments. The deductions include benefit payments, refunds of member contributions, and administrative expenses.

The Notes to the Financial Statements are presented to provide the information necessary for a full understanding of the financial statements. They include additional information not readily evident in the statements themselves such as a description of the Trust, contributions, significant accounting policies, funding policy, and investment risk disclosure.

The Required Supplementary Information included in this report is required by the Governmental Accounting Standards Board. These schedules consist of information pertaining to the Plan's actuarial methods and assumptions and provide data on changes in the City's net pension liability, the City's contributions, and the Trust's investment returns.

Additional information is presented as part of the Supplementary Information. This section is not required but management has chosen to include it. It includes Schedules of Investment Expenses and Administrative Expenses. The Schedule of Investment Expenses presents the expenses incurred in managing and monitoring the investments of the Trust and include financial management, consultant, and custodial fees. The Schedule of Administrative Expenses presents the expenses incurred in the administration of the Trust.

FINANCIAL ANALYSIS

- Trust's total assets as of September 30, 2023, were $1.6 billion and were mostly comprised of cash and cash equivalents, investments and securities lending collateral. Total assets increased $90.4 million or 5.9% as compared to 2022. The increase in total assets was primarily due to the increase in the Trust's portfolio investment balance because of the good market performance in 2023. Cash and cash equivalents increased primarily due an increase in short term investment funds as a result of investment strategies. Receivables decreased as the result of fewer accruals associated with pending securities sales transactions as of fiscal year end in comparison to prior year. Securities lending transactions collateral invested increased in the current year due to a slight increase in the pool of assets eligible for lending.

- Total liabilities as of September 30, 2023, were $44.2 million and were mostly comprised of obligations under securities lending and payables for securities purchased. Total liabilities had a slight decrease, $136 thousand or -0.3% from the prior year primarily due the net effect of a significant decrease in payables attributed to fewer accruals associated with pending securities purchase transactions as of fiscal year end in comparison to prior year in combination with a substantial increase in obligations under securities lending due to an increase in the pool of assets eligible for lending.

- Trust assets exceeded its liabilities at the close of fiscal year ended September 30, 2023, by $1.6 billion. The total fiduciary net position restricted for pensions increased $90.6 million or 6.1% from the previous year. This increase was due to the overall increase in investments based on good market performance.

Table 1 - Summary of Fiduciary Net Position
As of September 30, 2023 and 2022
(Dollar Amounts in Thousands)

	2023	2022	Increase (Decrease) Amount	Total Percentage Change
Assets				
Cash and cash equivalents	$ 16,009	$ 13,383	$ 2,626	19.6%
Receivables	2,665	3,738	(1,073)	-28.7%
Investments	1,548,798	1,463,034	85,764	5.9%
Security lending collateral - invested	42,512	39,335	3,177	8.1%
Property and equipment, net	2,010	2,033	(23)	-1.1%
Total Assets	1,611,994	1,521,523	90,471	5.9%
Liabilities				
Payables for securities purchased	1,438	4,721	(3,283)	-69.5%
Accounts payable and other liabilities	349	325	24	7.4%
Obligations under securities lending	42,512	39,335	3,177	8.1%
Total Liabilities	44,299	44,381	(82)	-0.2%
Net Position Restricted for Pension Benefits	$ 1,567,695	$ 1,477,143	$ 90,553	6.1%

ADDITIONS TO FIDUCIARY NET POSITION

The reserves needed to finance retirement benefits are accumulated through the collection of contributions from members and the City and through earnings on investments. Contributions and net investment income (loss) for fiscal years 2023 and 2022 totaled 272.9 million and ($130.4) million, respectively. For the fiscal year ended September 30, 2023, total additions to plan fiduciary net position increased by $403.3 million due primarily to a significant net investment gains in 2023.

Actual results were:

- City contributions increased from the previous year by approximately $33.8 million or 46% based on the actuarial valuation.

- Member contributions decreased from the previous year by approximately $498 thousand or 2.9%. This decrease is primarily due to a decrease in new hires and an increase in retirements.

- Net investment income increased from the previous year by $370 million as the Trust's investment portfolio performance saw a significant improvement when compared to prior year.

- Other income increased from prior year by approximately $642 thousand. This increase was primarily the result of an adjustment by the Plan to properly reflect its cumulative budget surplus for the fiscal year.

Additions (Reductions) to Fiduciary Net Position
Years Ended September 30, 2023 and 2022
(Dollar Amounts in Thousands)

	2023	2022	Increase (Decrease) Amount	Total Percentage Change
City contribution	$ 107,166	$ 73,387	$ 33,779	46.0%
Member contributions	16,888	17,386	(498)	-2.9%
Net investment income (loss)	148,891	(221,080)	369,971	-167.3%
Other income	879	237	642	270.9%
Total Additions (Reductions)	$ 273,824	$(130,070)	$ 403,252	-310.0%

DEDUCTIONS FROM FIDUCIARY NET POSITION

The primary expenses of the Trust include the payment of pension benefits to retired members and beneficiaries, cost of living allowance (COLA) payments to retired members and beneficiaries, refund of contributions to former members, administrative expenses, and depreciation. Total deductions for fiscal years ended 2023 and 2022 were $183.3 million and $176.6 million, an increase of 3.8%.

For the fiscal year ended September 30, 2023, the payment of pension benefits to retirees and COLA payments increased by $7.1 million or 8.5% from the previous year. The increase is due to COLA payments to retirees along with an increase in the number of retirees during 2023.

For the fiscal year ended September 30, 2023, the refund of contributions decreased by $283 thousand or 21.9% from the previous year. This decrease is mostly due to less active members terminating employment during the fiscal year.

For the fiscal year ended September 30, 2023, administrative expenses and depreciation decreased by approximately $66 thousand or 3.1% from the previous year due mostly to a small decrease in administrative expenses.

Deductions from Fiduciary Net Position
Years Ended September 30, 2023 and 2022
(Dollar Amounts in Thousands)

	2023	2022	Increase (Decrease) Amount	Total Percentage Change
Pension benefits paid	$ 149,627	$ 143,870	$ 5,757	4.0%
Refund of contributions	1,012	1,295	(283)	-21.9%
Cost of living allowance	30,538	29,232	1,306	4.5%
Administrative expenses and depreciation	2,093	2,159	(66)	-3.1%
Total Deductions	$ 183,270	$ 176,556	$ 6,714	3.8%

CAPITAL ASSETS

As of September 30, 2023, the Trust's investment in capital assets totaled $2 million (net of accumulated depreciation). This investment in capital assets includes land, building and equipment for administrative use. The appraised value of the Administration building is $4.6 million at September 30, 2023. An appraisal is performed on an annual basis for insurance and valuation purposes.

RETIREMENT SYSTEM AS A WHOLE

Management believes, and actuarial studies concur that the Trust's fiduciary net position is in line to meet all its current obligations.

CONTACTING THE TRUST'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Retirement Board, our membership, taxpayers, investors, and creditors with a general overview of the Trust's finances and to demonstrate the Trust's accountability for the money it receives and the money it dispenses. If you have any questions about this report or need additional financial information, they can be directed to Dania L. Orta, Administrator, City of Miami Firefighters' and Police Officers' Retirement Trust Fund, located at 1895 SW 3 Avenue, Miami FL, 33129.

FINANCIAL STATEMENTS

CITY OF MIAMI FIREFIGHTERS' AND POLICE OFFICERS' RETIREMENT TRUST

STATEMENT OF FIDUCIARY NET POSITION

SEPTEMBER 30, 2023
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2022)

	2023				2022			
	Membership and Benefit Account	Cost-of Living Adjustment I Account	Cost-of Living Adjustment II Account	Total	Membership and Benefit Account	Cost-of Living Adjustment I Account	Cost-of Living Adjustment II Account	Total
Assets								
Cash and cash equivalents	$ 11,619,249	$ 909,256	$ 3,480,558	$ 16,009,063	$ 9,649,992	$ 734,799	$ 2,998,463	$ 13,383,254
Investments, at Fair Value								
Debt securities, domestic	237,785,606	18,607,762	71,228,920	327,622,288	221,717,557	16,882,286	68,890,780	307,490,623
Debt securities, international	13,022,985	1,019,106	3,901,049	17,943,140	9,022,408	686,867	2,802,870	12,512,145
Equity securities, domestic	383,111,229	29,980,127	114,761,358	527,852,714	356,096,922	27,115,028	110,647,072	493,859,022
Equity securities, international	256,483,676	20,070,968	76,829,946	353,384,590	209,807,328	15,975,796	65,191,708	290,974,832
Private equity	134,157,771	10,498,432	40,187,097	184,843,300	141,202,575	10,751,881	43,874,717	195,829,173
Real estate	99,543,930	7,789,747	29,818,486	137,152,163	117,075,414	8,914,717	36,377,882	162,368,013
Total Investments	1,124,105,197	87,966,142	336,726,856	1,548,798,195	1,054,922,204	80,326,575	327,785,029	1,463,033,808
Securities Lending Cash Collateral Invested	30,855,009	2,414,539	9,242,649	42,512,197	28,362,406	2,159,658	8,812,818	39,334,882
Receivables								
Proceeds from securities sold	834,778	--	--	834,778	2,236,906	--	--	2,236,906
Accrued interest	1,830,481	--	--	1,830,481	1,501,461	--	--	1,501,461
Total Receivables	2,665,259	--	--	2,665,259	3,738,367	--	--	3,738,367
Property and Equipment, Net	1,458,816	114,159	436,990	2,009,965	1,465,462	111,588	455,351	2,032,401
Total Assets	1,170,703,530	91,404,096	349,887,053	1,611,994,679	1,098,138,431	83,332,620	340,051,661	1,521,522,712
Liabilities								
Payable for securities purchased	1,438,129	--	--	1,438,129	4,720,511	--	--	4,720,511
Accounts payable and other liabilities	349,229	--	--	349,229	325,846	--	--	325,846
Obligations under securities lending	30,855,009	2,414,539	9,242,649	42,512,197	28,362,406	2,159,658	8,812,818	39,334,882
Total Liabilities	32,642,367	2,414,539	9,242,649	44,299,555	33,408,763	2,159,658	8,812,818	44,381,239
Net Position Restricted for Pension Benefits	$ 1,138,061,163	$ 88,989,557	$ 340,644,404	$ 1,567,695,124	$ 1,064,729,668	$ 81,172,962	$ 331,238,843	$ 1,477,141,473

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

CITY OF MIAMI FIREFIGHTERS' AND POLICE OFFICERS' RETIREMENT TRUST

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED SEPTEMBER 30, 2023
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2022)

	2023				2022			
	Membership and Benefit Account	Cost-of Living Adjustment I Account	Cost-of Living Adjustment II Account	Total	Membership and Benefit Account	Cost-of Living Adjustment I Account	Cost-of Living Adjustment II Account	Total
Additions (Reductions) to Net Position								
Restricted for Pension Benefits								
Contributions:								
City	$ 99,369,914	$ --	$ 7,796,629	$ 107,166,543	$ 65,889,915	$ --	$ 7,496,759	$ 73,386,674
Members	16,887,735	--	--	16,887,735	17,385,719	--	--	17,385,719
Total Contributions	116,257,649	--	7,796,629	124,054,278	83,275,634	--	7,496,759	90,772,393
Investment Income (Loss)								
Net appreciation (depreciation) in fair value of investments	99,893,192	7,139,478	29,033,606	136,066,276	(168,672,376)	(12,413,079)	(51,648,804)	(232,734,259)
Interest	1,634,495	114,616	469,885	2,218,996	7,907,296	567,864	2,417,515	10,892,675
Dividends	10,316,945	777,704	3,225,910	14,320,559	3,618,170	256,446	1,099,787	4,974,403
	111,844,632	8,031,798	32,729,401	152,605,831	(157,146,910)	(11,588,769)	(48,131,502)	(216,867,181)
Less: investment expenses	(2,939,034)	(174,959)	(723,200)	(3,837,193)	(3,154,004)	(227,364)	(965,616)	(4,346,984)
Net Investment Income (Loss) from Investing Activities	108,905,598	7,856,839	32,006,201	148,768,638	(160,300,914)	(11,816,133)	(49,097,118)	(221,214,165)
Securities Lending Activities								
Securities lending income	117,701	8,857	36,674	163,232	128,213	9,266	39,230	176,709
Securities lending fees	(29,543)	(2,224)	(9,208)	(40,975)	(30,587)	(2,314)	(9,798)	(42,699)
Net Income from Securities Lending Activities	88,158	6,633	27,466	122,257	97,626	6,952	29,432	134,010
Total Net Investment Income (Loss)	108,993,756	7,863,472	32,033,667	148,890,895	(160,203,288)	(11,809,181)	(49,067,686)	(221,080,155)
Other	805,879	14,206	59,198	879,283	171,941	12,523	52,813	237,277
Total Additions (Reductions)	226,057,284	7,877,678	39,889,494	273,824,456	(76,755,713)	(11,796,658)	(41,518,114)	(130,070,485)
Deductions								
Pension benefits paid	149,627,046	--	--	149,627,046	143,869,594	--	--	143,869,594
Refund of contributions	1,011,831	--	--	1,011,831	1,295,435	--	--	1,295,435
COLA distributions to retirees	--	59,818	30,478,662	30,538,480	--	70,214	29,161,834	29,232,048
Depreciation expense	15,901	1,265	5,271	22,437	16,126	1,217	5,001	22,344
Administrative expenses	2,071,011	--	--	2,071,011	2,137,202	--	--	2,137,202
Total Deductions	152,725,789	61,083	30,483,933	183,270,805	147,318,357	71,431	29,166,835	176,556,623
Change in Net Position	73,331,495	7,816,595	9,405,561	90,553,651	(224,074,070)	(11,868,089)	(70,684,949)	(306,627,108)
Net Position Restricted for Pension Benefits								
Beginning of year	1,064,729,668	81,172,962	331,238,843	1,477,141,473	1,288,803,738	93,041,051	401,923,792	1,783,768,581
End of year	$ 1,138,061,163	$ 88,989,557	$ 340,644,404	$ 1,567,695,124	$ 1,064,729,668	$ 81,172,962	$ 331,238,843	$ 1,477,141,473

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF THE PLAN

ORGANIZATION

The City of Miami Firefighters' and Police Officers' Retirement Trust (the "Trust") is a single-employer defined benefit pension plan established by the City of Miami, Florida (the "City") pursuant to the provisions and requirements of Ordinance No. 10002 as amended. Since the Trust is sponsored by the City, the Trust is included as a pension trust fund in the City's annual comprehensive financial report as part of the City's financial reporting entity.

The Trust's governing board is made up of a Board of Trustees consisting of nine members:

- Four are appointed by the City Commission
- Two are elected by firefighters who belong to the International Association of Firefighters ("IAFF") bargaining unit
- Two are elected by police officers who belong to the Fraternal Order of Police ("FOP") bargaining unit
- One is appointed by the City manager

The following brief description of the Trust is provided for general information purposes only. Participants should refer to the Trust document for more detailed and comprehensive information.

MEMBERSHIP

Participants are contributing police officers and firefighters with full-time status in the Police and Fire Department of the City of Miami, Florida.

Membership in the Trust consisted of the following as of October 1, 2022, the date of the latest available actuarial valuation census data:

Inactive plan members and beneficiaries currently receiving benefits	2,236
Inactive plan members entitled but not yet receiving benefits	133
Active plan members - vested	829
Active plan members - non-vested	1,097
Total Members	4,295

NOTE 1 – DESCRIPTION OF THE PLAN (CONTINUED)

MEMBER CONTRIBUTION

As of September 30, 2014, the member contribution for police officers hired prior to October 1, 2012 shall be 7% of earnable compensation. The member contribution for police officers hired on or after October 1, 2012 shall be 10% of earnable compensation.

As of September 30, 2014, the member contribution for firefighters shall be 10% of earnable compensation.

During the year ended September 30, 2023, approximately $240,822 is included as member contributions for the purchase of additional service years by members as provided the City code which governs the Trust.

FUNDING REQUIREMENTS

The City is to contribute such amounts as are necessary to maintain the actuarial soundness of the Trust and to provide the Trust with assets sufficient to meet the benefits to be paid to the retired participants. Contributions to the Trust are authorized pursuant to City of Miami Code Section 40.196 (a) and (b). Contributions to the COLA account is authorized pursuant to Section 40.204 of the City of Miami Code. The City's contributions to the Trust provide for non-investment expenses and normal costs of the Trust. The yield (interest, dividends, and net unrealized and realized gains and losses) on investments of the Trust serves to reduce/increase future contributions that would otherwise be required to provide for the defined level of benefits under the Trust.

NOTE 1 – DESCRIPTION OF THE PLAN (CONTINUED)

PENSION BENEFITS

Members may elect to retire after 10 or more years of creditable service upon attainment of normal retirement age.

A member entitled to a normal retirement shall receive a retirement allowance equal to 3% of the member's average final compensation multiplied by years of creditable service for the first 15 years of such creditable service, and 3½% of the member's average final compensation multiplied by years of creditable service exceeding 15 years. This benefit is paid in monthly installments.

For members who retire under normal service retirement or Rule of 64 for Police Officers and Rule 68 for Firefighters the retirement allowance shall not exceed the lesser of 100% of the member's average final compensation. For members who were not vested as of September 30, 2010, the annual retirement allowance shall not exceed $120,000.

Early retirement, disability, death and other benefits are also provided.

INVESTMENT POLICY

The Trust's investment policy is determined by the Board of Trustees and is implemented by investment managers. In addition, the Trust utilizes an investment advisor who monitors the investing activities. The investment policy of the Trust stipulates that the trustees shall, in acquiring, investing, reinvesting, exchanging, retaining, selling and maintaining property for the benefit of the Trust, exercise the judgment and care under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital. The trustees are authorized to acquire and retain various kinds of property, real, personal or mixed, and various types of investments specifically including, but not by way of limitation, bonds, debentures and other corporate obligations, and stocks, preferred or common, which persons of prudence, discretion and intelligence acquire or retain for their own account. The investment of funds shall be in a manner that is consistent with the applicable sections of the City Code as well as State and Federal laws within the allocation percentages established in the Trust's investment policy guidelines.

NOTE 1 – DESCRIPTION OF THE PLAN (CONTINUED)

INVESTMENT POLICY (CONTINUED)

The investments are considered held by the Membership and Benefit Accounts and a share of the value of this account is allocated to each account based on a weighted average calculation performed each month to reflect each account's membership and benefit, COLA I and COLA II activity.

COLA ACCOUNTS

Effective January 9, 1994, the Trust entered into an agreement with the City of Miami with regards to the funding methods, member benefits, member contributions and retiree COLA. As of January 9, 1994, members no longer contribute to the original COLA account (COLA I), and a new COLA account (COLA II) was established.

The agreement included the following provisions:

- The funding method was changed to an aggregate method.
- Combining all accounts for investment purposes (membership and benefit, COLA I and COLA II).
- Retirees receive additional COLA benefits.
- Active members no longer contribute 2% of pretax earnings to fund the original retiree COLA account (COLA I account).

The COLA II account is funded annually by either a percentage of the excess investment returns from other than COLA I account assets or minimum Trust sponsor contribution. The excess earnings contributed to the COLA II account will be used to fund a minimum annual payment of $2,500,000, increasing by 4% compounded annually. To the extent necessary, the City will fund the portion of the minimum annual payment not funded by annual excess earnings no later than January 1 of the following year. During the year ended September 30, 2023, approximately $7,797,000 was funded by the City. Benefits payable from the COLA accounts are computed in accordance with an actuarially based formula as defined in Section 40.204 of the City of Miami Code.

DEFERRED RETIREMENT OPTION PROGRAM (DROP)

Effective October 1, 2021, all members may participate in the Deferred Retirement Option Program (DROP).

NOTE 1 – DESCRIPTION OF THE PLAN (CONTINUED)

DEFERRED RETIREMENT OPTION PROGRAM (DROP) (CONTINUED)

Members who are eligible for service retirement or Rule of 64 for Police Officers or Rule of 68 for Firefighters may elect to participation in either a Forward DROP or a Back DROP. Maximum participation in the Forward DROP for firefighters shall be 54 full months and for police officers shall be 84 full months. A member's creditable service, accrued benefit and compensation calculation shall be frozen.

Upon commencement of participation in the Forward DROP, the participant's contribution and the City's contribution to the Trust for that participant cease as the participant will not earn further creditable service for pension purposes.

Effective January 1, 2013, a Back DROP benefit option was implemented. An eligible employee who elects the Back DROP option shall receive a monthly benefit payable on the employee's actual retirement date based on the benefit the employee would have received if the employee had severed employment and retired on an earlier date after attaining normal retirement eligibility. Employees are eligible to elect the Backdrop option after completing one year of creditable service following the normal retirement date. An employee can elect a Back DROP period of 1 to 7 full years.

The DROP assets are held by an independent third party and therefore are not a part of the Trust's Financial Statements. The DROP balance was $175,186,332 as of September 30, 2023.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The Trust's financial statements are prepared in accordance with generally accepted accounting principles accepted in the United States of America ("U.S. GAAP") as prescribed by the Governmental Accounting Standards Board ("GASB"). Member contributions are recognized as revenues in the period in which contributions are due. City contributions are due when there is a formal commitment to provide amounts determined by an actuarial valuation. 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)

CASH EQUIVALENTS

The Trust considers all highly liquid investments with short-term maturities, typically less than three months, to be cash equivalents.

INVESTMENTS

Investments are recorded at fair value in the statement of fiduciary net position. 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. Refer to Note 3 to the financial statements for more detail regarding the methods used to measure the fair value of investments.

Unrealized and realized gains and losses are presented as net appreciation (depreciation) in fair value of investments on the statement of changes in fiduciary net position. Purchases and sales of securities are reflected on a trade-date basis. Interest income is recognized as earned and dividend income is recorded as of the ex-dividend date. Realized gains and losses on the sale of investments are based on average cost identification method.

Given the inherent nature of investments it is reasonably possible that changes in the value of those investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of fiduciary net position.

USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

PROPERTY AND EQUIPMENT, NET

Property and equipment (capital assets) are stated at cost and depreciated using the straight-line method over the estimated lives of the assets.

INCOME TAX STATUS

The Trust is tax-exempt under the Internal Revenue Code and, therefore, has recorded no income tax liability or expense.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RISK AND UNCERTAINTIES

Contributions to the Trust and the actuarial information included in the required supplementary information ("RSI") are reported based on certain assumptions pertaining to the interest rates, inflation rates and member compensation and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions may occur in the near term and, due to the uncertainties inherent in settling assumptions, that the effect of such changes could be material to the financial statements.

COMPARATIVE INFORMATION

The financial statements include certain prior-year comparative information. Such summarized information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Trust's financial statements for the year ended September 30, 2022, from which the information was derived.

NOTE 3 – DEPOSIT AND INVESTMENT RISK DISCLOSURES

CASH AND CASH EQUIVALENTS

Deposits are carried at cost and are included in cash and cash equivalents in the statement of fiduciary net position. Cash and cash equivalents include demand accounts and short-term investment funds ("STIF"). The cash is invested through daily sweeps of excess cash by the Trust's custodial bank into the custodial short-term (money market) commingled fund or invested in certificates of deposit, commercial paper, U.S. Treasury bills and repurchase agreements.

Cash and cash equivalents at September 30, 2023 consist of the following:

Sweep deposits	$ (179,959)
Invested cash and foreign currency	654,347
Short-term investments	15,534,675
Total	$ 16,009,063

NOTE 3 – DEPOSIT AND INVESTMENT RISK DISCLOSURES (CONTINUED)

INVESTMENT AUTHORIZATION

The Board of Trustees holds the fiduciary responsibility for the Trust, and has adopted a policy to invest in several institutionally acceptable asset classes. Thus, the Trustees have set a reasonably diversified asset allocation in accordance with state statutes (including minimum and maximum allocations), which is expected to appropriately fund the Trust's liabilities and meet its basic investment objectives. The basis for such a target asset allocation is a study of the Trust's pension liabilities and reasonable, alternative investment portfolios.

These asset classes are domestic equity (large, mid and small capitalization), international equity (developed and emerging markets), domestic real estate (institutional quality properties either individually or in open-ended commingled funds, or in real estate investment trust securities portfolios), private equity funds, domestic fixed income, and short-term investments. Other asset classes may be added by the Trustees to its investment policy.

Investment in domestic equity securities shall be limited to those listed on a major U.S. stock exchange and limited to no more than 40% (at market value) of the Trust's total asset value, in accordance with the Trust's investment policy. Investments in stocks of foreign companies shall be limited to 30% of the value of the Trust's portfolio.

Investments in core domestic fixed income securities shall be limited to 47% (at maturity) of the Trusts' total portfolio. The domestic fixed income portfolio shall be comprised of securities rated "BBB" or higher by nationally recognized rating agencies, preferably by Moody' or Standard & Pours rating services. Investment in bank loans has also been authorized by the Trust. The goal of the bank loan allocation is to generate reasonable returns, while providing diversification relative to core and high yield fixed income managers. Proper portfolio diversification of bank loan portfolios is required, such that reasonable risk/reward expectations are maintained. Performance attribution is required, as is the case of domestic core and high yield fixed income managers. Additionally, investment in absolute return has been authorized by the Trust. The goal of the absolute return allocation is to protect against volatility. Proper diversification of absolute return portfolios is required, such that reasonable risk/reward expectations are maintained. Performance attribution is required, as is the case of domestic fixed income and equity managers. Derivative investments with allocation limits, may not represent more than 5% of the individual portfolio manager's assets managed for the Trust. Derivative investments with allocation limits in the aggregate may not expose the individual manager's portfolio to losses in excess of 5% of the manager's total assets.

NOTE 3 – DEPOSIT AND INVESTMENT RISK DISCLOSURES (CONTINUED)

INVESTMENT AUTHORIZATION (CONTINUED)

The Trust invests in various funds and investment vehicles which employ specific strategies and co-investments often outside the traditional asset classes. The most common investment categories for these funds include domestic and international real estate and private equity funds. The structure of these investments is generally a limited partnership or limited liability company and tend to be long-term and illiquid in nature. Global real estate investments and private equity allocation range is limited to 12% and 8%, respectively.

TYPES OF INVESTMENTS

Florida Statutes and the Trust's investment policy authorize the Trustees to invest funds in various investments. The current target and actual allocation of these investments at market, per the performance analysis report, is as follows as of September 30, 2023:

Authorized Investments	Target % of Portfolio	Actual % of Portfolio
Cash and cash equivalents	0.00%	1.02%
Domestic equities	32.00%	33.73%
Core domestic fixed income	30.00%	22.08%
International equities	22.00%	22.58%
Global real estate	9.00%	8.76%
Private equity	7.00%	11.81%
Total Authorized Investments	100.00%	100.00%

RATE OF RETURN

For the year ended September 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.13%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 3 – DEPOSIT AND INVESTMENT RISK DISCLOSURES (CONTINUED)

INVESTMENTS

The table below shows the Trust's investments by type as of September 30, 2023:

Debt Securities, Domestic	
U.S. treasuries	$ 10,280,352
U.S. agencies	18,059
Corporate bonds	18,997,061
Asset backed securities	4,434,790
Mortgage backed securities	35,833,223
High yield bond	258,058,803
Total Debt Securities, Domestic	327,622,288
Debt Securities, International	
International government bonds	2,186,027
Corporate bonds	15,757,113
Total Debt Securities, International	17,943,140
Total Debt Securities	345,565,428
Equity securities, domestic	527,852,714
Equity securities, international	353,384,590
Private equity	184,843,300
Real estate	137,152,163
Total Investments	$1,548,798,195

INTEREST RATE RISK

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to interest rate risk, the Trust diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

NOTE 3 – DEPOSIT AND INVESTMENT RISK DISCLOSURES (CONTINUED)

INTEREST RATE RISK (CONTINUED)

Information about the sensitivity of the fair values of the Trust's fixed income (debt securities) investments to market interest rate fluctuations is provided by the following tables that show the distribution of the Trust's investments by maturity at September 30, 2023:

		Investment Maturities (In Years)			
Investment Type	Fair Value	Less Than 1	1-5 Years	6-10 Years	More Than 10 Years
U.S. treasuries	$ 10,280,352	$ --	$ 1,686,104	$ 3,484,720	$ 5,109,528
U.S. agencies	18,059	--	18,059	--	--
Corporate bonds	18,997,061	1,391,907	5,162,466	6,064,321	6,378,367
Asset backed securities	4,434,790	--	9,181	--	4,425,609
Mortgage backed securities	35,833,223	--	23,950	415,369	35,393,904
High yield bond	258,058,803	--	--	258,058,803	--
International fixed income	17,943,140	855,600	4,460,217	6,378,007	6,249,316
Total Debt Securities	$345,565,428	$ 2,247,507	$ 11,359,977	$274,401,220	$ 57,556,724
% of Debt Securities Portfolio	100.00%	0.65%	3.29%	79.41%	16.66%

CREDIT RISK

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Trust's investment policy utilizes portfolio diversification in order to control this risk.

NOTE 3 – DEPOSIT AND INVESTMENT RISK DISCLOSURES (CONTINUED)

CREDIT RISK (CONTINUED)

The following tables disclose credit ratings by investment type, at September 30, 2023, as applicable:

Investment	Fair Value	Percentage of Portfolio
U.S. Government Guaranteed*	$ 10,298,411	2.98%
Credit Risk Debt Securities		
AAA	262,546,133	75.98%
AA+	4,772,584	1.38%
A	172,024	0.05%
A-	3,528,894	1.02%
BBB+	10,041,334	2.91%
BBB	11,493,341	3.33%
BBB-	5,228,158	1.51%
BB+	3,535,877	1.02%
BB-	1,451,879	0.42%
B+	1,006,859	0.29%
B	31,488,720	9.11%
Not rated	1,214	0.00%
Total Credit Risk Debt Securities	335,267,017	97.02%
Total Debt Securities	$ 345,565,428	100.00%

*Obligations are backed by the full faith and credit of the U.S. Government.

CONCENTRATION OF CREDIT RISK

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. Investments in any one issuer that represent 5% or more of Plan net position require disclosure, excluding investments issued or explicitly guaranteed by the U.S. Government and investments in mutual funds. There were six (6) individual investments that represent 5% or more of the fair value of the Trust's net position at September 30, 2023.

NOTE 3 – DEPOSIT AND INVESTMENT RISK DISCLOSURES (CONTINUED)

CUSTODIAL CREDIT RISK

Deposits are exposed to custodial risk if they are uninsured and uncollateralized. Custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Trust will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Trust's deposits are covered by depository insurance or are collateralized by securities held with a financial institution in the Trust's name. The Trust is only exposed to custodial credit risk for uncollateralized cash and cash equivalents that are not covered by federal depository insurance.

Custodial risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Trust will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the Trust, and are held either by the counterparty or the counterparty's trust department or agent but not in the Trust's name.

Consistent with the Trust's investment policy, the investments are held by Trust's custodial bank and registered in the Trust's name. All of the Trust's deposits are insured or collateralized by a financial institution separate from the Trust's depository financial institution.

The Trust participates in securities lending transactions, as lender, and the securities loaned in those circumstances are exposed to some degree of custodial credit risk. The Trust does require that its custodian maintain insurance to help protect against losses due to negligence, theft, and certain other events.

FOREIGN CURRENCY RISK

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of the investment or a deposit. The Trust may have exposure to foreign currency risk to the extent its investments contain non-U.S. dollar denominated holdings in foreign countries. All asset classes may hold non-U.S. securities, depending on portfolio guidelines. There is no requirement that this exposure to foreign currency be hedged through forward currency contracts, although the manager uses them in many cases.

NOTE 3 – DEPOSIT AND INVESTMENT RISK DISCLOSURES (CONTINUED)

FOREIGN CURRENCY RISK (CONTINUED)

The Trust has exposure to foreign currency fluctuation as of September 30, 2023, as follows:

Currency	Equity Securities	Debt Securities	Private Equity	Total
Euro	$ --	$ --	$3,373,439	$ 3,373,439

SECURITIES LENDING TRANSACTIONS

A retirement system is authorized by state statutes and board of trustees' policies to lend its investment securities. The lending is managed by the Trust's custodial bank. All loans can be terminated on demand by either the Trust or the borrowers, although the average term of loans is approximately 90 days, as of September 30, 2023. The custodial bank and its affiliates are prohibited from borrowing the Trust's securities.

The agent lends the Trust's U.S. government and agency securities and domestic corporate fixed income and equity securities for securities or cash collateral at least 102 percent of the market value of the securities plus any accrued interest and international securities at least 105 percent of the market value of the securities plus any accrued interest. The securities lending contracts do not allow the Trust to pledge or sell any collateral securities unless the borrower defaults. Cash collateral is invested in the agent's collateral investment pool, whose share values are based on the amortized cost of the pool's investments. Investments are restricted to issuers with a credit rating A3 or A- or higher by Moody's or Standard & Poor's. At September 30, 2023, the pool had a weighted average term to maturity of 21 days.

The relationship between the maturities of the investment pool and the Trust's loans is affected by the maturities of the securities loans made by other entities that use the agent's pool, which the Trust cannot determine. There are policy restrictions by the custodial bank that limit the amount of securities that can be lent at one time or to one borrower.

Loaned securities continue to be classified as investment assets on the statement of fiduciary net position. Off balance sheet cash collateral is recorded as an asset with a corresponding liability. For lending agreements collateralized by securities, no accompanying asset or liability is recorded, since the Trust is not permitted to sell or re-pledge the associated collateral.

NOTE 3 – DEPOSIT AND INVESTMENT RISK DISCLOSURES (CONTINUED)

SECURITIES LENDING TRANSACTIONS (CONTINUED)

The following represents the balances relating to securities lending transactions at September 30, 2023:

Currency	Market Value of Securities on Loan for Cash	Fair Value Cash Collateral Invested	Fair Value of Liabilities to Borrowers
Securities Lent			
U.S. government and agency obligations	$ 7,955,793	$ 8,117,104	$ 8,117,104
Domestic corporate stocks	27,860,550	28,622,595	28,622,595
Domestic corporate bonds	5,622,872	5,772,498	5,772,498
Total Securities Lent	$ 41,439,215	$ 42,512,197	$ 42,512,197

The contract with the Trust's custodian requires the custodian to indemnify the Trust if the borrower fails to return the securities, due to the insolvency of a borrower, and the custodian has failed to live up to its contractual responsibilities relating to the lending of those securities. At year end, the Trust has no credit risk exposure to borrowers because the amounts of collateral held by the Trust exceed the amounts the borrowers owe the Trust.

There are no significant violations of legal or contractual provisions, no borrowers or lending agent default losses, and no recoveries of prior period losses during the year. There are no income distributions owing on securities lent.

INVESTMENT VALUATION

The Trust categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

NOTE 3 – DEPOSIT AND INVESTMENT RISK DISCLOSURES (CONTINUED)

INVESTMENT VALUATION (CONTINUED)

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 - Investments traded in an active market with available quoted prices for identical assets as of the reporting date.

Level 2 - Investments not traded on an active market but for which observable market inputs are available for an asset, either directly or indirectly, as of the reporting date.

Level 3 - Investments not traded in an active market and for which no significant observable market inputs are available as of the reporting date.

The Trust has established a framework to consistently measure the fair value of the Trust's assets and liabilities in accordance with applicable accounting, legal, and regulatory guidance. This framework has been provided by establishing valuation policies and procedures that will provide reasonable assurance that assets and liabilities are carried at fair value. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Trust's assessment of the significance of a particular input to the fair value measurement requires judgment and considers factors specific to the investment.

Debt securities: Debt securities consist primarily of negotiable obligations of the U.S. government and U.S. government-sponsored agencies, corporations, securitized offerings backed by residential and commercial mortgages and foreign debt securities. These securities can typically be valued using the close or last traded price on a specific date (quoted prices in active markets). When quoted prices are not available, fair value is determined based on valuation models that use inputs that include market observable inputs. These inputs included recent trades, yields, price quotes, cash flows, maturity, credit ratings, and other assumptions based upon the specifics of the investment's type.

NOTE 3 – DEPOSIT AND INVESTMENT RISK DISCLOSURES (CONTINUED)

INVESTMENT VALUATION (CONTINUED)

Equity securities: These include domestic and international equities. Domestic securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the fiscal 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 last reported bid price. International equities are valued based upon quoted foreign market prices and translated into U.S. dollars at the exchange rate in effect at September 30, 2023. Securities which are not traded on a national security exchange are valued by the respective fund manager or other third parties based on yields currently available on comparable securities of issuers with similar credit ratings.

Alternative investments: These investments pertain to private equity where no readily ascertainable market value exists. To value these investments, management, in consultation with the general partner and investment advisors, determines the fair values for the individual investments based upon the partnership's or limited liability company's most recent available financial information adjusted for cash flow activities through September 30, 2023. The estimated fair value of these investments may differ from values that would have been used had a ready market existed. The Trust also has investments which are measured at net asset value ("NAV") based on their proportionate share of the value of the investments as determined by the fund manager and are valued according to methodologies which include pricing models, property valuations (appraisals), discounted cash flow models, and similar techniques. 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 investments' reported NAV as a matter of convenience.

NOTE 3 – DEPOSIT AND INVESTMENT RISK DISCLOSURES (CONTINUED)

INVESTMENT VALUATION (CONTINUED)

The following table summarizes the valuation of the Trust's investments in accordance with the above mentioned fair value hierarchy levels as of September 30, 2023:

		Fair Value Measurements Using		
	September 30, 2023	(Level 1 Inputs)	(Level 2 Inputs)	(Level 3 Inputs)
Investment by Fair Value Level:				
Debt Securities				
U.S. treasuries	$ 10,280,352	$ --	$ 10,280,352	$ --
U.S. agencies	18,059	--	18,059	--
Corporate bonds	18,997,061	--	18,997,061	--
Asset backed securities	4,434,790	--	4,434,790	--
Mortgage backed securities	35,833,223	--	35,833,223	--
International fixed income	17,943,140	--	17,943,140	--
Total Debt Securities	87,506,625	--	87,506,625	--
Equity Securities				
Domestic equities	203,342,078	203,342,078	--	--
International equities	3,634,926	3,634,926	--	--
Total Equity Securities	206,977,004	206,977,004	--	--
Alternative Investments				
Private equity	3,373,439	--	--	3,373,439
Total Investments by Fair Value Level	297,857,068	$ 206,977,004	$ 87,506,625	$ 3,373,439
Investments Measured at Net Asset Value (NAV)				
Commingled domestic fixed income funds	258,058,803			
Commingled international equity funds	349,749,664			
Commingled domestic equity funds	324,510,636			
Real estate investment funds	137,152,163			
Venture capital private equity funds	181,469,861			
Total Investments Measured at NAV	1,250,941,127			
Total Investments	$ 1,548,798,195			

NOTE 3 – DEPOSIT AND INVESTMENT RISK DISCLOSURES (CONTINUED)

INVESTMENT VALUATION (CONTINUED)

The following tables summarize investments as of September 30, 2023 for which fair value is measuring using the net asset value per share, including their related unfunded commitments and redemption restrictions.

	Investments Measured at NAV			
Investments Measured at NAV	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Commingled domestic fixed income funds (1)	$ 258,058,803	$ --	Daily	Same Day
Commingled international equity funds (2)	349,749,664	--	Daily	Same Day
Commingled domestic equity funds (3)	324,510,636	--	Daily	Same Day
Real estate investment funds (4)	137,152,163	4,032,258	Quarterly	45 days
Venture capital private equity funds (5)	181,469,861	31,331,494	N/A	N/A
Total Investments Measured at NAV	$1,250,941,127	$ 35,363,752		

1. Commingled domestic fixed income funds with established investment objectives to seek high income and capital growth by investing in U.S. high yield debt securities over a long-term period. These funds aim at hedging the foreign exchange risk resulting from the divergence between the reference currency of subfans and the currency of share classes by using derivatives instruments.

2. Commingled international equity funds with globally diversified private equity programs that invest and seeks to measure the stocks representing the lowest 15% of float-adjusted market cap and high quality growth companies that trade at discount to the market, in key developed countries, excluding the U.S.

3. Commingled domestic equity funds which aim to pursue varying strategies in order to diversify risks and reduce volatility. These funds have a diversified portfolio of relative value and event driven hedge funds with a focus on U.S. holdings.

NOTE 3 – DEPOSIT AND INVESTMENT RISK DISCLOSURES (CONTINUED)

INVESTMENT VALUATION (CONTINUED)

4. Real estate investment funds are established for the purpose to acquire, own, hold for investment and ultimately dispose of investments in real estate. These funds strive to keep a diversified portfolio of income producing institutional properties throughout the U.S.

5. Venture capital private equity funds whose investment objective is investing primarily in private equity investments, including primary and secondary investments in private equity, infrastructure, and other private asset funds and co-investments in portfolio companies, although the allocation among those types of investments may vary from time to time.

NOTE 4 – OFF-BALANCE-SHEET COMMITMENTS

The Trust, in the normal course of business, enters into commitments with off-balance-sheet risk. The Trust adheres to the same credit policies, financial and administrative controls, and risk limiting and monitoring procedures for commitments as for on-balance-sheet investments. The majority of these future financial commitments are reported as part of the unfunded commitments for investments measured at NAV which are disclosed in Note 3 of the financial statements.

In addition to the unfunded commitments disclosed in Note 3, the Trust has future investment commitments outstanding for foreign private equity investments at September 30, 2023 of approximately €942,000 (euros), respectively.

NOTE 5 – NET PENSION LIABILITY OF THE CITY

The components of the net pension liability of the City at September 30, 2023 were as follows:

Total Pension Liability	$ 2,650,238,384
Less: Plan fiduciary net position*	(1,567,695,124)
Net Pension Liability	$ 1,082,543,260
Plan Fiduciary Net Position as a % of the Total Pension Liability	59.15%

NOTE 5 – NET PENSION LIABILITY OF THE CITY (CONTINUED)

SIGNIFICANT ACTUARIAL ASSUMPTIONS

The total pension liability at September 30, 2023 was determined using an actuarial valuation as of October 1, 2022. The actuarial valuation used the following actuarial assumptions:

Inflation	2.60%
Projected salary increases	1.5% for promotions plus salary merit scale
Projected COLAs	Amount varies annually with the adjustment on January 1st
Investment rate of return	7.00% compounded annually, net of pension plan investment expense, including inflation.

Mortality rates are calculated with the Florida Retirement System projected using scale BB for all healthy retirees. Disabled Mortality rates are not projected.

LONG-TERM EXPECT RATE OF RETURN

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 pension plan investment expense 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 Trust's target asset allocation as of September 30, 2023 (see the discussion of the Trust's investment policy) are summarized in the following table:

Asset Class	*Long-term Expected Real Rates of Return
U.S Equity	6.10%
International Developed Non-U.S. Equity	7.20%
Private Equity Fund of Funds	7.20%
Private Debt	6.40%
Investment Grade Bonds	2.10%
Treasuries	2.40%
High Yield Bonds	4.70%
Bank Loans	4.40%
Real Estate	5.20%
Core Infrastructure	5.20%

* Real rates of return are net of the long-term inflation assumption of 2.60% for 2023.

NOTE 5 – NET PENSION LIABILITY OF THE CITY (CONTINUED)

DISCOUNT RATE

The discount rate used to measure the total pension liability was 7.00%, for 2023. The projection of cash flows used to determine the discount rate assumed that Trust member contributions will be made at the current contribution rates and that contributions from the City will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Trust's fiduciary net position was projected to be available to make all projected future benefit payments of current Trust members. Therefore, the long term expected rate of return on pension Trust investments was applied to all periods of projected benefit payments to determine the total pension liability.

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the net pension liability of the City using the discount rate of 7.00% for 2023, as well as what the employer net pension liability would if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's Net Pension Liability	$ 1,378,513,116	$ 1,082,543,260	$ 834,468,651

NOTE 6 – PROPERTY AND EQUIPMENT

As of September 30, 2023, the property and equipment consist of:

		Estimated Useful Lives
Land	$ 760,865	N/A
Building	1,666,306	38 years
Less: accumulated depreciation	(417,206)	
Property and Equipment, Net	$ 2,009,965	

The depreciation expense for year ended September 30, 2023 was $22,437.

NOTE 7 – ADMINISTRATIVE EXPENSES REIMBURSEMENT

For the year ended September 30, 2023 administrative costs of the Trust in the amount of $2,071,011 were funded by the City of Miami and are accounted for as a part of the actuarially determined minimum required contributions from the City and are reflected in contributions from the City in the accompanying statement of changes in fiduciary net position.

NOTE 8 – RETIREMENT PLAN FOR STAFF

The employees of the Trust participate in a separate plan sponsored by the City of Miami Firefighters' and Police Officers' Retirement Trust, which is a single-employer defined benefit pension plan. The employees' contribution is 7% of earnable compensation. Employee retirement contributions for the year ended September 30, 2023, totaled $25,400.

The Trust, as employer, is to contribute such amounts as necessary to provide the Staff Plan with assets sufficient to meet the benefits to be paid to the participants. The employer contributions to the Plan for the year ended September 30, 2023 were $66,220.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MIAMI FIREFIGHTERS' AND POLICE OFFICERS' RETIREMENT TRUST

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS (UNAUDITED)

September 30,	2023	2022	2021	2020	2019	2018	2017 (Restated)	2016	2015	2014
Total Pension Liability										
Service cost	$ 48,985,511	$ 46,664,662	$ 33,080,765	$ 33,703,733	$ 30,947,329	$ 27,965,925	$ 26,279,333	$ 21,625,163	$ 19,203,823	$ 17,233,272
Interest	177,545,797	170,619,991	159,732,358	160,096,512	152,192,907	149,244,425	146,548,443	156,265,650	156,479,438	155,338,970
Changes in benefit terms	--	45,605,790	119,271,883	4,270,406	55,386,337	--	122,641,436 (1)	--	9,453,429	--
Differences between expected and actual experience	26,912,741	11,516,006	29,131,987	46,795,554	32,027,954	21,728,074	15,553,948	12,725,721	(16,970,540)	(6,638,755)
Changes of assumptions	--	--	77,759,117	(82,872,814)	(5,024,797)	16,618,357	--	30,651,781	14,895,466	--
Benefit payments, including refunds of member contributions	(181,177,358)	(174,397,080)	(168,246,291)	(164,416,994)	(156,798,207)	(156,093,286)	(151,375,376)	(166,203,470)	(165,535,327)	(139,860,276)
Net Change in Total Pension Liability	72,266,691	100,009,369	250,729,819	(2,423,603)	108,731,523	59,463,495	159,647,784	55,064,845	17,526,289	26,073,211
Total Pension Liability - Beginning	2,577,971,693	2,477,962,324	2,227,232,505	2,229,656,108	2,120,924,585	2,184,102,526	2,222,547,481	2,167,482,636	2,149,956,347	2,123,883,136
Changes in benefit terms (1)	--	--	--	--	--	(122,641,436)	--	--	--	--
Restatement (2)	--	--	--	--	--	--	(198,092,739)	--	--	--
Total Pension Liability - Ending	$2,650,238,384	$2,577,971,693	$2,477,962,324	$2,227,232,505	$2,229,656,108	$2,120,924,585	$2,184,102,526	$2,222,547,481	$2,167,482,636	$2,149,956,347
Plan Fiduciary Net Position										
Contributions - employer	$ 107,166,543	$ 73,386,674	$ 69,982,149	$ 67,564,414	$ 62,694,851	$ 56,999,866	$ 53,264,009	$ 48,672,615	$ 48,616,677	$ 47,535,499
Contributions - member	16,887,734	17,385,719	15,892,460	15,820,796	16,309,563	14,258,763	13,206,378	12,082,805	9,317,231	9,462,569
Net investment income (loss)	149,740,660	(220,865,219)	302,191,323	88,163,893	73,863,324	102,296,007	136,351,212	132,946,827	35,844,550	132,696,604
Benefit payments, including refunds of member contributions	(181,177,358)	(174,397,080)	(168,246,291)	(164,416,995)	(156,798,207)	(156,093,286)	(151,375,376)	(166,203,470)	(165,537,888)	(139,860,276)
Administrative expense	(2,063,928)	(2,137,202)	(2,181,634)	(2,210,096)	(2,128,469)	(2,086,709)	(2,058,797)	(2,029,168)	(2,222,561)	(2,086,240)
Other	--	--	--	--	585,124	(42,726)	(42,726)	(42,726)	(42,726)	989,372
Net Change in Plan Fiduciary Net Position	90,553,651	(306,627,108)	217,638,007	4,922,012	(5,473,814)	15,331,915	49,344,700	25,426,883	(74,024,717)	48,737,528
Plan Fiduciary Net Position - Beginning	1,477,141,473	1,783,768,581	1,566,130,574	1,561,208,562	1,566,682,376	1,551,350,461	1,700,098,500	1,674,671,617	1,748,696,334	1,699,958,806
Restatement	--	--	--	--	--	--	(198,092,739)	--	--	--
Plan Fiduciary Net Position - Ending	$1,567,695,124	$1,477,141,473	$1,783,768,581	$1,566,130,574	$1,561,208,562	$1,566,682,376	$1,551,350,461	$1,700,098,500	$1,674,671,617	$1,748,696,334
Net Pension Liability - Ending	$1,082,543,260	$1,100,830,220	$ 694,193,743	$ 661,101,931	$ 668,447,546	$ 554,242,209	$ 632,752,065	$ 522,448,981	$ 492,811,019	$ 401,260,013

(1) See "*Total Pension Liability Adjustment*" description in notes to required supplementary information.
(2) Restated for elimination of DROP assets and related activity. There was no effect on the City's net pension liability

This schedule is presented as required by accounting principles generally accepted in the United States of America.

(Continued)

CITY OF MIAMI FIREFIGHTERS' AND POLICE OFFICERS' RETIREMENT TRUST

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS (UNAUDITED) (CONTINUED)

September 30,	2023	2022	2021	2020	2019	2018	2017 (Restated)	2016	2015	2014
Total Pension Liability	$2,650,238,384	$2,577,971,693	$2,477,962,324	$2,227,232,505	$2,229,656,108	$2,120,924,585	$2,184,102,526	$2,222,547,481	$2,167,482,636	$2,149,956,347
Plan Fiduciary Net Position	(1,567,695,124)	(1,477,141,473)	(1,783,768,581)	(1,566,130,574)	(1,561,208,562)	(1,566,682,376)	(1,551,350,461)	(1,700,098,500)	(1,674,671,617)	(1,748,696,334)
City's Net Pension Liability	$1,082,543,260	$1,100,830,220	$ 694,193,743	$ 661,101,931	$ 668,447,546	$ 554,242,209	$ 632,752,065	$ 522,448,981	$ 492,811,019	$ 401,260,013
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	59.15%	57.30%	71.99%	70.32%	70.02%	73.87%	71.03%	76.49%	77.26%	81.34%
Covered Payroll (3)	$ 187,880,152	$ 178,532,455	$ 176,712,600	$ 168,059,448	$ 166,670,939	$ 141,497,840	$ 133,083,231	$ 106,278,376	$ 93,705,765	$ 85,222,842
City's Net Pension Liability as a Percentage of Covered Payroll	576.19%	616.60%	393.95%	393.37%	401.06%	391.70%	475.46%	491.59%	525.91%	470.84%
Total Payroll Including DROP Participants	$ 180,199,387	$ 207,317,323	$ 195,376,743	$ 184,484,315	$ 176,975,203	$ 159,787,486	$ 153,785,532	$ 133,966,173	$ 127,786,644	$ 124,563,050

(4) Covered payroll is as of September 30, of the prior fiscal year

This schedule is presented as required by accounting principles generally accepted in the United States of America.

CITY OF MIAMI FIREFIGHTERS' AND POLICE OFFICERS' RETIREMENT TRUST

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY CONTRIBUTIONS (UNAUDITED)

	2023	2022	2021	2020	2019
Actuarially determined contribution	$ 107,166,543	$ 73,386,674	$ 69,982,149	$ 67,564,414	$ 62,694,851
Contributions in relation to the actuarially determined contribution	107,166,543	73,386,674	69,982,149	67,564,414	62,694,851
Contribution Deficiency (Excess)	$ --	$ --	$ --	$ --	$ --
Covered payroll (1)	$ 187,880,152	$ 178,532,455	$ 176,712,600	$ 168,059,448	$ 166,670,939
Contributions as a percentage of covered payroll	57.04%	38.67%	39.60%	40.20%	37.62%

	2018	2017	2016	2015	2014
Actuarially determined contribution	$ 56,999,866	$ 53,264,009	$ 48,672,615	$ 48,616,677	$ 47,305,679
Contributions in relation to the actuarially determined contribution	56,999,866	53,264,009	48,672,615	48,616,677	47,305,679
Contribution Deficiency (Excess)	$ --	$ --	$ --	$ --	$ --
Covered payroll (1)	$ 141,497,840	$ 133,083,231	$ 106,278,378	$ 93,705,765	$ 85,222,842
Contributions as a percentage of covered payroll	40.28%	40.02%	45.80%	45.74%	50.48%

(1) Covered payroll is as of September 30, the fiscal year end date.

This schedule is presented as required by accounting principles generally accepted in the United States of America.

Total Pension Liability Adjustment. For the fiscal year 2017, the GASB Statement No. 67 and No. 68 report, the actuary included the impact of the full restoration of benefits under Supreme Court Ruling which increased both the total pension liability and pension expense by $122.6 million. Since the restoration of benefits was under negotiation, the Board decided not to include the impact of the restoration of benefits in the October 1, 2017 funding valuation. As a result of this determination, in the September 30, 2018 GASB Statement No. 67 and No. 68 report, the actuary reduced the beginning pension liability by $122.6 million. The pension liability reported by the actuary as of September 30, 2018 does not include any impact from this Supreme Court ruling. This matter was resolved.

Method and assumptions used in calculations of the City's actuarially determined contributions. The actuarially determined contribution rates in the schedule of the City's contributions are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported. Unless otherwise noted above, the following actuarial methods and assumptions were used to determine contribution rates reported in the Schedule of the City's contributions.

Valuation Date	October 1, 2021
Actuarial cost method	Aggregate Cost Method
Asset valuation method	20% Phase-In Method: Fair market value of assets on the valuation date adjusted for a 5-year phase-in of gains and losses on the fair market value of assets.
Interest Rates	7.00% net of investment expenses
Inflation	3.25%
Projected salary increases	1.5% for promotions plus salary merit scale
Mortality Rates:	
Healthy	Florida Retirement System special risk mortality projected generationally with scale MP-2018
Disabled	100% of the assumed deaths are expected to be ordinary deaths

CITY OF MIAMI FIREFIGHTERS' AND POLICE OFFICERS' RETIREMENT TRUST

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF INVESTMENT RETURNS (UNAUDITED)

September 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	10.13%	-12.26%	19.71%	6.17%	5.39%	7.48% *	9.22%	9.70%	1.84%	8.60%

* Restated

This schedule is presented as required by accounting principles generally accepted in the United States of America..

SUPPLEMENTARY INFORMATION

CITY OF MIAMI FIREFIGHTERS' AND POLICE OFFICERS' RETIREMENT TRUST

SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT EXPENSES

FOR THE YEAR ENDED SEPTEMBER 30, 2023
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2022)

	2023	2022
Equities		
BGI/Black Rock	$ --	$ 10,951
Boston Partners	259,855	437,938
Champlain Investments	583,621	654,211
First Eagle	141,929	959,103
Waycross Partners	193,325	--
Total Equities	1,178,730	2,062,203
Debt Securities		
AXA U.S. High Yield	139,619	102,047
Dodge & Cox	198,455	177,683
NTAM U.S. Aggregate Bond	31,153	34,892
NTAM U.S. Government Bond	17,996	23,282
NTAM S&P 500 Lending	8,211	10,872
NTAM MSCI EAFE Lending	14,633	17,323
Wellington International Growth	685,433	755,032
Total Debt Securities	1,095,500	1,121,131
Real Estate		
J.P. Morgan	1,547,868	1,150,334
Total Real Estate	1,547,868	1,150,334
Other	15,095	13,316
Total Investment Expenses	$ 3,837,193	$ 4,346,984

See independent auditors' report.

CITY OF MIAMI FIREFIGHTERS' AND POLICE OFFICERS' RETIREMENT TRUST

SUPPLEMENTARY INFORMATION
SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED SEPTEMBER 30, 2023
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2022)

	2023	2022
Personnel Services		
Salaries and payroll taxes	$ 452,987	$ 536,852
Fringe benefits	108,917	75,828
Total Personnel Services	561,904	612,680
Professional Services		
Actuarial	157,200	161,155
Audit	44,600	43,295
Consultant and custodial	403,847	560,214
Legal	41,685	31,206
Medical	9,840	1,700
Total Professional Services	657,172	797,570
Other		
Education and travel	45,995	25,285
Insurance	196,424	179,080
Office expense	295,009	214,565
Repair and maintenance	203,162	220,567
Retirement contribution	66,220	64,922
Utilities	38,041	22,533
Miscellaneous	7,084	--
Total Other	851,935	726,952
Total Administrative Expense	$ 2,071,011	$ 2,137,202

See independent auditors' report.

REPORTING SECTION

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

To the Board of Trustees and Plan Administrator
City of Miami Firefighters' and Police Officers' Retirement Trust

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards)*, the financial statements of City of Miami Firefighters' and Police Officers' Retirement Trust (the "Trust"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, and have issued our report thereon dated February 15, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Trust's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, we do not express an opinion on the effectiveness of the Trust's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Trust's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Marcum LLP

Miami, FL
February 15, 2024