Saltmarsh
Saltmarsh, Cleaveland & Gund
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

WEST PALM BEACH POLICE PENSION FUND

FINANCIAL STATEMENTS

SEPTEMBER 30, 2021 AND 2020

PPCC

Public Pension Coordinating Council

Public Pension Standards Award For Funding and Administration 2021

Presented to

City of West Palm Beach Police Pension Plan

In recognition of meeting professional standards for
plan funding and administration as
set forth in the Public Pension Standards.

Presented by the Public Pension Coordinating Council, a confederation of

National Association of State Retirement Administrators (NASRA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

Alan H. Winkle

Alan H. Winkle
Program Administrator

WEST PALM BEACH POLICE PENSION FUND

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SEPTEMBER 30, 2021 AND 2020

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INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
West Palm Beach Police Pension Fund
West Palm Beach, Florida

Report on Financial Statements

We have audited the accompanying financial statements of West Palm Beach Police Pension Fund (Plan), which comprise the statement of fiduciary net position as of September 30, 2021 and 2020, and the related statements of changes in fiduciary net position for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

The Plan's Board of Trustees is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material mis statement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error, in making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements, 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

The Board of Trustees
West Palm Beach Police Pension Fund
West Palm Beach, Florida

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the West Palm Beach Police Pension Fund as of September 30, 2021 and 2020, 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.

Emphasis of Matter

As discussed in Note 1, these financial statements present only the West Palm Beach Police Pension Fund, a pension trust fund of the City of West Palm Beach (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.

Other Matters

Required Supplementary Information

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

The West Palm Beach Police Pension Fund has not presented a management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of the basic financial statements. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

The additional information on page 33 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
February 11, 2022

WEST PALM BEACH POLICE PENSION FUND
STATEMENTS OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2021 AND 2020

	2021	2020
Assets:		
Cash	$ 774,531	$ 376,773
Receivables:		
DROP loans	788,756	1,120,889
Interest and dividends	203,363	189,667
Broker-dealers	1,111,843	546,940
Florida State Excise Tax Rebate	-	1,611,609
Other	703	8,568
Total receivables	2,104,665	3,477,673
Investments:		
U.S. Government obligations	15,109,630	4,298,819
U.S. Government agency obligations	27,835,095	35,346,146
Corporate bonds	4,656,833	28,009,018
Domestic stocks	104,777,287	67,995,231
Domestic equity investment funds	121,958,178	121,337,959
Domestic private equity investment funds	40,625,290	17,936,881
International equity investment funds	67,980,466	54,395,439
International fixed income investment funds	19,688,870	-
Real estate investment funds	74,895,170	62,070,326
Temporary investment funds	4,190,500	4,988,500
Total investments	481,717,319	396,378,319
Prepaid expenses	1,396,618	1,330,554
Total Assets	485,993,133	401,563,319
Liabilities:		
Accounts payable	282,250	308,040
Accounts payable, broker-dealers	372,281	1,199,873
Total Liabilities	654,531	1,507,913
Net Position Restricted for Pensions	$ 485,338,602	$ 400,055,406

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

WEST PALM BEACH POLICE PENSION FUND
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	2021	2020
Additions to Net Position Attributed to:		
Contributions:		
Employer	$ 5,935,584	$ 5,240,652
Participants	2,647,132	2,746,965
Buy back	-	59,874
Drop	287,155	-
415 Rollover	402,251	162,185
Total contributions	9,272,122	8,209,676
Intergovernmental revenue:		
Chapter 185 state excise tax rebate	1,597,683	1,611,609
Total intergovernmental revenue	1,597,683	1,611,609
Investment income:		
Net appreciation in fair value of investments	89,035,648	21,587,088
Interest	1,581,256	1,596,581
Dividends	5,318,198	3,537,609
Commission rebate	-	2,768
Class action revenue	42,789	9,440
Other	12,995	44,152
Total investment income	95,990,886	26,777,638
Less investment expenses	1,298,830	961,568
Net investment income	94,692,056	25,816,070
Total additions	105,561,861	35,637,355
Deductions from Net Position Attributed to:		
Benefits:		
Age and service	11,272,996	11,034,263
Disability	880,498	878,195
Beneficiaries	850,228	870,177
Share accounts	2,262,164	1,740,598
DROP accounts	4,382,046	3,989,575
Refunds of contributions	262,973	206,949
Administrative expenses	367,760	304,417
Total deductions	20,278,665	19,024,174
Net Increase in Net Position	85,283,196	16,613,181
Net Position Available for Benefits:		
Beginning of year	400,055,406	383,442,225
End of year	$ 485,338,602	$ 400,055,406

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

NOTE 1 - DESCRIPTION OF PLAN

The following brief description of the West Palm Beach Police Pension Fund (Plan) is provided for general information purposes only. Participants should refer to the Plan Ordinance for more complete information.

The Plan is a defined benefit pension plan covering all full-time police officers of the City of West Palm Beach, Florida (City).

During the fiscal year September 30, 2021, the Plan's membership consisted of:

Currently receiving benefits:	271
DROP participants	175
Terminated employees entitled to benefits but not yet receiving them	9
Total	455
Currently employees:	
Vested	140
Nonvested	124
Total	264

At September 30, 2020, the date of the most recent Plan actuarial valuation, there were 271 retirees and beneficiaries receiving benefits.

General - The Plan was created in 1947 by a Special Act of the Florida legislature, Chapter 2498 I, Section 16, Laws of Florida, as amended. The Special Act was substantively amended in 2003, 2005, 2012, 2014, and 2017.

Participation in the Plan is required as a condition of employment. The Plan provides for pension, death and disability benefits. In addition, the Plan is a local law plan subject to provisions of Chapter 185 of the State of Florida Statutes.

The Plan, in accordance with the above statutes, 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.

NOTE 1 - DESCRIPTION OF PLAN (Continued)

Pension Benefits - The pension plan provides retirement, death and disability benefits for its participants. A participant may retire with normal benefits after reaching age 50 and accumulating 20 or more years of credited service; reaching age 55 and accumulating 10 or more years of credited service; or at 25 or more years of continuous service.

Normal retirement benefits are stipulated in Laws of Florida, Chapter 2498l, Section 16(9) and are contingent upon a participant's employment date, retirement date and length of service. Effective October 1, 2017, normal retirement benefits are increased from 2.68% to 3.00% of the participant's final average salary multiplied by the number of years of credited service. Early retirement benefits are payable at a reduced amount for participants attaining age 50 with 10 or more years of service.

A participant with 10 or more years of credited service is eligible for deferred retirement. These benefits begin upon application on or after reaching age 50 and are computed the same as normal or early retirement, based on the participant's final average salary and credited service at date of termination. Benefits are reduced 3% per year for each year by which the participant's age at retirement preceded the participant's normal retirement age.

Effective January 1, 2013, the limit on the amount of overtime that is included in pensionable compensation was lowered from 400 hours to 300 hours.

Death Benefits - Pre-retirement death benefits for service-related deaths are paid to participant's surviving spouse for life. Benefits are calculated at two-thirds of the participant's highest twelve consecutive months' salary, or the current top step police officer pay, whichever is greater. Unmarried children under age 18 each receive $150 per month. If no eligible surviving spouse exists, unmarried children each receive an equal share of one third of the participants' final average salary.

Pre-retirement death benefits for non-service-related deaths are paid to participant's surviving spouse for life. Non-service-related death benefits are available to participants with five or more years of service. Benefits are computed as two-thirds the amount of what the participant would have received had he retired the day before death, subject to a minimum of one-seventh of the participant's final average salary. If no eligible surviving spouse exists, unmarried children under age 18 will each receive an equal share of the calculated amount.

Post-retirement death benefits are payable to the participant's eligible surviving spouse equal to two-thirds of the member's pension at the time of death and are payable until death. If no eligible surviving spouse exists, the participant's unmarried children under the age of 18 receive equal shares. If no eligible widow or children exist, and death occurs within 10 years of retirement, the payment of the pension is continued to a designated beneficiary for the balance of the 10-year period. Optional forms of payment are available on an "equivalent actuarial value" basis to the 10-year certain and life forms of payment.

NOTE 1 - DESCRIPTION OF PLAN (Continued)

Disability Benefits - Disability benefits for service-related disabilities are paid to the participant for life. Benefits are calculated as the amount of accrued normal retirement pension benefit, subject to a minimum benefit equal to two-thirds of the participant's final average salary to the later of age 55 or 5 years after disability. After expiration of the minimum benefit, the service-related disability benefit is recalculated to be the participant's normal retirement but with additional service credit granted to the later of age 55 or 5 years of disability.

Disability benefits for non-service-related disabilities are paid to a participant for life. Benefits are calculated as the accrued normal retirement amount if the disability occurs after normal retirement eligibility. If the disability occurs before normal retirement eligibility and the participant has completed ten or more years of credited service, the disability benefit is computed as the normal retirement benefit with a minimum of 25% of the participant's final average salary. If the disability occurs before normal retirement eligibility and the participant has completed at least five but less than ten years of credited service, the disability benefit is computed as the normal retirement benefit with a minimum of 20% of the participant's final average salary.

Cost of Living Adjustments - Post-retirement cost of living adjustments are made by the Board of Trustees each January 1 following the attainment of age 65 by each retiree. Benefits are increased by a percentage of the base retirement benefit amount equal to the increase in the Consumer Price Index.

Supplemental Pension Distributions - The Board of Trustees may make a supplemental distribution each year from net accumulated investment and mortality experience from all sources, to the extent of investment earnings in excess of 7% (to a maximum 2% excess) for participants employed before April 1, 1987 and in excess of 8.25% (to a maximum of .75% excess) for participants employed after March 31, 1987 plus one-half of investment earnings in excess of 9.0%, if any, for all participants, applied to the actuarial present value of future pension benefits estimated to be paid to retired participants' beneficiaries. No supplemental distributions were paid in the fiscal years ended September 30, 2021 and 2020.

Refund of Participant Contributions - A non-vested participant who terminates employment is refunded his or her contributions, without interest, unless he or she voluntarily elects to leave the contributions in the member's deposit account for a period of up to five years, pending the participant's possibility of re-employment.

Share Accounts - Effective October 1, 1988, Share Accounts (defined contribution accounts) were established for each participant in the Plan. The accounts are funded by Chapter 185 state excise tax rebate payments. Chapter 185 receipts are allocated to the accounts every October 1 in proportion to each participant's number of pay periods during the preceding calendar year. On September 30 of each year, share accounts are credited with a pro rata share of excess pension plan investment savings and forfeited accounts. Eligible pm1icipants, meeting certain service criteria, whose employment is terminated, or an eligible beneficiary may receive payment of the share account on application to the Board of Trustees. Distributions may be in lump sum, or partial as permitted by Board policy.

NOTE 1 - DESCRIPTION OF PLAN (Continued)

The Chapter 185 revenue received during the fiscal year ended September 30, 2015 has been used to offset the City's contribution during the fiscal year ended September 30, 2015 and thereafter would be allocated to the share plan accounts.

Deferred Retirement Option Plan (DROP) - Any participant who is eligible to receive a normal retirement pension benefit who has completed between 25 and 27 years of service 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; however, participants are still eligible to receive allocation to Chapter 185 share accounts. 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 pm1icipant upon his or her termination of employment. Participation in the DROP ceases for a member after the earlier of 5 years or the attainment of 30 years of service.

Effective October 1, 2012, the fixed interest rate for Share Plan and DROP accounts was lowered to 8.25% to 8.00% per year. If the investment earnings paid as fixed interest on Share Plan accounts creates a deficiency as compared to the gross earnings of the pension fund, the rate will be reduced to 4.00% effective the following October 1. The rate will be returned to 8.00% effective the following October 1 after the deficiency is satisfied.

Participants may borrow from their DROP accounts a minimum of $5,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their DROP account balance. The loans are secured by the balance in the members' DROP account and bear interest at the lowest published prime rate at the issue date for the loan. Principal and interest is paid ratably through monthly payments.

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 liabilities are incurred. Plan participant 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)

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 Special Act and the amendments thereto.

Valuation of Investments:

Investments in common stock, open-ended mutual funds and bonds 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 last 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 market participants, other than in a forced or liquidation sale. Investments are recorded on a trade date basis.

Investment income is recognized on the accrual basis as earned. Unrealized appreciation 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 Statements of Changes in Fiduciary Net Position.

Custody of Asset:

Custodial and investment services are provided to the Plan under contract with a national trust company having trust powers. The Plan’s investment policies are governed by Florida State Statutes and ordinances of the City of West Palm Beach, Florida.

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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Authorized Plan Investments (Continued):

Permissible investments include obligations of the U.S. Treasury and U.S. agencies, high capitalization common or preferred stocks, pooled equity funds, high quality bonds or notes and fixed income funds, real estate and derivative investments. In addition, the Board requires that Plan assets be invested with no more than 70% in stocks and convertible securities measured at market value at the end of each reporting period. Further information regarding the permissible investments from the Plan can be found in the Investment Policy Objectives and Guidelines.

Actuarial Cost Method:

The Plan has elected the Entry Age Normal for funding purposes. This method allocates the actuarial present value of each participant's projected benefit on a level basis over the participant's earnings from the date of entry into the Plan through the date of retirement.

Reporting Entity:

The financial statements presented are only for the Plan and are not intended to present the basic financial statements of the City of West Palm Beach, Florida.

The Plan is included in the City's Annual Comprehensive Financial Report (ACFR) for the years ended September 30, 2021 and 2020, which are separately issued documents. Anyone wishing further information about the City is referred to the City's ACFR.

The Plan is a pension trust fund (fiduciary fund type) of the City which accounts for the single employer defined benefit pension plan for all City Police Officers. The provisions of the Plan provide for retirement, disability, and survivor benefits.

Funding Policy:

Contribution requirements are established and may be amended by the Florida Legislature. The contribution requirements are determined based on the benefit structure negotiated by the City and the participants bargaining unit, the Palm Beach County Police Benevolent Association. Participants are required to contribute 10.0% effective January 1, 2006 and 11.0% effective January 1, 2007 and January 1, 2008 of their annual earnings. Pursuant to Chapter 185 of the Florida Statutes, a premium tax on ce1iain casualty insurance contracts written on West Palm Beach properties is collected by the State and is remitted to the Plan. The City is required to contribute the remaining amounts necessa1y to finance the benefits through periodic contributions of actuarially determined amounts. The required employer contribution for the fiscal year ended September 30, 2020 was determined by the September 30, 2020 actuarial valuation. Administrative costs are financed through employer contributions and charges against Share and DROP accounts and supplemental distributions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Funding Policy (Continued):

The Plan may also accept rollover contributions from participants' accumulated sick or vacation leave and qualified deferred compensation plans. Rollover contributions are held in the participants' Share or DROP accounts, as requested by the participant. Participants are immediately vested in rollover contributions.

A rehired member may buy back not more than 5 years of continuous past service by paying into the Plan the amount of contributions that the participant would otherwise have paid for such continuous past service, plus the interest that would have been earned had such funds been invested by the Plan during that time.

Effective October 1, 2013, the member contribution rate is increased to 20%, and Chapter 185 revenue will be used to reduce member contributions to 11%. If the Chapter 185 revenue is not sufficient to reduce the member contributions to 11%, then the City will make up the difference. Share accounts will not receive any allocation of Chapter 185 revenue during fiscal year ended September 30, 2014. Effective October 1, 2014, the member contribution rate is lowered back to 11% and Chapter 185 revenue will be allocated to the Share Plan accounts.

The City's funding policy is to make an actuarially computed annual contribution to the Plan in an amount, such that when combined with participants' contributions and the State insurance excise tax rebate, all participants' benefits will be fully provided for by the time that they retire.

The City's actuarially determined contribution rate for the year ended September 30, 2021 was 30.63%. This rate consists of 23.69% of member salaries to pay normal costs plus 6.94% to amortize the unfunded actuarially accrued liability and administrative expenses pursuant to the September 30, 2020 actuarial valuation.

Administrative Costs:

All administrative costs of the Plan are financed through charges allocated against the Share and DROP and supplemental distribution accounts. The City contributes the remainder of the cost of administration of the Plan.

Cash:

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Federal Income Taxes:

A favorable determination letter dated October 20, 1994 indicating that the Plan is qualified and exempt from Federal income taxes was issued by the Internal Revenue Service. Although the Plan has been amended since receiving this determination, the Board believes that the Plan is designed and continues to operate in compliance with the applicable requirements of the Internal Revenue Code.

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 February 11, 2022, which is the date the financial statements were available to be issued.

Reclassification:

Certain figures in the financial statements for the fiscal year ended September 30, 2020 have been reclassified to conform to the presentation used in the financial statements for the fiscal year ended September 30, 2021.

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

Fair value is described as an exit price. Fair value measurements assume a transaction takes place in a government's principal market, or a government's most advantageous market in the absence of a principal market. The fair value also should be measured assuming that general market participants would act in their economic best interest. Fair value should not be adjusted for transaction costs.

NOTE 3 - DEPOSITS AND INVESTMENTS

Deposits:

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

Investments:

Investments that are not evidenced by securities that exist in physical or book-entry form include investments in open-ended international and domestic investment funds and a commingled pooled trust fund.

The Plan's independently managed investments are segregated into four separate accounts and managed under separate investment agreements with Anchor Capital Advisors, Inc., Garcia, Hamilton & Associates, L.P., Eagle Asset Management, Inc., Champlain Investments, LLC. These four accounts give FTIOS the custodianship but give these listed money managers the authority to manage the investments. International funds are held by Vanguard Trustees Equity Value Fund, Rhumbline Advisors, LLP and Invesco Emerging Markets Fund. The real estate investments are held by U.S. Real Estate Investment Fund, L.L.C., and J.P. Morgan Special Property Fund. Rhumbline Investment Funds, Wellington Management Investment Fund and the State Street Midcap Fund are domestic equity funds. The Aberdeen and the JP Morgan Private Equity and the Entrust Global WPB Special Opportunity Funds are domestic equity investments funds. These assets are invested in accordance with the specific investment guidelines as set forth in Section 21 of the Special Act entitled "Investments." Investment management fees are calculated quarterly as a percentage of the fair market value of the Fund's assets managed.

The investment managers listed above are monitored by the Board of Trustees and an investment performance monitor.

Except for the alternative investments (mutual funds), the Plan's investments are uninsured and unregistered and are held in the custodians' or the Bank's accounts in the Plan's name as described above. The Invesco Emerging Markets Fund is held by the Invesco Trust Company and the Rhumbline Investment Funds, and the Wellington Management Investment Fund are held by State Street Trust Company.

U.S. Real Estate Investment Trust and J.P. Morgan Special Property Fund are also alternative investment vehicles valued using the net asset value (NAV) provided by the investment managers of these funds. 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 which are traded on an active market.

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued):

The values of these alternative investments are 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 stock or bond investments that individually represent 5% or more of the Plan's net assets available for benefits during the years ended September 30, 2021 and 2020, respectively.

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

The Plan held the following fixed investments as of September 30, 2021 and 2020:

Investment Type	Percent of Fund	9/30/2021 Fair Value	9/30/2020 Fair Value	Rating Standard & Poor's	Effective Duration (Years)
U.S. Government obligations	3.1%	$ 15,109,630	$ 4,298,819	AA	7.10
U.S. Government agency obligations	5.8%	27,835,095	35,346,146	AA	4.90
Corporate bonds	1.0%	4,656,833	28,009,018	A-AAA	4.85
Temporary investments	0.9%	4,190,500	4,988,500	N/A	N/A
Total	10.8%	$ 51,792,058	$ 72,642,483		

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 risks. Through its investment policies the Plan manages its exposure to fair value losses arising from increasing interest rates. The Plan limits the effective duration of its investment portfolio through the adoption of the Barclay Intermediate Aggregate Bond Index benchmark.

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Credit Risk:

Credit risk is the risk that a debt issuer will not fulfill its obligations. Consistent with state law the Plan's guidelines limit its fixed income investment 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 below the minimum rating must be liquidated at the earliest beneficial opportunity

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. The investments in mutual funds and investment partnerships are considered unclassified pursuant to the custodial credit risk categories of GASB Statement No. 3, because they are not evidenced by securities that exist in physical or book-entry form.

Investing in Foreign Markets:

Investing in foreign markets may involve special risks and considerations not typically associated with investing in companies in the United States of America. These risks include revaluation of currencies, high rates of inflation, repatriation restrictions on income and capital, and future adverse political, social, and economic developments. Moreover, securities of foreign governments may be less liquid, subject to delayed settlements, taxation on realized or unrealized gains, and their prices are more volatile than those of comparable securities in U.S. companies.

Foreign Tax Withholdings and Reclaims:

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

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Investment in Real Estate:

The Plan is subject to the risks 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.

Asset Allocation:

The Plan's adopted asset allocation as of September 30, 2021 is as follows:

Asset Class	Target
Domestic equity	47%
International equity	14%
Domestic bonds	22%
Real estate	14%
Alternative assets	3%
Total	100%

Rate of Return:

For the year ended September 30, 2021 and 2020, the annual money weighted rate of return on pension plan investments, net of pension plan investment expense, was 24.33% and 5.71%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 4 - NET INCREASE (DECREASE) IN REALIZED AND UNREALIZED APPRECIATION (DEPRECIATION) OF INVESTMENTS

The Plan's investments appreciated (depreciated) in value during the years ended September 30, 2021 and 2020 as follows:

	2021	2020
Realized appreciation (depreciation)	$ 28,293,801	$ 9,626,905
Unealized appreciation (depreciation)	60,741,847	11,960,183
	$ 89,035,648	$ 21,587,088

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 2021 that had been held for more than one year were included in net appreciation (depreciation) reported in the prior year.

NOTE 5 - INVESTMENTS

Investments at both fair value and cost as of September 30, 2021 and 2020 are summarized as follows:

	2021		2020	
Investments	Cost	Fair Value	Cost	Fair Value
U.S. Government obligations	$ 15,203,714	$ 15,109,630	$ 4,284,515	$ 4,298,819
U.S. Government agency obligations	27,849,918	27,835,095	35,262,297	35,346,146
Corporate bonds	4,678,414	4,656,833	27,308,173	28,009,018
Domestic stocks	80,009,603	104,777,287	50,907,718	67,995,231
Domestic equity investment funds	64,369,733	121,958,178	89,691,002	121,337,959
Domestic private equity investment funds	27,496,662	40,625,290	15,339,344	17,936,881
International equity investment funds	44,623,168	67,980,466	43,575,971	54,395,439
International fixed income investments	19,992,602	19,688,870	-	-
Real estate investment funds	47,098,018	74,895,170	41,420,547	62,070,326
Temporary investments	4,190,500	4,190,500	4,988,500	4,988,500
Total	$ 335,512,332	$ 481,717,319	$ 312,778,067	$ 396,378,319

NOTE 6 - 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 7 - DESIGNATIONS

A portion of the fiduciary net position is designated for benefits that accrue in relation to the Share accounts and DROP accounts as further described in Note 1. Allocations to the DROP and Share plan accounts for the fiscal years ended September 30, 2021 and 2020 are presented below as determined in the most recent annual valuation available for the fiscal years then ended:

	2021	2020
Designated for Share accounts (fully funded)	$ 62,460,463	$ 56,834,018
Designated for the DROP accounts (fully funded)	66,317,855	62,477,383
Total designated fiduciary net position	128,778,318	119,311,401
Undesignated fiduciary net position	356,560,284	280,744,005
Total fiduciary net position	$ 485,338,602	$ 400,055,406

NOTE 8 - DROP LOANS

During the fiscal years ended September 30, 2021 and 2020, certain DROP participants borrowed from their respective DROP accounts. These loans require repayment in sixty months at interest rates based on the lowest prime rate of interest listed in the Wall Street Journal at the time that the loan is issued.

A schedule of the changes of these loans is summarized as follows:

	Balance 9/30/2020	Additions	Repayments	Balance 9/30/2021
BackDROP Loans Receivable	$ 1,120,889	$ 95,300	$ 427,433	$ 788,756

Loan interest income for the years ended September 30, 2021 and 2020 was $63,638 and $51,923, respectively.

NOTE 9 - PLAN AMENDMENTS

There were no Plan amendments for the fiscal years ended September 30, 2021 and 2020.

NOTE 10 - PLAN TERMINATION

Although it has not expressed any intention to do so, the City may terminate the Plan in accordance with the provisions of the Special Act governing the Plan and the provisions of Florida Statutes §185.37. In the event that the Plan is terminated or contributions to the Plan are permanently discontinued, the benefits of each police officer in the Plan at such termination date would be non-forfeitable.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

As described in Note 1, certain members of the Plan are entitled to refunds of their accumulated contributions, without interest, upon termination of employment with the City prior to being eligible for pension benefits. The portion of these contributions which are refundable to participants who may terminate with less than ten years of service has not been determined.

NOTE 12 - RISK 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 statement of fiduciary net position.

NOTE 13 - IMPACT OF COVID-19

During the year ended September 30, 2020, Coronavirus Disease 2019 (“COVID-19”) became a pandemic. The full impact of the COVID-19 outbreak continued to evolve during the final months of the 2021 fiscal year and into the 2022 fiscal year. As such, it is still uncertain as to the full impact of the pandemic; however, the Plan has seen no significant impacts to its operations. At this time, due to the evolution of the COVID-19 outbreak, the Plan is not able to estimate the effects in the long term.

NOTE 14 - LEASE (LICENSE) AGREEMENTS

The Plan entered a non-cancellable operating equipment lease agreement expiring through 2022. The future minimum annual payments under this agreement are summarized as follows:

Year End September 30, 2021		
2022	$	1,014
2023		-
	$	1,014

The space lease (license) agreement is on a month-to-month basis at $800 per month beginning on March 1, 2013.

Lease (license) expenses for the fiscal year ended September 30, 2021 and 2020 is $13,102 and $12,375, respectively

NOTE 15 - INVESTMENT MEASUREMENT AT FAIR VALUE

Fair Value Hierarchy

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: (l) 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.

NOTE 15 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)

Fair Value Hierarchy (Continued)

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 NAVas a matter of convenience.

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, 2020 and 2019:

- *Debt securities* - Debt securities classified in Level 1or Level 2 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 value hierarchy are valued using a matrix pricing technique. Matrix pricing is used by International Data Pricing and Reference Data, LLC to value securities based on the securities' relationship to benchmark quoted prices.

- *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.

NOTE 15 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)

Fair Value Hierarchy (Continued)

- *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.

Investment by fair value level		Level 1	Level 2	Level 3	Total
U.S. Government obligations		$ -	$ 15,109,630	$	$ 15,109,630
U.S. Government agency obligations		-	27,835,095		27,835,095
Corporate bonds		-	4,656,833		4,656,833
Domestic stocks		104,777,287			104,777,287
Domestic equity investment funds		121,958,178			121,958,178
Domestic private equity investment funds	(A)	40,625,290			40,625,290
International equity investment fund		67,980,466			67,980,466
International fixed income investment funds		19,688,870			19,688,870
Temporary investments		4,190,500			4,190,500
Total investments by fair value level		$ 359,220,591	$ 47,601,558	$ -	406,822,149
Investments Measured at Net Aset Value (NAV)					
Real estate investment funds					74,895,170
Total investments measured at NAV					74,895,170
Total, September 30, 2021					$ 481,717,319

(A) Unfunded Capital Commitment $45,991,468

Investment Type		Level 1	Level 2	Level 3	Total
U.S. Government obligations		$ -	$ 4,298,819	$ -	$ 4,298,819
U.S. Government agency obligations		-	35,346,146		35,346,146
Corporate bonds		-	28,009,018		28,009,018
Domestic stocks		67,995,231	-		67,995,231
Domestic equity investment funds		121,337,959	-		121,337,959
Domestic private equity investment funds	(A)	17,936,881	-		17,936,881
International equity investment fund		54,395,439	-		54,395,439
Temporary investments		4,988,500	-		4,988,500
Total investments by fair value level		$ 266,654,010	$ 67,653,983	$ -	334,307,993
Investments Measured at Net Aset Value (NAV)					
Real estate investment funds					62,070,326
Total investments measured at NAV					62,070,326
Total, September 30, 2020					$ 396,378,319

(A) Unfunded Capital Commitment $28,583,501

NOTE 15 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)

Fair Value Hierarchy (Continued)

The real estate investment funds are open end, commingled private equity real estate portfolios. These REIT-based funds are structured as Limited partnerships. Their primary focus is to invest in well-based income producing properties within major U.S. markets. The fair values of the investments in these funds have been determined using the NAV per unit of the Trusts ownership interest in partners' capital. The investments of the fund are valued quarterly. Withdrawal requests must be made 60 days in advance and may be paid in one or more installments.

Investment measured at NAV	2021 Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Real estate investment funds:				
U.S. Real Estate Investment Fund, LLC.				
JPMCB Special Situation Property Fund	$ 74,895,170	$ -	Quarterly	60 days
Total investments measured at NAV	$ 74,895,170	$ -		

Investment measured at NAV	2020 Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Real estate investment funds:				
U.S. Real Estate Investment Fund, LLC.	$ 41,057,324	$	Quarterly	60 days
JPMCB Special Situation Property Fund	21,013,002	-	Quarterly	60 days

The real estate investment funds are open end, commingled private equity real estate portfolios. These REIT-based funds are structured as Limited partnerships. Their primary focus is to invest in well-based income producing properties within major U.S. markets. The fair values of the investments in these funds have been determined using the NAV per unit of the Trusts ownership interest in partners' capital. The investments of the fund are valued quarterly. Withdrawal requests must be made 60 days in advance and may be paid in one or more installments.

NOTE 16 - ASSUMPTION CHANGE

The investment return assumption was lowered to 7.25% effective for the September 30, 2020 Actuarial Valuation.

NOTE 17 - NET PENSION LIABILITY OF THE CITY

The components of net pension liability of the City on September 30, 2021 were as follows:

Total Pension Liability	$	446,893,643
Plan Fiduciary Net Position		485,338,602
City's Net Pension Liability	$	(38,444,959)
Plan Fiduciary Net Position as a percentage of Total Pension Liability		108.60%

Mortality:

The PUB-2010 Headcount Weighted Safety Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table (post-retirement), and the PUB-2010 Safety Healthy Retiree Female Table (post-retirement). These tables use ages set forward one year and mortality improvements to all future years after 2010 using scale MP-2018. These are the same rates used for Special Risk Class members in the July 1, 2019 Actuarial Valuation of the Florida Retirement System (FRS), as required under Florida Statutes, Chapter 112.63.

Other Information:
Notes:

See Section A in the September 30, 2020 Actuarial Valuation Report. Effective as of September 30, 2020, the investment return assumption was lowered from 7.50% to 7.25%. In addition, the mortality tables were updated from the mortality rates used by the Florida Retirement System (FRS) for Special Risk Class members in the July 1, 2018 FRS Actuarial Valuation to the rates used in the July 1, 2019 FRS Actuarial Valuation. Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

Valuation Date:	September 30, 2020
Measurement Date:	September 30, 2021

NOTE 17 - NET PENSION LIABILITY OF THE CITY (Continued)

Methods and Assumptions Used to Determine Net Pension Liability:

Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Salary increases	5.00%, including inflation
Investment rate of return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.

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 the pension plan's target asset allocation as of September 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	47%	5.10%
International Equity	14%	8.50%
Domestic Bonds	22%	2.50%
Real Estate	14%	4.50%
Alternative assets	3%	6.00%

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 pension 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 17 - NET PENSION LIABILITY OF THE CITY (Continued)

Sensitivity of the 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 plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage- point lower or 1-percentage-point higher.

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
City's net pension liability	$ 2,932,921	$ (38,444,959)	$ (72,121,418)

REQUIRED SUPPLEMENTAL SCHEDULES

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WEST PALM BEACH POLICE PENSION FUND
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY
LAST EIGHT FISCAL YEARS

	2021	2020	2019
Total pension liability			
Service cost	$ 6,132,849	$ 6,248,573	$ 5,950,838
Interest	32,083,247	30,656,907	29,213,639
Benefit changes	-	-	-
Difference between expected and actual experience of the total pension liability	(7,942,606)	1,972,997	2,559,101
Assumption changes	(421,692)	4,439,753	4,539,371
Benefit payments	(19,647,932)	(18,512,808)	(18,963,330)
Refunds	(262,973)	(206,949)	(152,950)
Other (DROP and Share Plan adjustments)	2,287,089	1,773,794	1,613,818
Net change in total pension liability	12,227,982	26,372,267	24,760,487
Total pension liability, beginning	434,665,661	408,293,394	383,532,907
Total pension liability, ending	$ 446,893,643	$ 434,665,661	$ 408,293,394
Plan fiduciary net position			
Contributions - employer	$ 5,935,584	$ 5,240,652	$ 4,363,006
Contributions - employer (from State)	1,597,683	1,611,609	1,483,310
Contributions - members (including buyback contributions)	2,934,287	2,806,839	2,787,968
Net investment income	94,692,056	25,816,070	9,669,966
Benefit payments	(19,647,932)	(18,512,808)	(18,963,330)
Refunds	(262,973)	(206,949)	(152,950)
Administrative expenses	(367,760)	(304,417)	(336,885)
Other	402,251	162,185	130,508
Net change in plan fiduciary net position	85,283,196	16,613,181	(1,018,407)
Plan fiduciary net position - beginning	400,055,406	383,442,225	384,460,632
Plan fiduciary net position - ending	$ 485,338,602	$ 400,055,406	$ 383,442,225
Net pension liability (asset) - ending	$ (38,444,959)	$ 34,610,255	$ 24,851,169

2018	2017	2016	2015	2014
$ 4,969,598	$ 4,465,713	$ 4,119,566	$ 3,720,389	$ 3,553,404
27,649,993	26,458,916	25,142,553	23,790,608	22,792,357
2,595,355	-	-	-	-
2,535,765	335,340	264,885	439,779	294,048
3,904,405	5,183,638	2,275,600	2,221,969	-
(18,801,870)	(18,064,650)	(16,224,666)	(14,788,140)	(13,557,996)
(225,759)	(25,530)	(93,453)	(60,567)	(168,503)
2,765,374	2,237,938	1,683,012	2,110,393	84,844
25,392,861	20,591,365	17,167,497	17,434,431	12,998,154
358,140,046	337,548,681	320,381,184	302,946,753	289,948,599
$ 383,532,907	$ 358,140,046	$ 337,548,681	$ 320,381,184	$ 302,946,753
$ 3,556,968	$ 3,285,065	$ 59,726,454	$ 8,644,805	$ 10,041,651
1,455,967	1,333,046	1,259,981	1,212,205	1,100,113
2,679,979	2,427,068	2,336,635	2,154,131	1,927,618
33,555,721	44,494,434	21,229,525	1,873,520	21,289,076
(18,801,870)	(18,064,650)	(16,224,666)	(14,788,140)	(13,557,996)
(225,759)	(25,530)	(93,453)	(60,567)	(168,503)
(319,039)	(308,777)	(288,017)	(266,916)	(337,907)
1,309,407	904,892	423,031	898,188	370,252
23,211,374	34,045,548	68,369,490	(332,774)	20,664,304
361,249,258	327,203,710	258,834,220	259,166,994	238,502,690
$ 384,460,632	$ 361,249,258	$ 327,203,710	$ 258,834,220	$ 259,166,994
$ (927,725)	$ (3,109,212)	$ 10,344,971	$ 61,546,964	$ 43,779,759

WEST PALM BEACH POLICE PENSION FUND
SCHEDULE OF RATIOS
LAST EIGHT 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	85.55%	$ 17,446,482	250.93%
2015	80.79%	18,805,018	327.29%
2016	96.94%	20,603,955	50.21%
2017	100.87%	21,679,436	-14.34%
2018	100.24%	23,929,891	-3.88%
2019	93.91%	25,098,209	99.02%
2020	92.04%	24,972,409	138.59%
2021	108.60%	24,064,836	-159.76%

WEST PALM BEACH POLICE PENSION FUND
SCHEDULE OF CONTRIBUTIONS
LAST EIGHT YEARS

Fiscal Year Ended September 30,	Actuarially Determined Contribution	Actual Contribution *	Contribution Deficiency (Excess)	Covered Payroll **	Actual Contribution as a Percentage of Covered Payroll
2014	$ 8,941,538	$ 10,041,651	$ (1,100,113)	$ 17,446,782	57.56%
2015	9,744,918	8,644,805	1,100,113	18,805,018	45.97%
2016	9,726,454	59,726,454	(50,000,000)	20,603,955	289.88%
2017	3,285,065	3,285,065	-	21,679,436	15.15%
2018	3,131,968	3,556,968	(425,000)	23,929,891	14.86%
2019	4,363,006	4,363,006	-	25,098,209	17.38%
2020	5,240,652	5,240,652	-	24,972,409	20.99%
2021	5,935,584	5,935,584	-	24,064,836	24.66%

* Employer contribution for FYE 9/30/2016 includes $50,000,000 proceeds from pension obligation bond.

** Covered Payroll was calculated based on actual member contributions for the fiscal year divided by the employee contribution rate.

WEST PALM BEACH POLICE PENSION FUND
NOTES TO SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2021

Valuation Date:	September 30, 2020
Notes	Actuarially determined contribution rates are calculated as of September 30, which is two year(s) prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	30 years
Asset Valuation Method	4-year smoothed market
Inflation	2.50%
Salary Increase	5.0%, including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The PUB-2010 Headcount Weighted Safety Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table (post-retirement), and the PUB-2010 Safety Healthy Retiree Female Table (post-retirement). These tables use ages set forward one year and mortality improvements to all future years after 2010 using scale MP-2018. These are the same rates used for Special Risk Class members in the July 1, 2019 Actuarial Valuation of the Florida Retirement System (FRS), as required under Florida Statutes, Chapter 112.63.

Other information:

Notes	See Section A in the September 30, 2020 Actuarial Valuation Report. Effective as of September 30, 2020, the investment return assumption was lowered from 7.50% to 7.25%. In addition, the mortality tables were updated from the mortality rates used by the Florida Retirement System (FRS) for Special Risk Class members in the July 1, 2018 FRS Actuarial Valuation to the rates used in the July 1, 2019 FRS Actuarial Valuation. Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

WEST PALM BEACH POLICE PENSION FUND
FIREFIGHTERS' PENSION TRUST FUND
SCHEDULE OF INVESTMENT RETURNS
LAST EIGHT YEARS

Fiscal Year Ended September 30,	Annual Money-Weighted Rate of Return Net of Investment Expense
2014	8.98%
2015	0.35%
2016	8.35%
2017	13.29%
2018	10.04%
2019	1.88%
2020	5.71%
2021	24.33%

ADDITIONAL INFORMATION

WEST PALM BEACH POLICE PENSION FUND
SCHEDULE OF INVESTMENT AND ADMINISTRATIVE EXPENSES
YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	2021 Expenses		2020 Expenses	
	Investment	Administrative	Investment	Administrative
Actuary fees	$ -	$ 60,372	$ -	$ 58,972
Administrator's fees	-	101,018	-	99,840
Audit fees	-	48,500	-	31,000
Computer fees	-	56,831	-	10,600
Custodial fees	71,671		61,182	-
Directors' insurance	-	19,069	-	21,418
Investment managers' fees:				
Affiliated Housing	37,500	-	-	-
Anchor Capital Advisors, Inc.	75,650	-	70,878	-
Champlain Investment Management LLC	201,734	-	122,811	-
CITCO ENT Spc Opp	19,125	-	-	
Eagle Asset Management, Inc.	274,232	-	196,076	-
Garcia Hamilton Jackson &				-
Associates, L.P. (FX)	151,665	-	108,551	-
Invesco	145,133	-	83,110	-
Lazard	7,398	-	-	
State Street SMID	-	-	6,926	-
Rhumbline Advisors, L.P.	63,443	-	53,451	-
Wellington Management	139,927	-	171,966	-
Legal fees	-	51,300	-	49,829
IME fees	-	-	-	1,600
Office expenses	-	16,922	-	13,911
Space and equipment expense	-	13,102	-	12,375
Performance monitor	111,352		86,617	-
Seminar expense	-	646	-	4,872
Total investment and administrative expenses	* $ 1,298,830	$ 367,760	* $ 961,568	$ 304,417
Percentage of Plan net position	0.27%	0.08%	0.24%	0.08%

* Does not include management fees withheld from investment fund revenues.