

**CITY OF COCOA BEACH, FLORIDA**  
**GENERAL EMPLOYEES' PENSION BOARD**  
Quarterly Meeting Minutes  
**Thursday, November 16, 2023**

This meeting was recorded and broadcast via Spectrum cable network and may be viewed on the city website at [www.cityofcocoa.com](http://www.cityofcocoa.com).

The meeting was called to order by Chairperson Patrisha Draycott, at 3:00 p.m.

**ROLL CALL**

**Members Present:**

Patrisha Draycott, Chairperson  
Bill Collings  
Commissioner Williams  
Curt Arnold  
Dennis Small

**Members Absent:**

Absent

**PUBLIC IN ATTENDANCE:** None

**COMMENTS FROM THE CHAIR** – Patrisha commented and thanked Mr. Curt Arnold for his 16 years of service to the Board.

**PUBLIC COMMENT** – There was no public comment.

**CONSENT AGENDA**

1. Approval of minutes:
  - a. Quarterly Meeting Minutes August 17, 2023
2. Approval of expenses:
  - a. Burgess Chambers (2 invoices)
  - b. Foster & Foster (1 invoice)
  - c. Sterling Capital (2 invoices)
  - d. Truist (2 invoices)
3. Retirees: Holly Gregory, Liz Bass, Chris Berry, Steve Dibben

**MOTION: Bill Collings**

“I move to accept the Consent Agenda “

**2<sup>nd</sup> Curt Arnold**

**VOTE: 3-0 Approved**

**OLD BUSINESS – None**

**Quarterly Reports:** Sterling Capital Quarterly Report was presented by Blake Myton- Equity is up over 20%. Russell 3000 index is up 20.46% YTD, Russell Top 200 Growth is up 29.95% YTD, Russell 2000 Growth index is up 9.59% YTD. Bloomberg U.S. Aggregate Bond Index is -3.23% for the Quarter and slightly up .64% YTD. Meta, Amazon, and Apple own 25% of the stocks.

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Patrisha asked if union negotiations will impact the economy and the Pensions? Blake said yes, but for auto pensions not our pension. Wage inflation is strong and makes inflation more erratic. Patrisha asked if the wage inflation will affect the Magnificent 7 stocks? Blake says it could, but not a real big impact.

The beginning Market value was \$19,037,177 and ending market value is \$18,166,604. risk statistics for Std. Dev. Is 13.44% and for Beta it is .96. Which is under the Bloomberg aggregate. Historical Trailing Returns for the years average is 6.43%.

Burgess Chambers and Associates (BCA) quarterly report was presented by Larry Cole For the quarter the plan was down -3.9%, the best performing asset category was Cash up 1.2%. For the one-year period, the plan earned \$2.9 million or 11%. The best 3 performing assets categories for the one-year period were Large Cap Growth +42.8%, Large Cap Core +21.4% and International Equity +20.2%.

Beginning Market value was \$30,869,303 and the Ending Market value is \$ 29,257,579. I have no recommendations at this time for change. The five-year ROR is 5.4%. Rate of Return in 2005 +11.13% and for 2023 is +11.03%.

Patrisha talked about how the HB3 affects the General Employee Pension Board. We have met our November 3 deadline, and the next deadline is December 15. Our attorneys at Sugarman, Susskind, Braswell, and Herrera have given us the paperwork. The bill is to basically make sure we are managing our funds, so we have the money to pay the retirees. Also she talked about the Sterling Capital Addendum.

Could I get a motion to approve the modifications to be in compliance with HB3.

**MOTION: Curt Arnold**

"I make a motion to approve the updated policy."

**2<sup>nd</sup> Bill Collings**

**Vote 3-0**

**MOTION: Bill Collings**

"I make a motion to approve signing the addendum for Sterling capital."

**2<sup>nd</sup> Curt Arnold**

**Vote: 3-0**

**BEING NO FURTHER BUSINESS** to come before the Board, the meeting was adjourned at 4:15p.m.

All reports and handouts are on file in the Chief Financial Officer's office.

Submitted by:

Patrisha Draycott, Chairperson

Approved by the Board on:

**BURGESS CHAMBERS & ASSOCIATES, INC.**  
S.E.C. REGISTERED  
315 E. Robinson Street, Suite 690  
Orlando, Florida 32801

# Invoice

Date	Invoice #
12/8/2023	23-591

Bill To
Pamela Kempton City of Cocoa Beach General Employees' Pension Plan PO Box 322430 Cocoa Beach, FL 32932-2430

Description	Amount
Fourth Quarter 2023 Investment and Performance Monitoring and Advisory Fee per Contract	6,000.00
<i>APPROVED FOR PAYMENT</i> <i>[Signature]</i> 11 DEC 2023	
<b>Total</b>	\$6,000.00

Phone #	Fax #
4076440111	(407) 644-0694


E-mail
<a href="mailto:dlong@burgesschambers.com">dlong@burgesschambers.com</a>

**BURGESS CHAMBERS & ASSOCIATES, INC.**  
 S.E.C. REGISTERED  
 315 E. Robinson Street, Suite 690  
 Orlando, Florida 32801

# Invoice

Date	Invoice #
12/11/2023	23-635

Bill To
Patrisha Draycott, CGFO Cocoa Beach 457 City of Cocoa Beach P.O. Box 322430 Cocoa Beach, FL 32932

Description	Amount
Third Quarter Cocoa Beach 457 Plan  Market Value as of 9/30/23 = \$6,108,866  $0.30\% \times \$6,108,866 / 4 = \$4,581.65$	4,581.65
<p>APPROVED            FOR Payment              14 DEC 2023</p>	
<b>Total</b>	<b>\$4,581.65</b>

Phone #	Fax #
4076440111	(407) 644-0694

E-mail
dlong@burgesschambers.com



Management Fee: Cocoa Beach General Employees' Pension Fund

Period: 10/1/2023 - 12/31/2023

Invoice #: 80-3146

Custodian: Truist  
Main Account Number: XXX8056

Cocoa Beach  
Patrisha Draycott  
2 South Orlando Ave  
Cocoa Beach, FL 32931

**Sterling Advisory Fee**

Average Assets Under Management	\$18,617,446.11
Less Average Sterling Assets Under Management	\$9,793,614.70
Assets Under Management	\$8,823,831.41
Days Billed in Quarter	92/365
Quarterly Fee Based On	
0.450% on the first \$5,000,000	\$5,671.23
0.350% on the next \$10,000,000 (\$3,823,831.41)	\$3,373.35
<b>Total Advisory Fee</b>	<b>\$9,044.58</b>

ADVISORY FEE is calculated based on the average assets under management in a particular sleeve pro-rated for the number of days assets were in the sleeve multiplied by fee rate

**Sterling Capital Management Fee**

Strategy Description	Fee Rate	Average Market Value	Days in Cycle	Management Fee
Sterling - Core Fixed Income SMA	0.200%	\$5,951,355.56	92/365	\$3,000.14
Sterling Securitized Opportunities Instl	0.000%	\$2,520,237.25	92/365	\$0.00
Sterling - Equity Income	0.350%	\$1,322,021.89	92/365	\$1,166.28
<b>Total Sterling Capital Management Fee</b>				<b>\$4,166.42</b>

**Separate Account Management Fee**

Strategy Description	Fee Rate	Average Market Value	Days in Cycle	Management Fee
Loomis Sayles - LCG	0.350%	\$2,102,781.11	92/365	\$1,855.06
<b>Total Separate Account Management Fee</b>				<b>\$1,855.06</b>

SEPARATE ACCOUNT MANAGEMENT FEE for external managers is collected by Sterling Capital and then passed directly through to the external managers

**Total Quarterly Fee** **\$15,066.06**

APPROVED  
 TO PROCESS  
 PAYMENT  
 [Signature]  
 05 FEB 2024

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**CLIENT: PLEASE DO NOT PAY. This invoice has been remitted to your custodian for payment.**

**CUSTODIAN: Please process invoice payment in accordance with the client directives and process.**

Remit Address:

Sterling Capital Management LLC

Attn: Tad Sheets

4350 Congress Street, Suite 1000

Charlotte, NC 28209

Sterling's Wire Instructions:

Truist North Carolina

ABA# 053101121

Account Name: Sterling Capital Management LLC

Account # 5293317455 SWIFT CODE: BRBTUS33

(Please include your company's name and applicable payment period in the wire detail)

CITY OF COCOA BEACH GEN DB CU  
STATEMENT OF ACCOUNT

Invoice Account 6800181  
Billing Period 10/01/2023 - 12/31/2023  
Invoice Number 331523  
Date Issued 01/26/2024

PATRISHA DRAYCOTT  
CITY OF COCOA BEACH  
2 SOUTH ORLANDO AVE  
COCOA BEACH FL 32931

Your contact at Truist for this account is

LISA ALLEN  
GA-ATLANTA-210  
P.O. BOX 4655  
ATLANTA GA 30302  
404-827-6724

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Opening Balance	\$1,329.50
Payments received through 01/18/2024	(\$1,329.50)
Current Period Charges	\$1,443.09
<b>Current Balance Due</b>	<b>\$1,443.09**</b>

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The following is a summary of fees and expenses pertaining to this account

Administrative/Trustee Services	\$1,443.09
<b>Total Current Period Charges</b>	<b>\$1,443.09</b>

\*\* Payment is due within 30 days of invoice date.  
Truist Bank  
Trust Fee Processing  
P.O. Box 896742  
Charlotte, NC 28289-6742

Approved  
FOR PAYMENT  
C. ALLEN  
02 FEB 2024

CITY OF COCOA BEACH GEN DB CU

Invoice Number 331523  
Billing Period 10/01/2023 - 12/31/2023

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**Administrative/Trustee Services**

Custody Fee	11,544,701.91	@	0.000125	1,443.09
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**Total Administrative/Trustee Services** \$1,443.09

**Total Current Period Fees and Expenses** \$1,443.09

CITY OF COCOA BEACH GEN SCM  
STATEMENT OF ACCOUNT

**Invoice Account** 7958056  
**Billing Period** 10/01/2023 - 12/31/2023  
**Invoice Number** 331595  
**Date Issued** 01/29/2024

PATRISHA DRAYCOTT  
CITY OF COCOA BEACH  
2 SOUTH ORLANDO AVE  
COCOA BEACH FL 32931

Your contact at Truist for this account is

LISA ALLEN  
GA-ATLANTA-210  
P.O. BOX 4655  
ATLANTA GA 30302  
404-827-6724

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<b>Opening Balance</b>	<b>\$4,987.06</b>
<b>Payments received through 01/18/2024</b>	<b>(\$4,987.06)</b>
<b>Current Period Charges</b>	<b>\$5,553.87</b>
<b>Current Balance Due</b>	<b>\$5,553.87**</b>

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*The following is a summary of fees and expenses pertaining to this account*

<b>Administrative/Trustee Services</b>	<b>\$5,553.87</b>
<b>Total Current Period Charges</b>	<b>\$5,553.87</b>

\*\* Payment is due within 30 days of invoice date.

Truist Bank  
Trust Fee Processing  
P.O. Box 896742  
Charlotte, NC 28289-6742

APPROVED  
TO PROCESS  
FOR Payment  
COCO BEACH  
12 FEB 2024

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**Administrative/Trustee Services**

Non-Periodic Payments	3	@	30.00 each	90.00
Miscellaneous Checks	4	@	30.00 each	120.00
Periodic Payments (ACH)	356	@	2.50 each	890.00
Periodic Payments	9	@	3.00 each	27.00
Custody Fee	20,134,960.95	@	0.000125	2,516.87
Security Transactions	141	@	10.00 each	1,410.00
Per Account Fee				500.00

**Total Administrative/Trustee Services** \$5,553.87

**Total Current Period Fees and Expenses** \$5,553.87

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CITY OF COCOA BEACH GEN SCM

Invoice Number 331595  
Billing Period 10/01/2023 - 12/31/2023

Account Number	Market Value	% of Total MV	Account Specific Fees	Prorated Fees and Expenses	Total Fees and Expenses
7958056	7,274,386.42	22.96232%		\$2,291.30	\$2,291.30
7986860	9,066,544.54	28.61944%		\$1,528.32	\$1,528.32
7988507	2,326,969.60	7.34531%		\$745.87	\$745.87
7988510	1,467,064.39	4.63093%		\$988.38	\$988.38
Total	20,134,961.95	63.56%		\$5,553.87	\$5,553.87

# City of Cocoa Beach General Employees' Defined Benefit Pension



## Q4 2023 Review

Blake E. Myton

Director, Senior Client Strategist | 407.697.6277 | [bmyton@sterlingcapital.com](mailto:bmyton@sterlingcapital.com)

L. Michelle Bumgarner, AIF®

Director, MM Client Services Manager | 919.516.7409 | [mbumgarner@sterlingcapital.com](mailto:mbumgarner@sterlingcapital.com)



# Table of Contents

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**Past performance is not indicative of future results. Any type of investing involves risk and there are no guarantees that these methods will be successful. Economic charts are provided for illustrative purposes only. The information provided herein is subject to market conditions and is therefore expected to fluctuate.**

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tax or legal implications.

Model Assumptions: Assumptions, opinions and estimates are provided for illustrative purposes only. They should not be relied upon as recommendations to buy or sell securities. Forecasts of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice. We believe the information provided here is reliable, but do not warrant its accuracy or completeness.

Expected return estimates are subject to uncertainty and error. Expected returns for each asset class can be conditional on economic scenarios; in the event a particular scenario comes to pass, actual returns could be significantly higher or lower than forecasted.

This information is not intended as a recommendation to invest in any particular asset class or strategy or product or as a promise of future performance. Note that these asset class assumptions are passive, and do not consider the impact of active management.

# Sterling Overview

# Sterling Capital Management

Providing Investment Expertise Since 1970

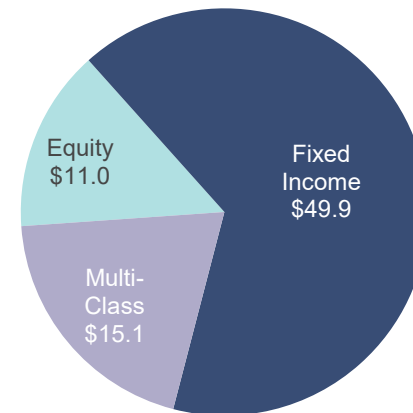
## The Firm

- Institutional investment advisor headquartered in Charlotte with additional offices in Raleigh, Virginia Beach, Jupiter, FL, Philadelphia & San Francisco
- \$76 Billion in Assets Under Management and Assets Under Advisement<sup>1</sup>
- Independently-managed subsidiary of Truist Financial Corporation

## The People

- 181 seasoned investment professionals, client service and administrative teammates
- Highly-motivated personnel with varied experience to act as subject matter experts:
  - 51 CFA<sup>®</sup> designees in the firm<sup>2</sup>
  - Independent fundamental equity and credit research
  - Quantitative proprietary risk modeling

Total Assets (\$Billions)



44 Portfolio Managers ▪ 20 Investment Analysts ▪ 5 Traders ▪ 27 Client Strategists ▪ 13 Client Analysts ▪ 50 Operations & IT ▪ 10 Compliance & Risk ▪ 12 Staff

## Diversified Investment Strategies

Fixed Income		Multi-Class Portfolios	Equity	
▪ Multi-Sector	▪ Governmental	▪ Total Return	▪ Large Cap	▪ Mid Cap
▪ Securitized	▪ Municipal	▪ Risk-Based	▪ Small Cap	▪ All Cap
▪ High Yield	▪ Floating Rate	▪ Liability-Driven	▪ Opportunistic	▪ International
▪ TIPS		▪ Yield-Focused	▪ Active/Factor	▪ Real Estate

Key Professionals	Experience
Portfolio Managers	22 Years
Investment Analysts	18 Years
Traders	23 Years
Client Strategists	21 Years

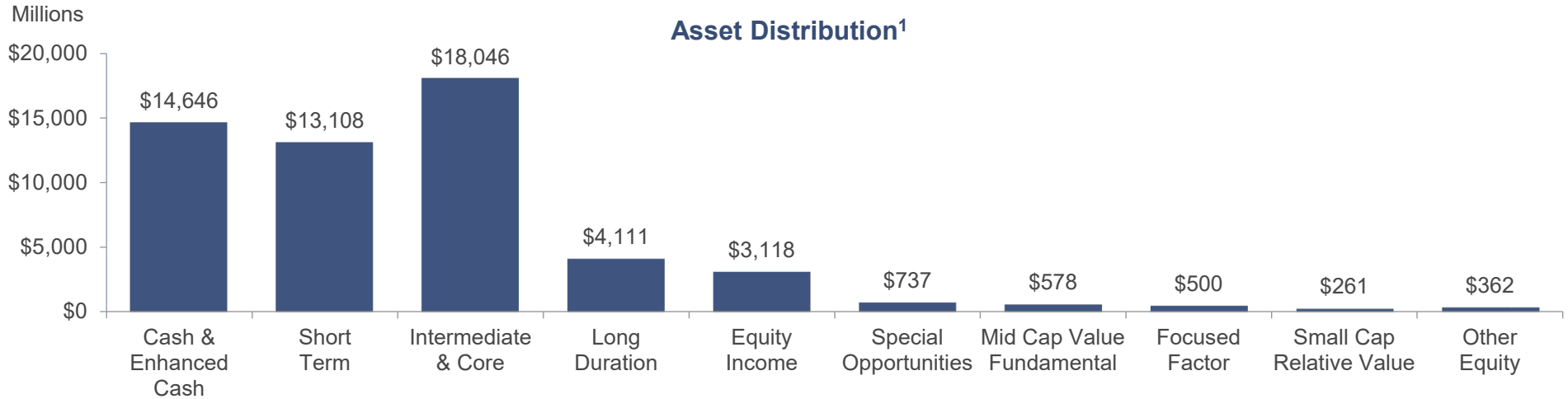
Data is as of 12.31.2023. <sup>1</sup>Sterling Capital's preliminary "AUA" (Assets Under Advisement) differs from our regulatory "AUM" (Assets Under Management) for which we provide continuous and regular investment management services as disclosed in our ADV. AUA generally refers to non-discretionary assets for which Sterling provides advice or consultation for which Sterling does not have authority to effectuate transactions. Such services include model portfolios and assets Sterling advises as an outsourced Chief Investment Officer on a non-discretionary basis. <sup>2</sup>The Chartered Financial Analyst<sup>®</sup> (CFA) charter is a graduate-level investment credential awarded by the CFA Institute, the largest global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.



# Assets Under Management

Sterling Capital Management

Fixed Income	Equity	Multi-Class
Cash Enhanced Cash Short Term Intermediate Core Long Duration	Large Cap Mid Cap SMID Cap Small Cap International Focused Factor	Fixed Income Income Income Primary Income & Growth Balanced Growth Aggressive Growth
<b>\$49.9B</b>	<b>\$5.5B</b>	<b>\$11.3B</b>



Data is as of 12.31.2023. <sup>1</sup>Asset Distribution does not include \$11.3B of multi-class assets. Category asset totals are segmented based on the duration of Sterling Capital's Fixed Income assets. Totals may include both taxable and municipal strategies.

# Advisory Solutions/OCIO Investment Team

Continuous Partnership with Clients

**James Willis, CFA®**  
Managing Director  
Head of Advisory Solutions

## Investment Management

**Jeffrey Schappe, CFA®**  
Managing Director  
Chief Market Strategist

**Shane Burke**  
Executive Director  
Portfolio Manager | Fixed Income

**Brandon Carl, CFA®**  
Executive Director  
Portfolio Manager | Equity

**Travis Pollack, CFA®**  
Executive Director  
Portfolio Manager

**Tyler Sheffield, CFA®**  
Associate Director  
Investment Analyst

## Quantitative Research & Analytics

**Kevin Stoll, CFA®**  
Managing Director  
Head of Quantitative Research

**George Carbaugh**  
Associate Director  
Quantitative Research Analyst

**Anson Quillen**  
Associate Director  
Quantitative Research Analyst

# Institutional Client Strategy and Service Team

**Maxwell Anthony**

Managing Director

Head of Institutional Distribution and Client Service

## Institutional Client Strategists

**Anthony Corallo, CTP®**

Managing Director  
Sr. Client Strategist  
Head of Liquidity Solutions

**John Jordan, CFA®**

Executive Director  
Sr. Client Strategist

**D. Bradford Barrett**

Director  
Sr. Client Strategist-Taft Hartley

**James Mallory, AIF®**

Director  
Sr. Client Strategist

**Sarah Palmquist, CMFC®**

Director  
Sr. Client Strategist-Middle Market

**Timothy Sargent**

Director  
Client Strategist-OCIO

**Anthony DeLucia**

Managing Director  
Sr. Client Strategist  
Head of OCIO Solutions

**John Winthrop, CIMA®**

Executive Director  
Sr. Client Strategist

**Corey Byrd**

Director  
Sr. Client Strategist-Education

**Blake Myton, AIF®**

Director  
Sr. Client Strategist

**Austin Dunlap**

Director  
Client Strategist

## Client Service and Analytics

**Jayne McDonald, CFP®**

Executive Director  
Head of CS & Analytics

**Tate Small**

Director  
Intermediary Client Service Manager

**Jennifer Gunn, CRPS™**

Assoc. Director  
Client Service Analyst

**Daniel Hurtado**

Assoc.  
Client Service Analyst

**Jackson Kloiber**

Assoc.  
Client Service Analyst

**Jazz Lynch**

Assoc.  
Client Service Analyst

**Nicholas Sheets**

Assoc.  
Client Service Analyst

**Michelle Bumgarner**

Director  
Middle Market Client Service Manager

**John Barrett**

Assoc. Director  
Sr. Client Service Analyst

**Stephanie Palmaro**

Assoc. Director  
Sr. Client Service Analyst

**Bo Kenan**

Assoc.  
Client Service Analyst

**Tonya Loomis**

Assoc.  
Client Service Analyst

**Daniel McElravey**

Assoc.  
Client Service Analyst

## Request For Proposal

**Nicholas Totaro, CTP®**

Director  
RFP & Database Manager

**Kathy Carr**

Assoc. Director  
RFP Writer

# Economic Strategy & Outlook

# 4Q23 Market Review & Attribution

Data as of 12.31.2023	1 Month	3 Month	YTD	1 Year	3 Year <sup>1</sup>	5 Year <sup>1</sup>	10 Year <sup>1</sup>
<b>Equity</b>							
Russell 3000 <sup>®</sup> Index	5.30%	12.07%	25.96%	25.96%	8.54%	15.16%	11.48%
Russell Top 200 <sup>®</sup> Index	4.08%	11.70%	29.85%	29.85%	10.04%	16.53%	12.70%
Russell Top 200 <sup>®</sup> Growth Index	3.97%	14.11%	46.62%	46.62%	10.58%	20.79%	16.06%
Russell Top 200 <sup>®</sup> Value Index	4.25%	8.01%	10.64%	10.64%	9.03%	10.73%	8.46%
Russell 2000 <sup>®</sup> Index	12.22%	14.03%	16.93%	16.93%	2.22%	9.97%	7.16%
Russell 2000 <sup>®</sup> Growth Index	11.98%	12.75%	18.66%	18.66%	-3.50%	9.22%	7.16%
Russell 2000 <sup>®</sup> Value Index	12.45%	15.26%	14.65%	14.65%	7.94%	10.00%	6.76%
Russell Mid Cap <sup>®</sup> Index	7.73%	12.82%	17.23%	17.23%	5.92%	12.68%	9.42%
Russell Mid Cap <sup>®</sup> Growth Index	7.58%	14.55%	25.87%	25.87%	1.31%	13.81%	10.57%
Russell Mid Cap <sup>®</sup> Value Index	7.79%	12.11%	12.71%	12.71%	8.36%	11.16%	8.26%
MSCI World ex-USA IMI Index	5.70%	10.52%	17.18%	17.18%	3.73%	8.24%	4.35%
MSCI World ex-USA Growth Index	5.68%	12.52%	17.45%	17.45%	0.44%	8.94%	5.08%
MSCI World ex-USA Value Index	5.24%	8.57%	18.48%	18.48%	8.19%	7.48%	3.29%
MSCI World ex-USA Small Cap Index	7.15%	10.60%	12.62%	12.62%	-0.20%	7.05%	4.63%
MSCI Emerging Markets IMI Index	3.98%	8.02%	11.67%	11.67%	-3.71%	4.46%	3.00%
<b>Fixed Income</b>							
Bloomberg U.S. Aggregate Bond Index	3.83%	6.82%	5.53%	5.53%	-3.31%	1.10%	1.81%
Bloomberg U.S. TIPS Index	2.69%	4.71%	3.90%	3.90%	-1.00%	3.15%	2.42%
Bloomberg U.S. Corporate High Yield Index	3.73%	7.16%	13.45%	13.45%	1.98%	5.37%	4.60%
Bloomberg Global Treasury ex-U.S. Hedged Index	2.74%	5.35%	7.99%	7.99%	-1.55%	1.22%	2.73%
Bloomberg Emerging Markets Aggregate Index	4.20%	8.10%	9.09%	9.09%	-3.13%	1.84%	3.03%

## Performance Attribution (4Q23)

- Asset allocation positioning added to benchmark-relative performance of the Advisory Solutions Balanced Portfolio in 4Q23.
- Value/growth splits within Equity were additive:
  - Domestically, an underweight allocation to Large-Cap Value (+8.01% return vs. +12.07% for broad Russell 3000) and overweight position in Small-Cap Value (returned +15.26%) were beneficial.
  - Ex-U.S., underweight to International Developed Value (returned +8.57%, lagging growth counterparts) was additive.
- Overweight to U.S. Small Cap was rewarded, with the segment (+14.03%) outperforming domestic Large (+11.70%) and Mid Cap (+12.82%).
- Geographic allocations within Equity detracted – particularly an overweight to Emerging Markets. Over the quarter, the MSCI EM IMI Index returned +8.02% while the broad global MSCI ACWI IMI Index fell +11.14%.

<sup>1</sup>Annualized. Source: Morningstar. The performance presented represents the returns of the listed index. The volatility of an index varies greatly and investments cannot be made directly in an index. Market conditions vary from year to year and can result in a decline in market value due to a material change in market or economic conditions. The performance is past performance and is not a guarantee for future results.



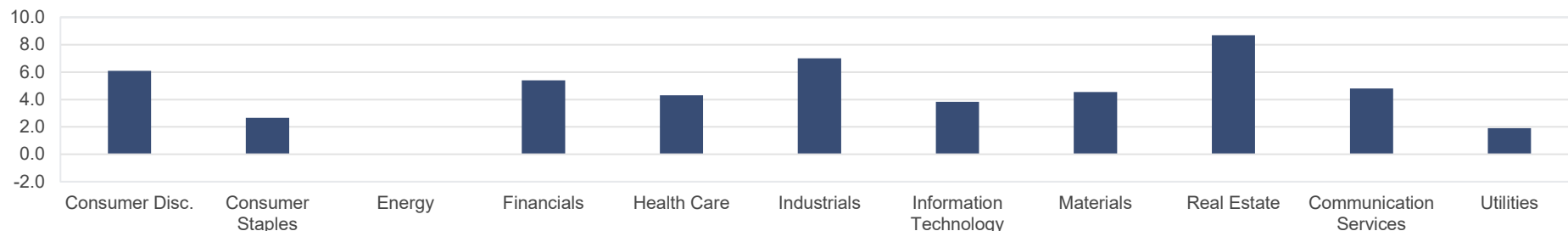
# U.S. Equity Market Style and Sector Returns

## S&P 1500 by Capitalization & Style<sup>1</sup>

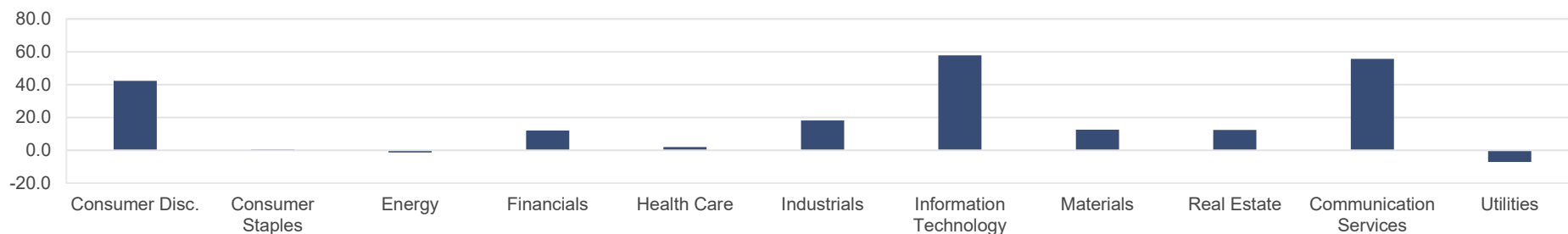
1-Month				YTD		
Value	Blend	Growth		Value	Blend	Growth
5.53%	4.54%	3.72%	Large	22.23%	26.29%	30.03%
10.19%	8.72%	7.40%	Mid	15.39%	16.44%	17.49%
13.40%	12.80%	12.10%	Small	14.89%	16.05%	17.10%

## S&P 500 Sector Returns (%)

### 1-Month



### YTD



<sup>1</sup>Style boxes are derived from the components of the S&P 1500<sup>®</sup> Index. Please refer to the appendix for further information about capitalization/style returns. Data is as of 12.31.2023. Source: FactSet. For illustrative purposes only. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful. Past performance is no guarantee of future results.

# Asset Allocation

## Summary Outlook

### Economic and Market Comments

The fourth quarter produced strong returns across markets as Treasury yields and credit spreads rallied lower while equity prices moved higher. Specifically, in the fourth quarter, 5- and 10-year Treasury yields declined 76 and 71 basis points (bps), respectively, while investment-grade corporate bond spreads declined 22 bps to 0.99%. Meanwhile, Global Equities produced an 11.2% fourth quarter return. In all cases, strong returns were largely the result of improving inflation data and a shift in market expectations towards easier Federal Reserve (Fed) policy in 2024 and beyond. Additionally, there appears to be growing market confidence in a soft-landing scenario as economic growth has remained solid while inflation has moderated. Higher prices across investment markets have resulted in richer valuations and lower tactical return expectations in our analytics. Specifically, Treasury yields have again fallen well below our estimates of fair value, leading us to forecast higher rates moving forward. While improved, trailing inflation is still elevated, and our analytics continue to point to inflation risk amid solid economic growth and very low unemployment. Similarly, our analytics project low returns for taking credit risk, primarily due to currently tight credit spreads. Expected returns to Global Equities have also moved lower, but to a lesser degree than Fixed Income, as lower trailing inflation and interest rates partially offset the impact of richer valuation metrics. Given low excess return expectations in both Global Equities and Fixed Income, we maintain a neutral weight to both. Additionally, Fixed Income portfolios have been positioned more defensively given projected moves higher in interest rates and credit spreads.

### Global Equity Positioning

We remain overweight Emerging Markets due to continued positive relative value metrics based on sales and dividend ratios and moderate debt growth in real terms. We have increased our underweight to International Developed Markets as expected returns have moved lower in part due to richer equity valuations and a move lower in option implied equity volatility. Our U.S. allocation has increased, however, as moderating trailing inflation and lower interest rates largely offset the impact of declining valuation metrics in the fourth quarter. Within the U.S., we have moved from underweight to overweight Large-Cap Value on expected reversal of prior year relative underperformance. Small-Cap Value remains our biggest overweight within the U.S. but to a lesser degree as relative value advantages have declined following outperformance in the fourth quarter.

### Fixed Income Positioning

We have added an overweight position in the Short U.S. Government segment to lower portfolio sensitivity to a potential increase in interest rates and credit spreads. Additionally, we have added a position in U.S. Treasury Inflation-Protected Securities (TIPS) as our analytics suggest that market inflation expectations as measured by TIPS breakeven rates may have moved too low.

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# Asset Allocation

## Commentary

### Global Equity Allocation Summary as of 01.09.2024

	Total Allocation	Net of Benchmark Allocation	Change from Prior Quarter	Model Forecast	Summary of Allocations and Model Forecasts
<u>U.S. Equities</u>	61.85%	0.50%	1.00%		<b>Overall Overweight; Overweight Small-Cap Value, Large-Cap Value and Mid-Cap Growth; Underweight Large-Cap Growth, Mid-Cap Value and Small-Cap Growth:</b> Overall, forecasted excess returns to U.S. Equities are little changed from the prior quarter as lower trailing inflation and interest rates mostly offset impacts of richer valuation metrics. Stable expected returns contrast a drop in International Developed expectations, leading us to increase our net U.S. allocation. Within the U.S., relative returns to Large-Cap Value stocks improved on expected reversal of prior year underperformance. Relative expected returns to Small Cap, however, declined following strong fourth quarter performance. Specifically, we have reduced our overweight to Small-Cap Value on lower but still attractive relative value metrics. Additionally, we have increased our underweight to Mid-Cap Value as we believe it is an attractive funding source for our overweight positions in Small- and Large-Cap Value.
Large Cap Value	18.13%	1.00%	2.00%		
Large Cap Growth	26.50%	-0.50%	0.50%		
Mid Cap Value	7.91%	-2.00%	-0.50%		
Mid Cap Growth	5.05%	1.00%	-0.50%		
Small Cap Value	3.69%	2.00%	-0.50%		
Small Cap Growth	0.59%	-1.00%	0.00%		
<u>International Developed</u>	25.28%	-2.50%	-1.00%		<b>Underweight:</b> We have increased our underweight as expected International Developed returns diverged further below the U.S. on richer valuation metrics and lower option implied equity volatility. Flattening in European yield curves relative to the U.S. also contributed to the decline in relative expectations. Specifically, we have increased our underweight to the Growth segment and established a small underweight allocation to Small Cap.
Value	10.84%	-1.00%	0.00%		
Growth	11.15%	-1.00%	-0.50%		
Small Cap	3.29%	-0.50%	-0.50%		
<u>Emerging Markets</u>	12.87%	2.00%	0.00%		<b>Overweight:</b> Emerging Markets maintain a relative value advantage as measured by sales and dividend ratios. Additionally, real debt growth in the segment remains moderate. We, therefore, are maintaining our overweight to Emerging Markets.

Model Forecast Graphs display forecasted Sharpe Ratios for each sector within a range of -1.5 to 1.5. Net of Benchmark weights calculated as of 01.09.2024. Net weights will change over time due to differences in index and portfolio returns and other factors. Forecasted returns generated by Sterling Capital Advisory Solutions' analytics contain a high degree of uncertainty, are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Actual results may vary widely from projections, and may not account for extreme negative scenarios that are not well represented by model estimation samples. All investing is subject to risk, including possible loss of principal.

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# Asset Allocation

## Commentary

### Fixed Income Allocation Summary as of 01.09.2024

	Total Allocation	Net of Benchmark Allocation	Change from Prior Quarter	Model Forecast	Summary of Allocations and Model Forecasts	
<u>Expectations vs. U.S. Treasuries<sup>1</sup></u>						
U.S. Aggregate Fixed Income	95.00%	-5.00%	-5.00%		<b>Overweight Short U.S. Government and TIPS, Underweight U.S. Aggregate Fixed Income:</b> Ahead of the fourth quarter rally in Treasury yields, we added interest rate duration back to portfolios by removing our overweight to the Short U.S. Government segment. Subsequently, 5- and 10-year Treasury yields rallied 76 and 71 bps in the fourth quarter, respectively. The rally in interest rates has again brought them well below our analytic estimates of fair value. As a result, we are reestablishing an overweight to Short U.S. Government securities. Additionally, the allocation lowers portfolio sensitivity to credit spread risk, which has become less attractive following the rally lower in credit spreads last quarter. During the fourth quarter, inflation expectations as measured by TIPS breakeven rates also moved lower, pushing TIPS relative return expectations higher and leading us to add a small overweight position. We continue not to allocate to U.S. High Yield and Emerging Markets Debt as tight credit spreads point to low expected risk adjusted returns.	
U.S. High Yield	0.00%	0.00%	0.00%			
U.S. TIPS	1.50%	1.50%	1.50%			
International Fixed Income (Hedged)	0.00%	0.00%	0.00%			
Emerging Markets Debt	0.00%	0.00%	0.00%			
<u>U.S. Treasury Bonds</u>						
U.S. Government: Short	3.50%	3.50%	3.50%			
U.S. Government Intermediate	0.00%	0.00%	0.00%			
U.S. Government: Long	0.00%	0.00%	0.00%			
<u>Total U.S. Aggregate Fixed Income<sup>2</sup></u>						

<sup>1</sup>Model forecasts in this section are based on expected risk and return after controlling for and excluding the expected impact of changes in U.S. Treasury Yields on returns. U.S. Treasury Yield exposure (Duration) is measured and managed at the portfolio level and thus, excluded from consideration at the individual asset class level. The U.S. Government Bond asset classes can be utilized to manage duration to target levels.

<sup>2</sup>The Total U.S. Aggregate Fixed Income model forecast is inclusive of the expected impact of changes in U.S. Treasury Yields on returns.

Model Forecast Graphs display forecasted Sharpe Ratios for each sector within a range of -1.5 to 1.5. Net of Benchmark weights calculated as of 01.09.2024. Net weights will change over time due to differences in index and portfolio returns and other factors. Forecasted returns generated by Sterling Capital Advisory Solutions' analytics contain a high degree of uncertainty, are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Actual results may vary widely from projections, and may not account for extreme negative scenarios that are not well represented by model estimation samples. All investing is subject to risk, including possible loss of principal.

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# Sterling Capital Advisory Solutions Monthly Update

January 2024

Asset Allocation Update	
<ul style="list-style-type: none"> <li>We recommend a neutral weight to global equities versus fixed income.</li> <li>Within the equity allocation, we recommend an overweight to emerging markets and underweight to international developed equities.</li> <li>Within the fixed income allocation, we recommend overweight positions in the Short U.S. Government and U.S. TIPS segments.</li> </ul>	
Equity Market Highlights	Fixed Income Market Highlights
<ul style="list-style-type: none"> <li>Positive takeaways from the December Federal Open Market Committee (FOMC) Meeting, which signaled rate cuts in 2024, helped global equities rally in December, with the MSCI ACWI IMI Index rising 5.25% to close out 2023. Value outperformed growth during the month (MSCI ACWI Value +5.39% vs. MSCI ACWI Value +4.24%). Industrials was the top-performing sector during December, while energy underperformed. Emerging markets trailed developed markets during the month (MSCI World IMI +5.40% vs. MSCI EM IMI +3.98%), with continued relative weakness in China offsetting strong gains in South Korea, Taiwan, and Brazil.</li> <li>In 2023, U.S. Large Blend active managers generally struggled to outperform relative to their passive counterparts, as mega-cap index constituents, which many active managers are underweight, generated outsized returns. U.S. Mid-Cap Value was the only category that posted outperformance during the year.</li> <li>On a rolling five-year basis, U.S. growth outperformance relative to value fell from the previous month. Growth's 2023 outperformance was partially driven artificial intelligence exuberance and peak inflation/interest rate hopes.</li> </ul>	<ul style="list-style-type: none"> <li>The broad market, as represented by the Bloomberg U.S. Aggregate Bond Index, returned 3.83% for the month of December. This comes following November's return of 4.53% which was the best monthly return since May 1985. The top performer for December was Agency Mortgage-Backed Securities (MBS), up 4.31%, bringing its calendar year return to 5.05%. The market was largely positive with Treasury Inflation Protected Securities (TIPS) producing the lowest return, although still positive at 2.69%. For the calendar year, High Yield was the best-performing sector, up 13.45%, followed by Emerging Market Debt (+9.09%) and U.S. Credit (+8.18%). TIPS produced the lowest returns for the year (+3.90%).</li> <li>Following declines in November, 10-year yields continued to fall in December in select countries. Yields in the U.K. declined by 67 basis points (bps), followed by France (53 bps), Italy (51 bps) and Germany (48 bps). The yield on the 10-year U.S. Treasury declined by 48 bps from 4.36% to 3.88%. For the calendar year, 10-year rates were lower overseas but unchanged domestically.</li> <li>For the second consecutive month, Municipal/Treasury ratios moved lower in December as all ratios fell by more than 1% (following a move lower by more than 10% in November). All ratios remain below their five-year average.</li> </ul>

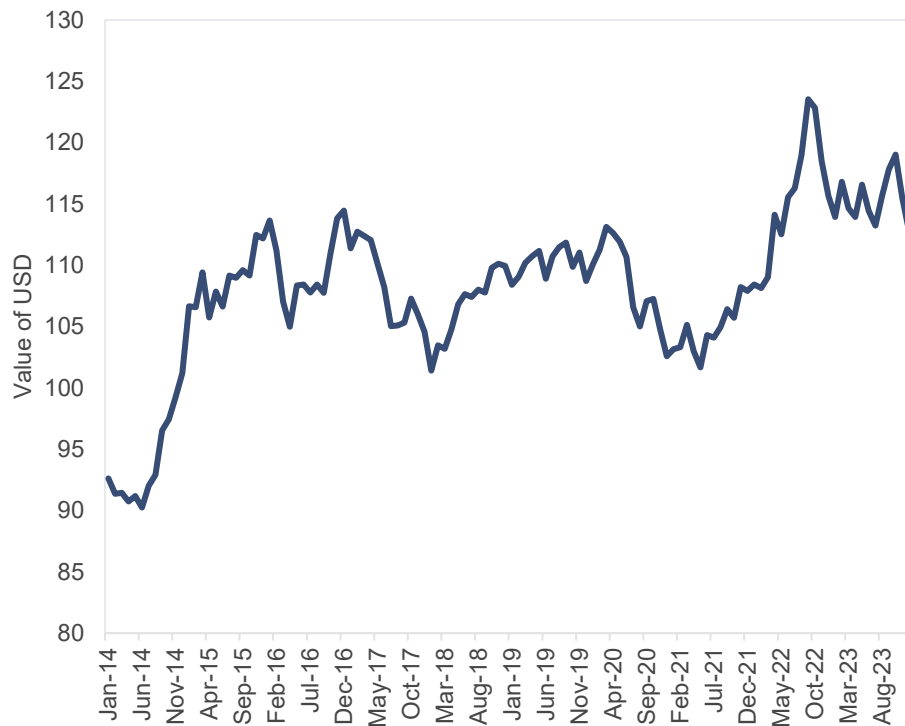
Stock Indices YTD		Bond Indices YTD		Other Indices YTD		U.S. Treasury Yields		Rates/Commodities	
MSCI ACWI IMI	21.58%	Bloomberg US Aggregate	5.53%	US Fund Multialternative	6.51%	6-month	5.26%	Prime Rate	8.50%
Russell 3000	25.96%	Bloomberg Gbl Treas xUS Hdg	7.99%	DJ Equity All REIT	11.30%	1-year	4.78%	LIBOR (3 Mo)	5.59%
S&P 500	26.29%	Bloomberg US TIPS	3.90%	Bloomberg Commodity	-7.91%	3-year	4.01%	Oil Price (\$/barrel)	\$71.65
MSCI EAFE	18.24%	Bloomberg US High Yield	13.45%			5-year	3.85%	Gold (\$/t oz)	\$2,062.97
MSCI EM	9.83%	Bloomberg EM Aggregate	9.09%			10-year	3.88%		
						30-year	4.03%		

Data is as of 12.31.2023. Sources: Morningstar; FactSet; Russell Investments; Bloomberg L.P.; U.S. Department of Treasury. Asset allocation and diversification do not assure a profit or protect against loss in declining financial markets. For illustrative purposes only. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful. Past performance is no guarantee of future results.



# Currency

Nominal Trade-Weighted U.S. Dollar Major Currencies



Euro per U.S. Dollar



- The Trade-Weighted U.S. Dollar Index (Major Currencies) decreased -2.3% in December and decreased -2.5% year-to-date. The dollar was down -1.2% versus the Euro in December.

Data is as of 12.31.2023. Source: FactSet. For illustrative purposes only. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful. Past performance is no guarantee of future results.



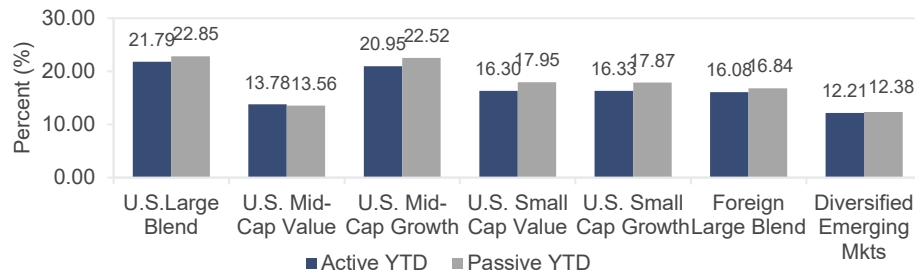
# Global Equity Markets

### Equity Market Performance



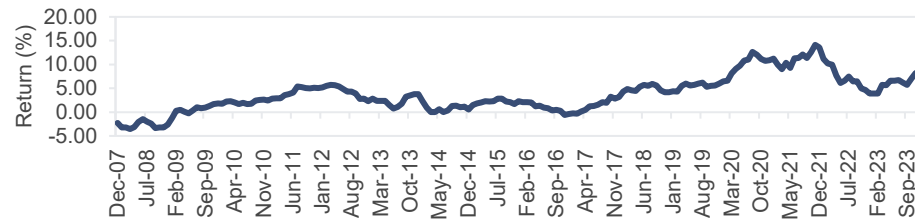
Data is as of 12.31.2023. Sources: Morningstar; Russell Investments.

### Active vs. Passive



Data is as of 12.31.2023. Source: Morningstar, Russell Investments. Median return of Morningstar open-end fund category (institutional share class). Russell return of U.S. categories.

### Rolling 5-Year Return Differential Russell 3000 Growth minus Russell 3000 Value



Data is as of 12.31.2023. Source: Morningstar.

- Positive takeaways from the December Federal Open Market Committee (FOMC) Meeting, which signaled rate cuts in 2024, helped global equities rally in December, with the MSCI ACWI IMI Index rising 5.25% to close out 2023. Value outperformed growth during the month (MSCI ACWI Value +5.39% vs. MSCI ACWI Value +4.24%). Industrials was the top-performing sector during December, while energy underperformed. Emerging markets trailed developed markets during the month (MSCI World IMI +5.40% vs. MSCI EM IMI +3.98%), with continued relative weakness in China offsetting strong gains in South Korea, Taiwan, and Brazil.

- In 2023, U.S. Large Blend active managers generally struggled to outperform relative to their passive counterparts, as mega-cap index constituents, which many active managers are underweight, generated outsized returns. U.S. Mid-Cap Value was the only category that posted outperformance during the year.

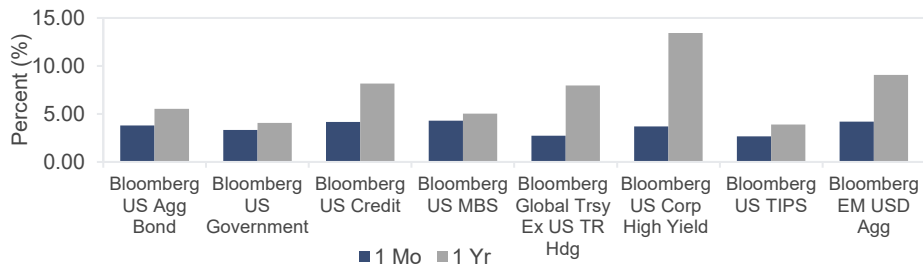
- On a rolling five-year basis, U.S. growth outperformance relative to value fell from the previous month. Growth's 2023 outperformance was partially driven artificial intelligence exuberance and peak inflation/interest rate hopes.

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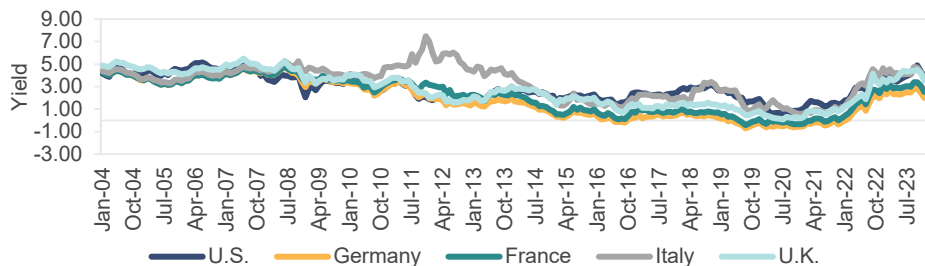
# Fixed Income Markets

### Bond Market Performance



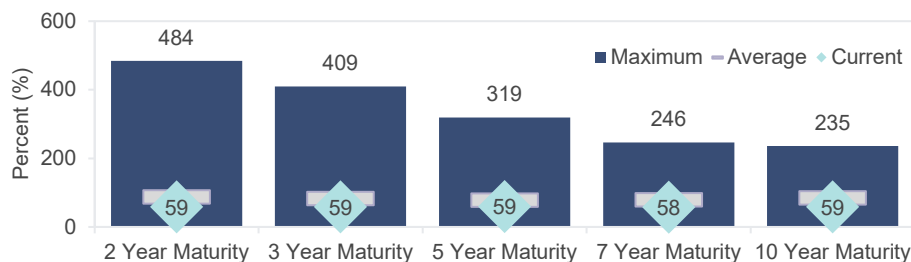
Data is as of 12.31.2023. Sources: Morningstar; Bloomberg L.P.

### 10-Year Government Bond Yields



Data is as of 12.31.2023. Sources: FactSet; U.S. Department of Treasury.

### Municipal/Treasury Yield Ratios Over The Last 5 Years



Data is as of 12.31.2023. Sources: Thompson Reuters; Sterling Capital Management Analytics.

- The broad market, as represented by the Bloomberg U.S. Aggregate Bond Index, returned 3.83% for the month of December. This comes following November's return of 4.53% which was the best monthly return since May 1985. The top performer for December was Agency Mortgage-Backed Securities (MBS), up 4.31%, bringing its calendar year return to 5.05%. The market was largely positive with Treasury Inflation Protected Securities (TIPS) producing the lowest return, although still positive at 2.69%. For the calendar year, High Yield was the best-performing sector, up 13.45%, followed by Emerging Market Debt (+9.09%) and U.S. Credit (+8.18%). TIPS produced the lowest returns for the year (+3.90%).

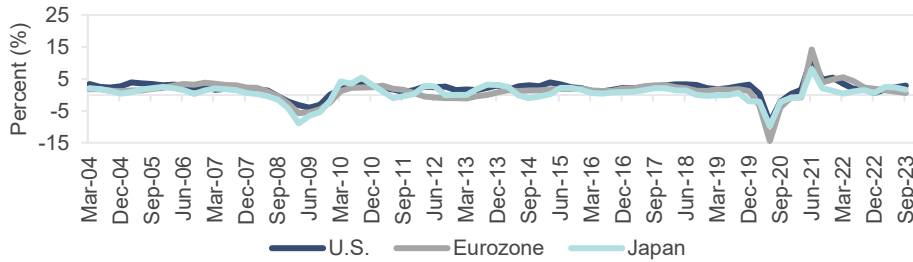
- Following declines in November, 10-year yields continued to fall in December in select countries. Yields in the U.K. declined by 67 basis points (bps), followed by France (53 bps), Italy (51 bps) and Germany (48 bps). The yield on the 10-year U.S. Treasury declined by 48 bps from 4.36% to 3.88%. For the calendar year, 10-year rates were lower overseas but unchanged domestically.

- For the second consecutive month, Municipal/Treasury ratios moved lower in December as all ratios fell by more than 1% (following a move lower by more than 10% in November). All ratios remain below their five-year average.

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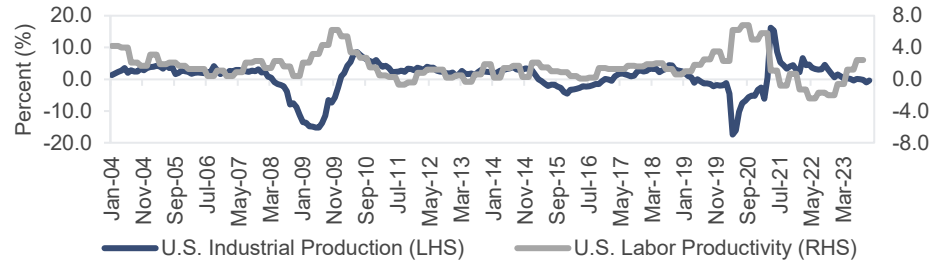
# Global Economic Snapshot

### YOY Real GDP Growth (\$U.S.)



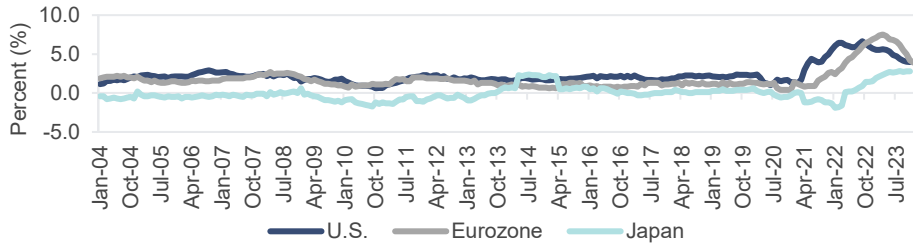
U.S. data is as of 12.31.2023. Japan and Eurozone data is as of 09.30.2023. Source: FactSet.

### YoY U.S. Industrial Production and Productivity



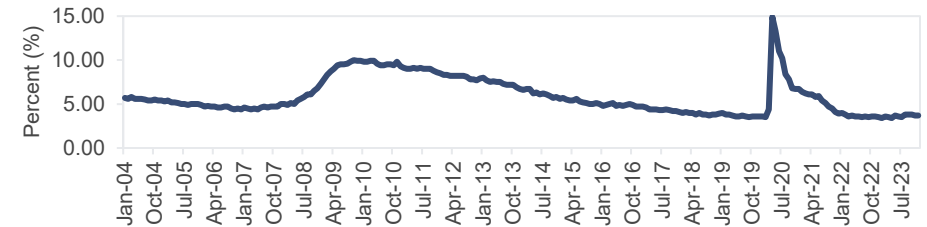
Industrial Production data is as of 11.30.2023. Industrial Productivity data is as of 09.30.2023. Source: FactSet.

### Core Consumer Price Index (YoY Growth)



Eurozone as of 12.31.2023. Japan and U.S. data is as of 11.30.2023. Source: FactSet. The sudden increase in Japan CPI growth in 2014 coincided with an increase in national sales tax that impacted final price levels.

### U.S. - Unemployment Rate

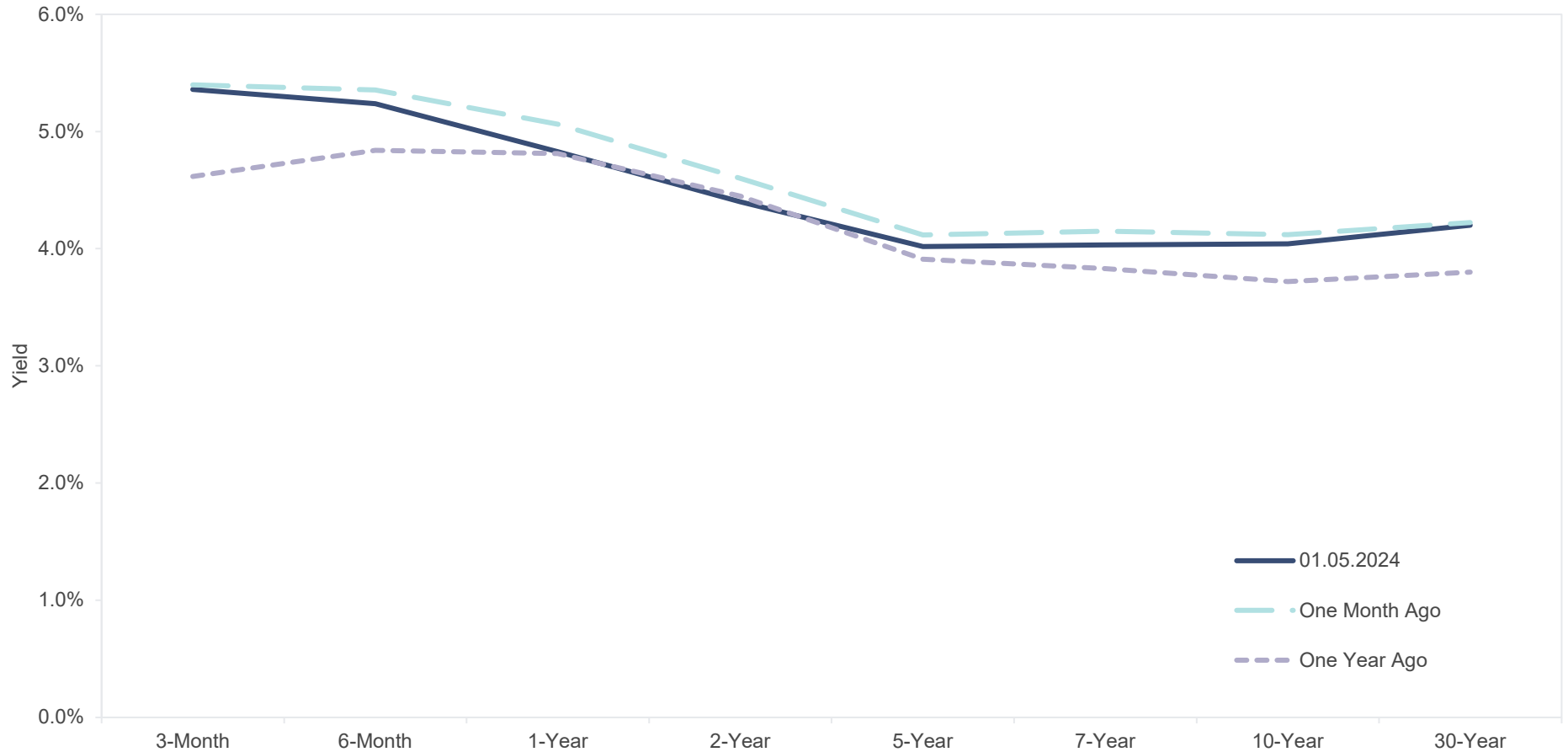


Data is as of 12.31.2023. Source: FactSet.

- Economic momentum has continued to grow in the U.S. as estimated third quarter gross domestic product (GDP) improved over the prior quarter. Growth in Europe has fallen behind the U.S. recently.
- U.S. unemployment held steady at the very low rate of 3.7% in December amid stronger than expected nonfarm payroll growth.
- Inflation continues to slow from high levels in Europe and the U.S. Inflation in Japan remains near its recent peak for this economic cycle, but it is well below levels in the U.S. and Europe.
- Industrial production growth improved in November but remains weak on a year-over-year basis. U.S. labor productivity has continued to recover from negative levels in 2022 as strong third quarter growth has brought the annual growth rate to 2.4%.

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# U.S. Treasury Yield Curve

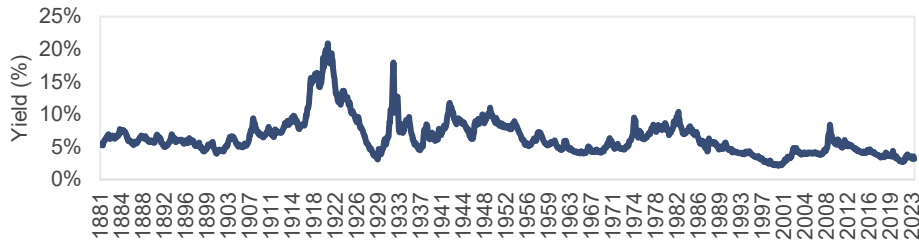


- As of 01.05.2024, the entire yield curve shifted lower month-over-month. The one- to two-year segment of the curve declined the most by 23 bps and 20 bps, respectively. From the prior year, with the exception of the two-year Treasury, all yields were higher than the previous year.

Data is as of 01.05.2024. Source: FactSet. For illustrative purposes only. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful. Past performance is no guarantee of future results.

# Global Equity Market Fundamentals

### U.S. Cyclically-Adjusted Earnings Yield



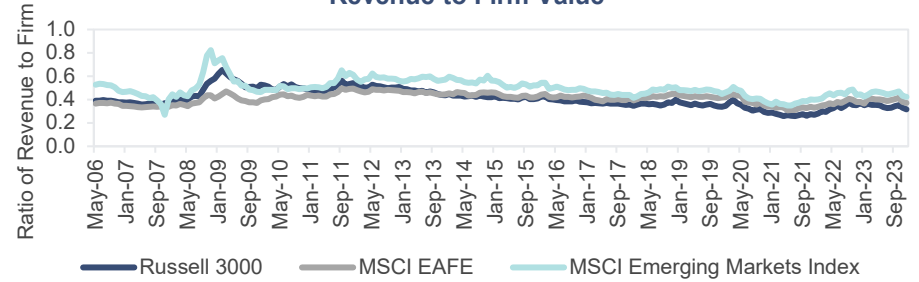
Data is as of 12.31.2023. Sources: Bloomberg L.P.; Robert Shiller "U.S. Stock Markets 1871 - Present and CAPE Ratio."

### U.S. 3-Year Real Revenue Growth - Russell 3000 Non-Financials



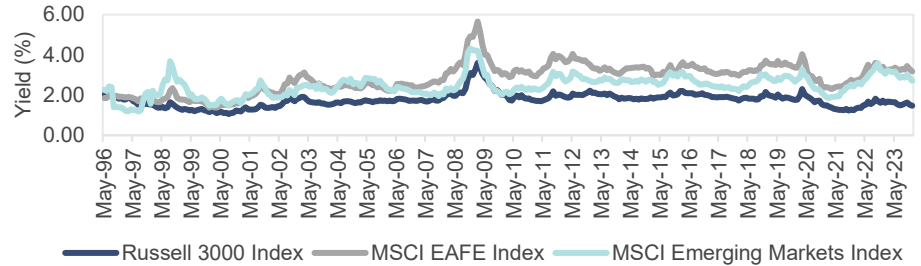
Data is as of 12.31.2023. Source: FactSet; Russell; Bureau of Labor Statistics; Sterling Capital Management Analytics.

### Revenue to Firm Value



Data is as of 12.31.2023. Sources: FactSet; Russell; MSCI.

### Dividend Yield



Data is as of 11.30.2023. Sources: FactSet; Russell; MSCI.

- The U.S. cyclically-adjusted earnings yield continued to decline in December due to equity price increases.
- Long-term real U.S. sales growth for non-financial companies is showing rapid improvement and has reached its highest level in over ten years. Companies have been growing revenues at a rate outpacing inflation and, in addition, growth is now calculated over a base year that was depressed by COVID-19 impacts.
- Revenue-to-firm value ratios and dividend yields declined in December with the rise in equity prices.

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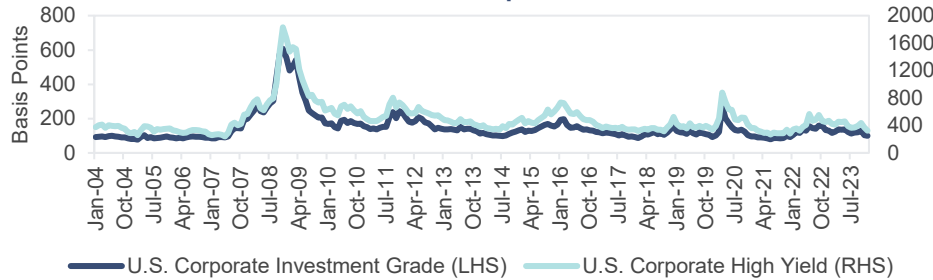
# U.S. Economic Indicators



Source: Factset. For illustrative purposes only. Past performance is no guarantee of future results.

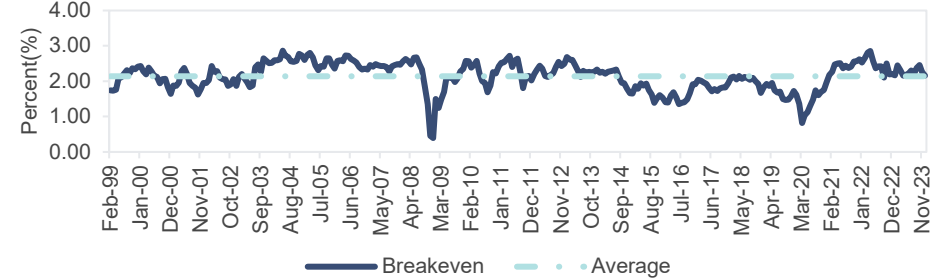
# Fixed Income Spreads and TIPS Breakeven

### 20-Year U.S. Corporate OAS



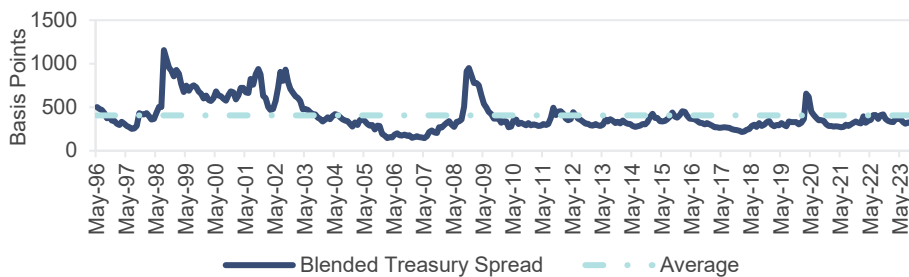
Data is as of 12.31.2023. Source: FactSet.

### 10-Year TIPS Breakeven



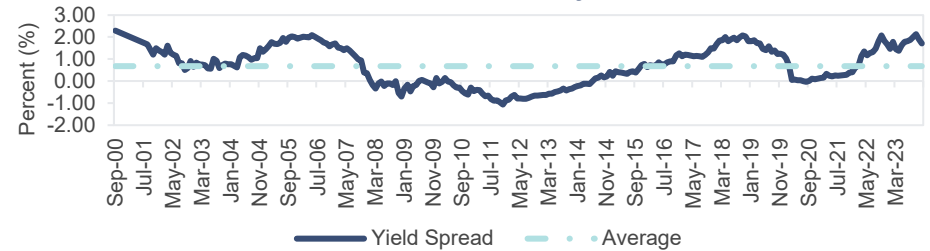
Data is as of 12.31.2023. Source: Federal Reserve Board of Governors.

### EM Debt OAS



Data is as of 12.31.2023. Source: Bloomberg L.P.

### Yield Spread of Bloomberg U.S. Treasury Index to Global Ex-U.S. Treasury Index



Data is as of 12.31.2023. Source: Bloomberg L.P.

- Investment grade and high-yield credit spreads continued to move tighter in December and are well below long-run averages.
- For the second consecutive month, the 10-year TIPS breakeven rate declined in December as inflation data continued to improve.
- Similar to other credit markets, Emerging Market Debt credit spreads continued to decline last month and are well below the historical average. For the second consecutive month, the yield spread of U.S. to Global Treasuries declined in December.

TIPS = Treasury Inflation-Protected Securities.

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# Portfolio Characteristics & Performance

# Portfolio Summary

Client: Cocoa Beach General Employees' Pension Fund

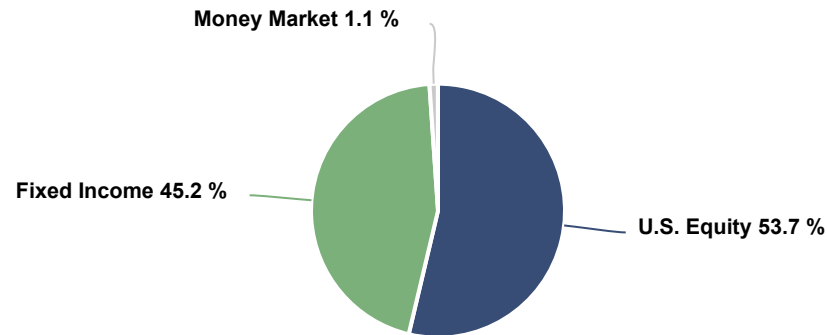
Period: 4/1/2022 to 12/31/2023

Fiscal Year Start: October 1st



**STERLING**  
CAPITAL

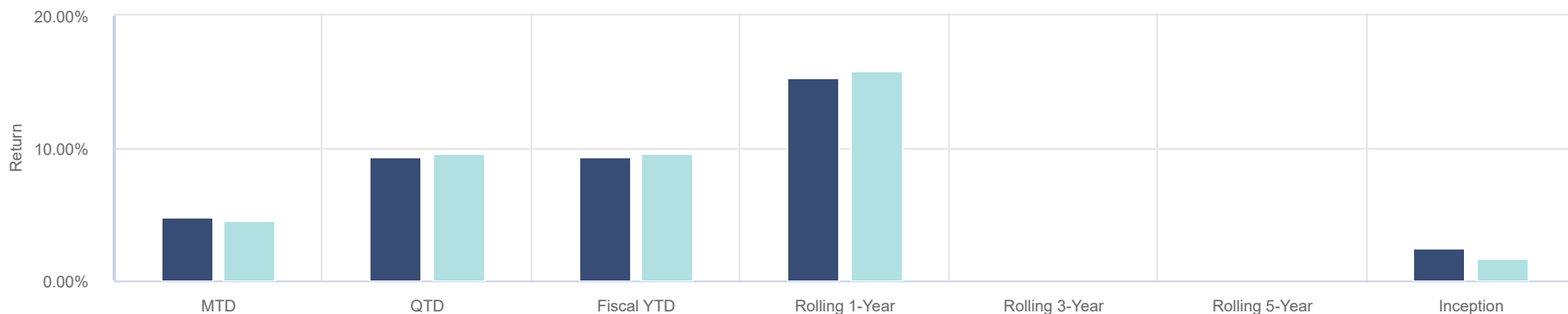
## Current Holdings by Asset Class



## Activity Summary

	MTD	QTD	Fiscal YTD	1-Year	3-Year	5-Year	Inception (4/1/2022)
Beginning Market Value	\$18,654,831.84	\$18,166,804.75	\$18,166,804.75	\$18,415,346.25	-	-	\$20,985,612.21
Net Contributions	\$630,444.74	\$345,984.69	\$345,984.69	-\$792,820.80	-	-	-\$1,327,971.97
Income	\$120,478.70	\$200,934.75	\$200,934.75	\$469,937.87	-	-	\$883,377.28
Capital Appreciation	\$811,344.08	\$1,525,041.03	\$1,525,041.03	\$2,287,457.53	-	-	-\$39,521.91
Fees	-\$10,593.28	-\$32,259.14	-\$32,259.14	-\$173,414.77	-	-	-\$294,989.53
Ending Market Value	\$20,206,506.08	\$20,206,506.08	\$20,206,506.08	\$20,206,506.08	-	-	\$20,206,506.08

### Portfolio Trailing Period Returns



### Portfolio Trailing Period Returns

	MTD	QTD	Fiscal YTD	1-Year	3-Year	5-Year	Inception (4/1/2022)
■ Cocoa Beach General Employees' Pension Fund	4.87 %	9.39 %	9.39 %	15.28 %	-	-	2.52 %
■ 52% Russell 3000/48% Bloomberg US Aggregate	4.60 %	9.55 %	9.55 %	15.86 %	-	-	1.75 %

### Asset Class Trailing Period Returns

	MTD	QTD	Fiscal YTD	1-Year	3-Year	5-Year	Inception (4/1/2022)
Equity	5.94 %	12.24 %	12.24 %	24.81 %	-	-	5.37 %
Russell 3000	5.30 %	12.07 %	12.07 %	25.96 %	-	-	4.18 %
Fixed Income	3.74 %	6.63 %	6.63 %	5.78 %	-	-	-0.57 %
Bloomberg US Agg Bond	3.83 %	6.82 %	6.82 %	5.53 %	-	-	-1.38 %

Performance is reflected Net of Fees

**Risk Statistics**

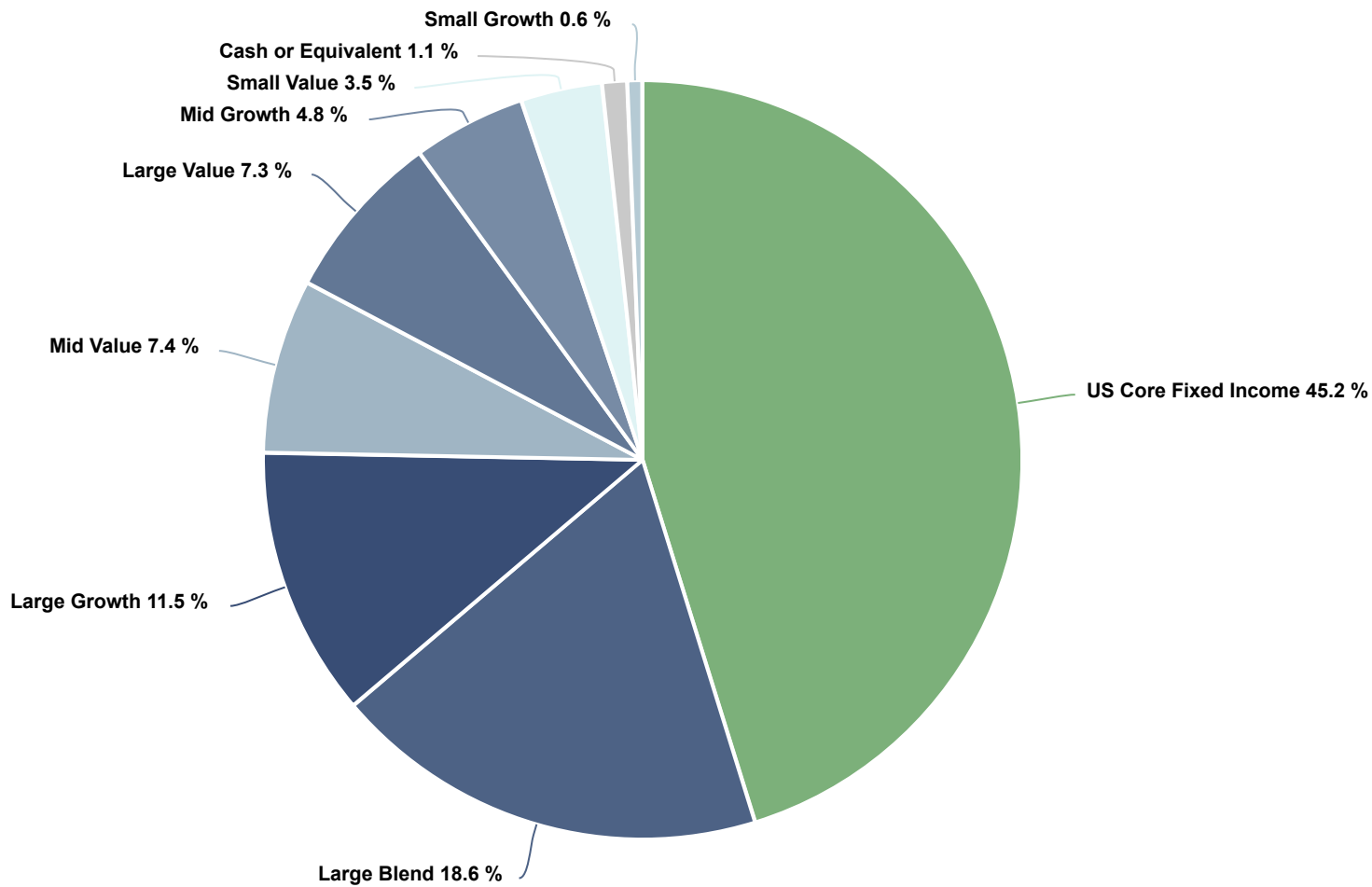
Name	Return	Std Dev	Alpha	Beta	Sharpe	R-Squared	Up Capture Ratio	Down Capture Ratio
Cocoa Beach General Employees' Pension Fund	2.52 %	14.09 %	0.67 %	0.97	-0.02	99.41 %	0.99	0.96
52% Russell 3000/48% Bloomberg US Aggregate	1.75 %	14.50 %	0.00 %	1.00	-0.07	100.00 %	1.00	1.00

Since Inception

**Performance of \$1,000 (4/1/2022 - 12/31/2023)**



### Current Holdings by Sub-Asset Class



### Asset Class Allocation Comparison

	Ending Market Value	Current Allocation	Strategic Target Allocation	Variance
Equity	\$10,852,184.86	53.71 %	52.00 %	1.71 %
Fixed Income	\$9,136,011.76	45.21 %	48.00 %	-2.79 %
Cash or Equivalent	\$218,309.46	1.08 %	-	1.08 %
<b>Total</b>	<b>\$20,206,506.08</b>	<b>100.00 %</b>	<b>100.00 %</b>	

## Sub-Asset Class Performance

	Ending Market Value	Allocation %	MTD	QTD	Fiscal YTD	1-Year	3-Year	5-Year	Inception
<b>Large Value</b>	\$1,466,652.61	7.26 %	6.20 %	12.43 %	12.43 %	12.87 %	-	-	6.37 %
<i>Russell Top 200 Value</i>			4.25 %	8.01 %	8.01 %	10.64 %	-	-	2.90 %
<b>Large Blend</b>	\$3,755,493.17	18.59 %	4.58 %	11.68 %	11.68 %	26.33 %	-	-	4.67 %
<i>Russell Top 200</i>			4.08 %	11.70 %	11.70 %	29.85 %	-	-	5.37 %
<b>Large Growth</b>	\$2,327,167.23	11.52 %	4.98 %	14.28 %	14.28 %	52.83 %	-	-	14.38 %
<i>Russell Top 200 Growth</i>			3.97 %	14.11 %	14.11 %	46.62 %	-	-	6.86 %
<b>Mid Value</b>	\$1,499,850.73	7.42 %	6.30 %	9.29 %	9.29 %	7.76 %	-	-	-0.28 %
<i>Russell MidCap Value</i>			7.79 %	12.11 %	12.11 %	12.71 %	-	-	0.56 %
<b>Mid Growth</b>	\$974,870.64	4.82 %	7.86 %	12.89 %	12.89 %	24.10 %	-	-	0.10 %
<i>Russell MidCap Growth</i>			7.58 %	14.55 %	14.55 %	25.87 %	-	-	3.11 %
<b>Small Value</b>	\$699,857.83	3.46 %	12.04 %	12.84 %	12.84 %	15.62 %	-	-	4.79 %
<i>Russell 2000 Value</i>			12.45 %	15.26 %	15.26 %	14.65 %	-	-	0.26 %
<b>Small Growth</b>	\$128,292.65	0.63 %	11.77 %	13.45 %	13.45 %	20.29 %	-	-	-1.69 %
<i>Russell 2000 Growth</i>			11.97 %	12.75 %	12.75 %	18.66 %	-	-	0.01 %
<b>US Core Fixed Income</b>	\$9,136,011.76	45.21 %	3.74 %	6.60 %	6.60 %	5.64 %	-	-	-0.64 %
<i>Bloomberg US Agg Bond</i>			3.83 %	6.82 %	6.82 %	5.53 %	-	-	-1.38 %
<b>Cash or Equivalent</b>	\$218,309.46	1.08 %	0.62 %	1.20 %	1.20 %	4.47 %	-	-	3.36 %
<i>Bloomberg 1-3 Month T-Bill</i>			0.47 %	1.38 %	1.38 %	5.14 %	-	-	3.77 %

## Manager Performance

	Ending Market Value	Allocation %	MTD	QTD	Fiscal YTD	1-Year	3-Year	5-Year	Inception
<b>Sterling - Equity Income</b>	\$1,466,652.61	7.26 %	6.19 %	12.41 %	12.41 %	12.85 %	-	-	6.36 %
<i>Russell Top 200 Value</i>			4.25 %	8.01 %	8.01 %	10.64 %	-	-	2.90 %
<b>Vanguard S&amp;P 500 ETF (VOO)</b>	\$3,755,493.17	18.59 %	4.57 %	11.68 %	11.68 %	26.32 %	-	-	4.65 %
<i>Russell Top 200</i>			4.08 %	11.70 %	11.70 %	29.85 %	-	-	5.37 %
<b>Loomis Sayles - LCG</b>	\$2,327,167.23	11.52 %	4.98 %	14.28 %	14.28 %	52.81 %	-	-	14.37 %
<i>Russell Top 200 Growth</i>			3.97 %	14.11 %	14.11 %	46.62 %	-	-	6.86 %
<b>Touchstone Mid Cap Value Inst (TCVIX)</b>	\$1,499,850.73	7.42 %	6.30 %	9.29 %	9.29 %	7.76 %	-	-	-0.28 %
<i>Russell MidCap Value</i>			7.79 %	12.11 %	12.11 %	12.71 %	-	-	0.56 %
<b>Touchstone Mid Cap Growth Fund Class R6 (TFGRX)</b>	\$974,870.64	4.82 %	7.86 %	12.89 %	12.89 %	24.10 %	-	-	0.10 %
<i>Russell MidCap Growth</i>			7.58 %	14.55 %	14.55 %	25.87 %	-	-	3.11 %
<b>Hotchkis &amp; Wiley Small Cap Diversified Value Fund Class Z (HWVZX)</b>	\$699,857.83	3.46 %	12.04 %	12.84 %	12.84 %	15.62 %	-	-	15.18 %
<i>Russell 2000 Value</i>			12.45 %	15.26 %	15.26 %	14.65 %	-	-	10.18 %
<b>Federated MDT Small Cap Growth Fund Class R6 (QLSGX)</b>	\$128,292.65	0.63 %	11.77 %	13.45 %	13.45 %	20.29 %	-	-	-1.69 %
<i>Russell 2000 Growth</i>			11.97 %	12.75 %	12.75 %	18.66 %	-	-	0.01 %
<b>Sterling - Core Fixed Income SMA</b>	\$9,136,011.76	45.21 %	3.74 %	6.60 %	6.60 %	5.64 %	-	-	-0.64 %
<i>Bloomberg US Agg Bond</i>			3.83 %	6.82 %	6.82 %	5.53 %	-	-	-1.38 %
<b>Cash</b>	\$218,309.46	1.08 %	0.62 %	1.20 %	1.20 %	4.47 %	-	-	3.36 %
<i>Bloomberg 1-3 Month T-Bill</i>			0.47 %	1.38 %	1.38 %	5.14 %	-	-	3.77 %

# Appendix

## Historical Trailing Returns

	1-Year	3-Year	5-Year	7-Year	10-Year	Inception (1/1/2001)
■ Cocoa Beach General Employees' Pension Fund	15.28 %	3.00 %	8.61 %	7.79 %	6.82 %	4.06 %
■ <i>Cocoa Beach - Custom Client Benchmark</i>	15.86 %	2.59 %	8.32 %	7.11 %	6.63 %	5.94 %

Investment performance displayed on this exhibit from inception through 3/31/2022 is reflective of the previous investment management and is NOT attributable to Sterling Capital Management. The monthly performance figures were provided by the previous investment manager and Sterling has not validated, recreated, or verified that data. This information is presented for informational purposes only and should be considered an estimate and representative only. Returns prior to Sterling Capital Management are presented gross of fees. Sterling Capital Management returns are presented net of fees.

## Portfolio Appraisal - Equity

Security	Ticker/CUSIP	Units/Quantity	Unit Cost	Price	Cost Basis	Market Value	Unrealized Gain/Loss	Est. Annual Income	Current Yield	Percent Allocation
<b>U.S. Equity</b>										
<b>Large Value</b>										
AbbVie Inc	ABBV	334.00	\$152.532	\$154.97	\$50,945.57	\$51,759.98	\$814.41	\$1,977.28	3.82 %	0.26 %
AFLAC Inc	AFL	225.00	\$62.008	\$82.50	\$13,951.79	\$18,562.50	\$4,610.71	\$378.00	2.04 %	0.09 %
Altria Group Inc	MO	1,074.00	\$46.932	\$40.34	\$50,404.49	\$43,325.16	-\$7,079.33	\$4,124.16	9.52 %	0.21 %
Ameriprise Financial Inc	AMP	148.00	\$301.375	\$379.83	\$44,603.50	\$56,214.84	\$11,611.34	\$784.40	1.40 %	0.28 %
CVS Health Corp	CVS	506.00	\$93.639	\$78.96	\$47,381.44	\$39,953.76	-\$7,427.68	\$1,224.52	3.06 %	0.20 %
Discover Financial Services	DFS	572.00	\$92.277	\$112.40	\$52,782.20	\$64,292.80	\$11,510.60	\$1,544.40	2.40 %	0.32 %
eBay Inc.	EBAY	555.00	\$45.910	\$43.62	\$25,479.95	\$24,209.10	-\$1,270.85	\$555.00	2.29 %	0.12 %
MetLife Inc	MET	415.00	\$65.111	\$66.13	\$27,021.27	\$27,443.95	\$422.68	\$854.90	3.12 %	0.14 %
Oracle Corporation	ORCL	1,000.00	\$81.472	\$105.43	\$81,472.24	\$105,430.00	\$23,957.76	\$1,520.00	1.44 %	0.52 %
Pepsico Incorporated	PEP	323.00	\$166.984	\$169.84	\$53,935.93	\$54,858.32	\$922.39	\$1,597.24	2.91 %	0.27 %
Qualcomm Incorporated	QCOM	278.00	\$152.361	\$144.63	\$42,356.43	\$40,207.14	-\$2,149.29	\$875.70	2.18 %	0.20 %
United Parcel Service Inc	UPS	171.00	\$207.360	\$157.23	\$35,458.51	\$26,886.33	-\$8,572.18	\$1,108.08	4.12 %	0.13 %
<b>Large Value</b>						<b>\$553,143.88</b>		<b>\$16,543.68</b>		<b>2.74 %</b>
<b>Large Blend</b>										
BlackRock Inc	BLK	38.00	\$691.397	\$811.80	\$26,273.10	\$30,848.40	\$4,575.30	\$570.00	1.85 %	0.15 %
Boeing Co	BA	504.00	\$184.113	\$260.66	\$92,792.92	\$131,372.64	\$38,579.72	\$0.00	0.00 %	0.65 %
Deere & Company	DE	37.00	\$379.629	\$399.87	\$14,046.28	\$14,795.19	\$748.91	\$196.84	1.33 %	0.07 %
Elevance Health Inc	ELV	129.00	\$469.122	\$471.56	\$60,516.77	\$60,831.24	\$314.47	\$763.68	1.26 %	0.30 %
Goldman Sachs Group	GS	137.00	\$328.921	\$385.77	\$45,062.16	\$52,850.49	\$7,788.33	\$1,438.50	2.72 %	0.26 %

## Portfolio Summary

Data as of 12/31/2023

Security	Ticker/CUSIP	Units/Quantity	Unit Cost	Price	Cost Basis	Market Value	Unrealized Gain/Loss	Est. Annual Income	Current Yield	Percent Allocation
<b>U.S. Equity</b>										
<b>Large Blend</b>										
Inc										
Home Depot Inc	HD	164.00	\$317.987	\$346.55	\$52,149.79	\$56,834.20	\$4,684.41	\$1,028.28	1.81 %	0.28 %
Johnson & Johnson	JNJ	248.00	\$168.074	\$156.74	\$41,682.35	\$38,871.52	-\$2,810.83	\$870.48	2.24 %	0.19 %
Marsh & McLennan Co Inc	MMC	57.00	\$159.343	\$189.47	\$9,082.55	\$10,799.79	\$1,717.24	\$148.20	1.37 %	0.05 %
Merck & Co Inc	MRK	192.00	\$79.050	\$109.02	\$15,177.65	\$20,931.84	\$5,754.19	\$568.32	2.72 %	0.10 %
Microchip Technology Inc	MCHP	490.00	\$82.703	\$90.18	\$40,524.67	\$44,188.20	\$3,663.53	\$779.10	1.76 %	0.22 %
Motorola Solutions Inc	MSI	74.00	\$224.099	\$313.09	\$16,583.29	\$23,168.66	\$6,585.37	\$267.88	1.16 %	0.11 %
Vanguard S&P 500	VOO	8,561.00	\$399.000	\$436.80	\$3,415,841.86	\$3,739,444.80	\$323,602.94	\$54,423.99	1.46 %	18.51 %
Walt Disney Co	DIS	714.00	\$118.699	\$90.29	\$84,750.90	\$64,467.06	-\$20,283.84	\$214.20	0.33 %	0.32 %
<b>Large Blend</b>						<b>\$4,289,404.03</b>		<b>\$61,269.47</b>		<b>21.23 %</b>
<b>Large Growth</b>										
Abbott Laboratories	ABT	503.00	\$116.262	\$110.07	\$58,479.57	\$55,365.21	-\$3,114.36	\$1,026.12	1.85 %	0.27 %
Accenture PLC	ACN	172.00	\$314.268	\$350.91	\$54,054.09	\$60,356.52	\$6,302.43	\$799.80	1.33 %	0.30 %
Air Products & Chemicals Inc	APD	191.00	\$252.574	\$273.80	\$48,241.72	\$52,295.80	\$4,054.08	\$1,337.00	2.56 %	0.26 %
Alphabet Inc Class A	GOOGL	550.00	\$126.809	\$139.69	\$69,745.15	\$76,829.50	\$7,084.35	\$0.00	0.00 %	0.38 %
Alphabet Inc Class C	GOOG	483.00	\$130.315	\$140.93	\$62,942.10	\$68,069.19	\$5,127.09	\$0.00	0.00 %	0.34 %
Amazon.com Inc	AMZN	835.00	\$137.387	\$151.94	\$114,717.93	\$126,869.90	\$12,151.97	\$0.00	0.00 %	0.63 %
Analog Devices Inc	ADI	261.00	\$161.891	\$198.56	\$42,253.49	\$51,824.16	\$9,570.67	\$897.84	1.73 %	0.26 %
Autodesk Inc	ADSK	294.00	\$209.897	\$243.48	\$61,709.63	\$71,583.12	\$9,873.49	\$0.00	0.00 %	0.35 %
Automatic Data Processing Inc	ADP	220.00	\$221.341	\$232.97	\$48,695.00	\$51,253.40	\$2,558.40	\$858.00	1.67 %	0.25 %

## Portfolio Summary

Data as of 12/31/2023

Security	Ticker/CUSIP	Units/Quantity	Unit Cost	Price	Cost Basis	Market Value	Unrealized Gain/Loss	Est. Annual Income	Current Yield	Percent Allocation
<b>U.S. Equity</b>										
<b>Large Growth</b>										
Block Inc	SQ	374.00	\$62.238	\$77.35	\$23,276.91	\$28,928.90	\$5,651.99	\$0.00	0.00 %	0.14 %
Charles Schwab Corp	SCHW	776.00	\$54.154	\$68.80	\$42,023.20	\$53,388.80	\$11,365.60	\$776.00	1.45 %	0.26 %
Illumina Inc	ILMN	213.00	\$260.251	\$139.24	\$55,433.38	\$29,658.12	-\$25,775.26	\$0.00	0.00 %	0.15 %
Intuitive Surgical Inc	ISRG	88.00	\$277.190	\$337.36	\$24,392.76	\$29,687.68	\$5,294.92	\$0.00	0.00 %	0.15 %
Meta Platforms Inc	META	498.00	\$183.373	\$353.96	\$91,319.51	\$176,272.08	\$84,952.57	\$0.00	0.00 %	0.87 %
Microsoft Corp	MSFT	525.00	\$290.847	\$376.04	\$152,694.68	\$197,421.00	\$44,726.32	\$1,464.75	0.74 %	0.98 %
Monster Beverage Corp	MNST	1,194.00	\$42.688	\$57.61	\$50,969.69	\$68,786.34	\$17,816.65	\$0.00	0.00 %	0.34 %
Netflix Inc	NFLX	207.00	\$195.682	\$486.88	\$40,506.27	\$100,784.16	\$60,277.89	\$0.00	0.00 %	0.50 %
NVIDIA Corp	NVDA	345.00	\$228.298	\$495.22	\$78,762.75	\$170,850.90	\$92,088.15	\$55.20	0.03 %	0.85 %
PayPal Holdings Inc	PYPL	336.00	\$71.214	\$61.41	\$23,927.95	\$20,633.76	-\$3,294.19	\$0.00	0.00 %	0.10 %
Regeneron Pharmaceuticals	REGN	57.00	\$618.556	\$878.29	\$35,257.70	\$50,062.53	\$14,804.83	\$0.00	0.00 %	0.25 %
Salesforce Inc	CRM	293.00	\$202.389	\$263.14	\$59,299.84	\$77,100.02	\$17,800.18	\$0.00	0.00 %	0.38 %
Starbucks Corp	SBUX	412.99	\$86.219	\$96.01	\$35,607.42	\$39,651.17	\$4,043.75	\$892.06	2.25 %	0.20 %
Tesla Inc	TSLA	499.00	\$183.757	\$248.48	\$91,694.82	\$123,991.52	\$32,296.70	\$0.00	0.00 %	0.61 %
Thermo Fisher Scientific Inc	TMO	59.00	\$528.784	\$530.79	\$31,198.24	\$31,316.61	\$118.37	\$82.60	0.26 %	0.15 %
Vertex Pharmaceuticals Inc	VRTX	154.00	\$249.346	\$406.89	\$38,399.28	\$62,661.06	\$24,261.78	\$0.00	0.00 %	0.31 %
Visa Inc	V	485.00	\$208.455	\$260.35	\$101,100.69	\$126,269.75	\$25,169.06	\$906.95	0.72 %	0.62 %
Workday Inc	WDAY	100.00	\$222.661	\$276.06	\$22,266.11	\$27,606.00	\$5,339.89	\$0.00	0.00 %	0.14 %
Yum! Brands Inc	YUM	198.00	\$122.395	\$130.66	\$24,234.24	\$25,870.68	\$1,636.44	\$359.37	1.39 %	0.13 %
<b>Large Growth</b>						<b>\$2,055,387.88</b>		<b>\$9,455.69</b>		<b>10.17 %</b>

## Portfolio Summary

Data as of 12/31/2023

Security	Ticker/CUSIP	Units/Quantity	Unit Cost	Price	Cost Basis	Market Value	Unrealized Gain/Loss	Est. Annual Income	Current Yield	Percent Allocation
<b>U.S. Equity</b>										
<b>Mid Value</b>										
Touchstone Mid Cap Value Instl	TCVIX	67,854.18	\$23.145	\$22.09	\$1,570,504.65	\$1,498,898.81	-\$71,605.82	\$14,850.16	0.99 %	7.42 %
<b>Mid Value</b>						<b>\$1,498,898.81</b>		<b>\$14,850.16</b>		<b>7.42 %</b>
<b>Mid Blend</b>										
Avery Dennison Corp	AVY	294.00	\$181.904	\$202.16	\$53,479.83	\$59,435.04	\$5,955.21	\$934.92	1.57 %	0.29 %
Cubesmart	CUBE	1,198.00	\$44.270	\$46.35	\$53,035.44	\$55,527.30	\$2,491.86	\$2,372.04	4.27 %	0.27 %
NASDAQ Inc	NDAQ	897.00	\$55.299	\$58.14	\$49,602.88	\$52,151.58	\$2,548.70	\$771.42	1.48 %	0.26 %
Skyworks Solutions Inc	SWKS	113.00	\$119.022	\$112.42	\$13,449.52	\$12,703.46	-\$746.06	\$293.80	2.31 %	0.06 %
<b>Mid Blend</b>						<b>\$179,817.38</b>		<b>\$4,372.18</b>		<b>0.89 %</b>
<b>Mid Growth</b>										
Booz Allen Hamilton Holding Corporation Class A	BAH	328.00	\$85.943	\$127.91	\$28,189.31	\$41,954.48	\$13,765.17	\$616.64	1.47 %	0.21 %
Expeditors International of Wash	EXPD	294.00	\$104.655	\$127.20	\$30,768.57	\$37,396.80	\$6,628.23	\$405.72	1.08 %	0.19 %
Factset Resh Sys Inc	FDS	75.00	\$406.139	\$477.05	\$30,460.40	\$35,778.75	\$5,318.35	\$287.25	0.80 %	0.18 %
SEI Investments Co	SEIC	434.00	\$56.873	\$63.55	\$24,682.80	\$27,580.70	\$2,897.90	\$386.26	1.40 %	0.14 %
Touchstone Mid Cap Growth R6	TFGRX	26,555.50	\$32.981	\$36.71	\$875,831.34	\$974,852.26	\$99,020.91	\$0.00	0.00 %	4.82 %
<b>Mid Growth</b>						<b>\$1,117,562.99</b>		<b>\$1,695.87</b>		<b>5.53 %</b>
<b>Small Value</b>										
Hotchkis & Wiley Sm Cp Divers Val Z	HWVZX	51,682.59	\$11.864	\$12.50	\$613,180.93	\$646,032.43	\$32,851.50	\$10,418.76	1.61 %	3.20 %
<b>Small Value</b>						<b>\$646,032.43</b>		<b>\$10,418.76</b>		<b>3.20 %</b>

Security	Ticker/CUSIP	Units/Quantity	Unit Cost	Price	Cost Basis	Market Value	Unrealized Gain/Loss	Est. Annual Income	Current Yield	Percent Allocation
<b>U.S. Equity</b>										
<b>Small Growth</b>										
Federated Investors Small Cap Growth R6	QLSGX	5,272.27	\$24.183	\$24.33	\$127,496.89	\$128,274.21	\$777.31	\$73.81	0.06 %	0.63 %
<b>Small Growth</b>						<b>\$128,274.21</b>		<b>\$73.81</b>		<b>0.63 %</b>
<b>U.S. Equity</b>						<b>\$10,468,521.61</b>		<b>\$118,679.61</b>		<b>51.81 %</b>
<b>International Equity</b>										
<b>Developed International Equity</b>										
Sandoz Group AG Spons ADS	SDZNY	57.00	\$23.107	\$32.01	\$1,317.09	\$1,824.57	\$507.48	\$0.00	0.00 %	0.01 %
<b>Developed International Equity</b>						<b>\$1,824.57</b>		<b>\$0.00</b>		<b>0.01 %</b>
<b>Developed International Blend</b>										
Chubb Limited	CB	33.00	\$205.334	\$226.00	\$6,776.02	\$7,458.00	\$681.98	\$112.53	1.51 %	0.04 %
Ferguson Plc Ord	FERG	361.00	\$128.436	\$193.07	\$46,365.35	\$69,698.27	\$23,332.92	\$1,097.44	1.57 %	0.34 %
Novartis AG Spons ADR	NVS	286.00	\$86.694	\$100.97	\$24,794.55	\$28,877.42	\$4,082.87	\$1,000.63	3.47 %	0.14 %
Novo Nordisk ADR	NVO	436.00	\$53.438	\$103.45	\$23,298.81	\$45,104.20	\$21,805.39	\$448.41	0.99 %	0.22 %
Roche Holding AG ADR	RHHBY	656.00	\$45.793	\$36.23	\$30,039.97	\$23,766.88	-\$6,273.09	\$839.30	3.53 %	0.12 %
Shopify Inc	SHOP	621.00	\$42.807	\$77.90	\$26,583.36	\$48,375.90	\$21,792.54	\$0.00	0.00 %	0.24 %
<b>Developed International Blend</b>						<b>\$223,280.67</b>		<b>\$3,498.31</b>		<b>1.10 %</b>

Security	Ticker/CUSIP	Units/Quantity	Unit Cost	Price	Cost Basis	Market Value	Unrealized Gain/Loss	Est. Annual Income	Current Yield	Percent Allocation
<b>International Equity</b>										
<b>Emerging Markets</b>										
Alibaba Group Holding Limited ADR	BABA	239.00	\$101.261	\$77.51	\$24,201.26	\$18,524.89	-\$5,676.37	\$239.00	1.29 %	0.09 %
Yum China Holdings Inc	YUMC	231.00	\$51.701	\$42.43	\$11,942.89	\$9,801.33	-\$2,141.56	\$120.12	1.23 %	0.05 %
<b>Emerging Markets</b>						<b>\$28,326.22</b>		<b>\$359.12</b>		<b>0.14 %</b>
<b>International Equity</b>						<b>\$253,431.46</b>		<b>\$3,857.43</b>		<b>1.25 %</b>
<b>Money Market</b>										
<b>Cash or Equivalent</b>										
Custodial Cash	CUSTODIAL_CASH	130,231.80	-	\$1.00	-	\$130,231.79	-	\$0.00	0.00 %	0.64 %
<b>Cash or Equivalent</b>						<b>\$130,231.79</b>		<b>\$0.00</b>		<b>0.64 %</b>
<b>Money Market</b>						<b>\$130,231.79</b>		<b>\$0.00</b>		<b>0.64 %</b>

## Portfolio Appraisal - Fixed Income

Security	Ticker/ CUSIP	Units/ Quantity	Unit Cost	Price	Cost Basis	Market Value	Unrealized Gain/Loss	Est. Annual Income	Current Yield	Yield to Maturity Market	Percent Allocation
<b>Fixed Income</b>											
<b>US Core Fixed Income</b>											
Sterling Securitized Opportunities Instl	SCSPX	300,299.90	\$9.47	\$8.99	\$2,844,059.55	\$2,699,696.11	-\$144,363.45	\$76,803.80	2.84 %	-	13.36 %
US Core Fixed Income						<b>\$2,699,696.11</b>		<b>\$76,803.80</b>			<b>13.36 %</b>
<b>Municipals</b>											
Florida St Brd Admin Fin Corp Rev Taxable 2.15% 7/1/2030	341271AF1	240,000.00	\$0.88	\$0.85	\$210,945.60	\$207,304.80	-\$6,225.60	\$5,169.60	2.53 %	4.64 %	1.03 %
Houston TX 1.314% 3/1/2027	4423317A6	240,000.00	\$0.95	\$0.91	\$228,842.40	\$218,383.20	-\$11,510.40	\$3,153.60	1.45 %	4.25 %	1.08 %
Port Auth NY & N J Consolidated Bds 6.04% 12/1/2029	73358WAJ3	150,000.00	\$1.07	\$1.08	\$160,956.00	\$162,744.50	\$1,033.50	\$9,060.00	5.59 %	4.50 %	0.81 %
Tennessee St Sch Bd Auth 1.515% 9/15/2026	8805573E1	200,000.00	\$0.93	\$0.92	\$185,846.00	\$184,446.67	-\$1,534.00	\$3,030.00	1.64 %	4.57 %	0.91 %
Wilmington NC L 4.787% Gp Due 9/1/2032 Taxbl	971697KM8	175,000.00	\$0.97	\$1.01	\$170,051.00	\$180,247.67	\$7,404.25	\$8,377.25	4.72 %	4.59 %	0.89 %
Wisconsin St Gen Fd Annual Appropriation 2.40% 5/1/2030	977100HC3	225,000.00	\$0.88	\$0.89	\$198,922.50	\$200,744.63	\$922.50	\$5,397.75	2.70 %	4.40 %	0.99 %
Municipals						<b>\$1,153,871.47</b>		<b>\$34,188.20</b>			<b>5.71 %</b>

## Portfolio Summary

Data as of 12/31/2023

Security	Ticker/ CUSIP	Units/ Quantity	Unit Cost	Price	Cost Basis	Market Value	Unrealized Gain/Loss	Est. Annual Income	Current Yield	Yield to Maturity Market	Percent Allocation
<b>Fixed Income</b>											
<b>Corporate Bond</b>											
Abbvie Inc 4.875% 11/14/2048	00287YBD0	65,000.00	\$0.94	\$0.98	\$61,239.10	\$64,001.25	\$2,348.45	\$3,168.75	4.98 %	5.03 %	0.32 %
Air Lease Corp Ser A Mtn 2.88% 1/15/2032	00914AAS1	107,000.00	\$0.82	\$0.85	\$88,196.89	\$92,122.39	\$2,507.01	\$3,076.25	3.39 %	5.11 %	0.46 %
American Elec Pwr Inc Bnd 3.20% 11/13/2027	025537AJ0	86,000.00	\$1.01	\$0.95	\$87,096.50	\$82,279.35	-\$5,184.08	\$2,752.00	3.36 %	4.51 %	0.41 %
B A T Cap Corp 3.222% 8/15/2024	05526DAZ8	49,000.00	\$1.01	\$0.98	\$49,288.12	\$48,796.75	-\$1,087.80	\$983.48	2.04 %	3.68 %	0.24 %
Bank Of America Corp Note Call Make Whole 2.83% 10/24/2051	06051GJM2	70,000.00	\$0.79	\$0.68	\$55,450.55	\$47,897.42	-\$7,921.95	\$1,981.70	4.17 %	4.97 %	0.24 %
Berkshire Hthaway 4.30% 5/ 15/2043	084664BV2	45,000.00	\$1.06	\$0.94	\$47,757.60	\$42,491.00	-\$5,513.85	\$1,935.00	4.58 %	4.79 %	0.21 %
Capital One Finl Corp 3.20% 2/5/ 2025	14040HBG9	82,000.00	\$1.02	\$0.98	\$83,402.20	\$81,105.20	-\$3,361.18	\$2,624.00	3.28 %	4.87 %	0.40 %
Carlisle Cos Inc Note Call Make Whole 3.50% 12/ 1/2024	142339AG5	75,000.00	\$1.03	\$0.98	\$77,022.00	\$73,775.00	-\$3,465.75	\$2,409.83	3.28 %	5.21 %	0.37 %
Citigroup Inc Note Call Make Whole 3.668% 7/24/2028	172967LP4	85,000.00	\$1.02	\$0.95	\$86,841.10	\$82,425.06	-\$5,775.75	\$3,117.80	3.85 %	4.72 %	0.41 %
Comcast Corp New Sr Note 1.95% 1/15/2031	20030NDM0	103,000.00	\$0.92	\$0.84	\$94,474.69	\$87,951.87	-\$7,448.96	\$2,008.50	2.31 %	4.40 %	0.44 %

## Portfolio Summary

Data as of 12/31/2023

Security	Ticker/ CUSIP	Units/ Quantity	Unit Cost	Price	Cost Basis	Market Value	Unrealized Gain/Loss	Est. Annual Income	Current Yield	Yield to Maturity Market	Percent Allocation
<b>Fixed Income</b>											
<b>Corporate Bond</b>											
Corebridge Finl Inc Sr Nt 5.75% 1/ 15/2034	CRBG571433	90,000.00	\$1.00	\$1.03	\$89,827.20	\$92,769.63	\$2,611.80	\$5,175.00	5.60 %	5.41 %	0.46 %
Crown Castle Intl Corp New Note 3.30% 7/1/2030	22822VAR2	95,000.00	\$0.98	\$0.90	\$92,979.35	\$86,857.55	-\$7,689.30	\$3,135.00	3.68 %	5.05 %	0.43 %
Cvs Health Corp 2.70% 8/21/2040	126650DP2	110,000.00	\$0.85	\$0.72	\$93,453.80	\$79,766.50	-\$14,759.80	\$2,970.00	3.77 %	5.25 %	0.39 %
Discovery Communications Llc 3.95% 3/20/ 2028	25470DAR0	45,000.00	\$1.01	\$0.95	\$45,375.75	\$43,326.09	-\$2,548.35	\$1,777.50	4.15 %	5.17 %	0.21 %
Duke Energy Corp New Note Call Make Whole 2.55% 6/15/2031	26441CBL8	31,000.00	\$0.80	\$0.85	\$24,762.80	\$26,531.14	\$1,733.21	\$790.50	2.98 %	4.89 %	0.13 %
Entergy La LLC 2.90% 3/15/2051	29364WBD9	70,000.00	\$0.80	\$0.67	\$56,134.15	\$47,493.52	-\$9,238.35	\$2,030.00	4.33 %	5.16 %	0.24 %
Jpmorgan Chase & Co 5.60% 7/15/ 2041	46625HJB7	75,000.00	\$1.22	\$1.07	\$91,350.00	\$81,915.17	-\$11,371.50	\$4,200.00	5.25 %	5.03 %	0.41 %
Kimco Realty Corp 4.25% 4/1/2045	49446RAM1	75,000.00	\$1.02	\$0.81	\$76,599.00	\$61,732.13	-\$15,663.75	\$3,187.50	5.23 %	5.79 %	0.31 %
Kinder Morgan Inc 4.30% 3/1/2028	49456BAP6	45,000.00	\$1.06	\$0.99	\$47,509.20	\$45,059.10	-\$3,095.10	\$1,935.00	4.36 %	4.62 %	0.22 %
Meta Platforms Inc 4.95% 5/15/2033	30303M8N5	85,000.00	\$0.98	\$1.03	\$83,462.35	\$88,465.03	\$4,465.05	\$4,207.50	4.79 %	4.50 %	0.44 %
Metlife Inc 4.875% 11/13/2043	59156RBG2	95,000.00	\$1.10	\$0.98	\$104,040.85	\$93,517.05	-\$11,141.30	\$4,631.25	4.99 %	5.05 %	0.46 %

## Portfolio Summary

Data as of 12/31/2023

Security	Ticker/ CUSIP	Units/ Quantity	Unit Cost	Price	Cost Basis	Market Value	Unrealized Gain/Loss	Est. Annual Income	Current Yield	Yield to Maturity Market	Percent Allocation
<b>Fixed Income</b>											
<b>Corporate Bond</b>											
Morgan Stanley Mtn 4.00% 7/23/ 2025	6174468C6	64,000.00	\$1.04	\$0.99	\$66,641.92	\$64,210.28	-\$3,555.20	\$2,560.00	4.06 %	4.76 %	0.32 %
Nextera Energy Capital 5.05% 2/ 28/2033	65339KCP3	74,000.00	\$0.95	\$1.00	\$70,536.80	\$75,523.17	\$3,740.70	\$3,737.00	5.03 %	5.00 %	0.37 %
Nvidia Corp 2.85% 4/1/2030	67066GAF1	100,000.00	\$0.99	\$0.93	\$98,755.40	\$93,345.50	-\$6,122.40	\$2,850.00	3.08 %	4.15 %	0.46 %
O'Reilly Automotive Inc 4.35% 6/1/2028	67103HAG2	85,000.00	\$0.96	\$0.99	\$81,933.20	\$84,669.77	\$2,428.45	\$3,697.50	4.38 %	4.54 %	0.42 %
Owl Rock Capital 3.400% 7/15/2026	69121KAE4	95,000.00	\$0.96	\$0.93	\$90,777.33	\$89,827.04	-\$2,439.68	\$3,230.00	3.66 %	5.99 %	0.44 %
Pfizer Inc 3.90% 3/15/2039	717081EU3	45,000.00	\$1.07	\$0.89	\$47,930.85	\$40,435.65	-\$8,021.70	\$1,755.00	4.40 %	4.95 %	0.20 %
Pnc Finl Svcs Gro 2.60% 7/23/2026	693475AX3	85,000.00	\$1.01	\$0.95	\$86,144.10	\$81,492.14	-\$5,621.90	\$2,210.00	2.74 %	4.50 %	0.40 %
Public Service Electric And Gas CO 2.70% 5/1/ 2050	74456QCD6	70,000.00	\$0.81	\$0.69	\$56,470.05	\$48,456.80	-\$8,328.25	\$1,890.00	3.93 %	4.79 %	0.24 %
Regions Finl Corp New 1.80% 8/12/ 2028	7591EPAT7	100,000.00	\$0.91	\$0.86	\$91,374.00	\$86,425.00	-\$5,644.00	\$1,800.00	2.10 %	5.07 %	0.43 %
Schlumberger Invt Sa Note Call Make Whole 2.65% 6/ 26/2030	806854AJ4	100,000.00	\$0.95	\$0.90	\$94,583.25	\$90,029.81	-\$4,590.25	\$2,650.00	2.94 %	4.44 %	0.45 %
Sempra Energy Fxd Rt Senior	816851BH1	50,000.00	\$0.99	\$0.86	\$49,328.50	\$43,627.67	-\$6,492.50	\$1,900.00	4.44 %	5.22 %	0.22 %

## Portfolio Summary

Data as of 12/31/2023

Security	Ticker/ CUSIP	Units/ Quantity	Unit Cost	Price	Cost Basis	Market Value	Unrealized Gain/Loss	Est. Annual Income	Current Yield	Yield to Maturity Market	Percent Allocation
<b>Fixed Income</b>											
<b>Corporate Bond</b>											
Note 3.80% 2/1/ 2038											
Shell Intl Fin B V 2.375% 11/7/2029	822582CD2	100,000.00	\$0.96	\$0.90	\$95,711.68	\$90,426.25	-\$5,641.68	\$2,375.00	2.64 %	4.27 %	0.45 %
Sherwin Williams Co Sr Gbl M- W Call 3.45% 6/1/ 2027	824348AW6	79,000.00	\$1.04	\$0.97	\$81,832.15	\$76,524.53	-\$5,534.74	\$2,725.50	3.57 %	4.52 %	0.38 %
Simon Pty Group L P 3.375% 10/1/ 2024	828807CS4	82,000.00	\$1.03	\$0.98	\$84,108.22	\$81,419.24	-\$3,380.86	\$2,079.36	2.58 %	4.14 %	0.40 %
The Charles Sch 5.875% Due 8/24/ 2026	808513CG8	80,000.00	\$1.00	\$1.03	\$79,732.00	\$83,726.86	\$2,336.80	\$4,700.00	5.73 %	4.94 %	0.41 %
The Home Depot Inc Note Call Make Whole 3.30% 4/15/2040	437076CC4	77,000.00	\$0.97	\$0.83	\$74,634.56	\$64,349.41	-\$10,821.58	\$2,541.00	3.98 %	4.82 %	0.32 %
T-mobile Usa Inc 4.375% 4/15/2040	87264AAX3	50,000.00	\$0.81	\$0.91	\$40,287.50	\$45,711.81	\$4,962.50	\$2,187.50	4.83 %	5.24 %	0.23 %
United Technologies Corp 4.125% 11/16/ 2028	913017CY3	88,000.00	\$1.07	\$0.98	\$93,943.52	\$86,472.87	-\$7,924.40	\$3,630.00	4.22 %	4.63 %	0.43 %
Wells Fargo & Co New Note 3.00% 10/23/2026	949746SH5	86,000.00	\$1.01	\$0.95	\$86,843.66	\$82,168.41	-\$5,162.58	\$2,580.00	3.16 %	4.82 %	0.41 %
Westpac Bkg Corp 4.322% 11/23/ 2031	961214DF7	90,000.00	\$1.03	\$0.96	\$92,465.10	\$86,985.19	-\$5,890.50	\$3,889.80	4.49 %	4.90 %	0.43 %

## Portfolio Summary

Data as of 12/31/2023

Security	Ticker/ CUSIP	Units/ Quantity	Unit Cost	Price	Cost Basis	Market Value	Unrealized Gain/Loss	Est. Annual Income	Current Yield	Yield to Maturity Market	Percent Allocation
<b>Fixed Income</b>											
<b>Corporate Bond</b>											
Corporate Bond						<b>\$2,946,105.60</b>		<b>\$113,084.21</b>			<b>14.58 %</b>
<b>Treasury Bond</b>											
US Treasury Bond 1.38% 8/15/2050	912810SP4	510,000.00	\$0.63	\$0.56	\$321,267.08	\$288,447.64	-\$35,468.18	\$7,012.50	2.45 %	4.07 %	1.43 %
US Treasury Bond 2.875% 5/15/2043	912810RB6	275,000.00	\$0.91	\$0.82	\$251,472.33	\$227,648.36	-\$24,844.83	\$7,906.25	3.49 %	4.21 %	1.13 %
US Treasury Bond 3.00% 11/15/2045	912810RP5	275,000.00	\$0.91	\$0.83	\$251,432.39	\$228,251.00	-\$24,246.64	\$8,250.00	3.63 %	4.22 %	1.13 %
US Treasury Note 1.50% 8/15/2026	9128282A7	283,000.00	\$0.98	\$0.94	\$276,681.88	\$266,584.80	-\$11,700.49	\$4,245.00	1.60 %	3.76 %	1.32 %
US Treasury Note 2.00% 2/15/2025	912828J27	120,000.00	\$1.00	\$0.97	\$119,841.03	\$117,385.72	-\$3,361.83	\$2,400.00	2.06 %	4.04 %	0.58 %
US Treasury Note 2.375% 8/15/2024	912828D56	250,000.00	\$0.99	\$0.98	\$247,136.38	\$248,160.20	-\$1,218.88	\$3,698.75	1.50 %	3.15 %	1.23 %
US Treasury Note 2.625% 2/15/2029	9128286B1	100,000.00	\$0.96	\$0.94	\$96,248.45	\$95,241.51	-\$1,998.45	\$2,625.00	2.79 %	3.79 %	0.47 %
US Treasury Note 4.125% 11/15/ 2032	91282CFV8	550,000.00	\$1.02	\$1.02	\$560,426.22	\$563,049.43	-\$306.22	\$22,687.50	4.05 %	3.88 %	2.79 %
Treasury Bond						<b>\$2,034,768.66</b>		<b>\$58,825.00</b>			<b>10.07 %</b>
<b>Agency Bond</b>											
FNMA Note 0.00% 8/5/2030	3135G05Q2	220,000.00	\$0.85	\$0.82	\$187,271.58	\$180,357.89	-\$7,694.38	\$1,925.00	1.07 %	3.90 %	0.89 %
Agency Bond						<b>\$180,357.89</b>		<b>\$1,925.00</b>			<b>0.89 %</b>
<b>Fixed Income</b>						<b>\$9,014,799.73</b>		<b>\$284,826.21</b>			<b>44.61 %</b>

## Portfolio Summary

Data as of 12/31/2023

Security	Ticker/ CUSIP	Units/ Quantity	Unit Cost	Price	Cost Basis	Market Value	Unrealized Gain/Loss	Est. Annual Income	Current Yield	Yield to Maturity Market	Percent Allocation
<b>Money Market</b>											
<b>Cash or Equivalent</b>											
Cash Asset	CASH:CASH	8,083.39	-	\$1.00	-	\$8,083.39	-	\$0.00	0.00 %	-	0.04 %
Custodial Cash	CUSTODIAL_ CASH	218,309.46	-	\$1.00	-	\$218,309.46	-	\$0.00	0.00 %	-	1.08 %
Federated Hermes Treasury Obligations Money Market Instl	TOIXX	113,128.64	-	\$1.00	-	\$113,128.64	-	\$5,096.39	4.50 %	-	0.56 %
Cash or Equivalent						<b>\$339,521.49</b>		<b>\$5,096.39</b>			<b>1.68 %</b>
<b>Money Market</b>						<b>\$339,521.49</b>		<b>\$5,096.39</b>			<b>1.68 %</b>

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The **Accredited Asset Management Specialist® (AAMS)** is a professional designation awarded by the College for Financial Planning (CFP) to financial professionals who successfully complete a self-study program, pass an exam, and agree to comply with a code of ethics. To keep the privileges associated with the designation, AAMS professionals must complete 16 hours of continuing education every two years.

The **Associate of the Society of Actuaries (ASA)** is a professional organization for actuaries based in North America. The Society's vision is for actuaries to be recognized as the leading professionals in the modeling and management of financial risk and contingent events. Requirements for membership for the SOA include the actuarial exams, a comprehensive series of competitive exams. Topics covered in the exams include mathematics, finance, insurance, economics, interest theory, life models, and actuarial science.

The **Certified Financial Planner® (CFP)** certification is a graduate-level credential awarded by the CFP Board. To earn the CFP, candidates must: 1) take the required coursework; 2) meet educational requirements; 3) pass the examination; 4) have qualifying experience; and 5) agree to adhere to the CFP Board's standards of ethics and professional conduct.

The **Certified Investment Management Analyst® (CIMA)** credential is a graduate-level investment certification and is awarded by the Investment Management Consultants Association® (IMCA) - that sets global standards for the investment management consulting profession. To earn the CIMA designation, candidates must: 1) have at least three years of qualified financial experience; 2) Pass an extensive background check; 3) complete the two-step program of study; 4) pass the qualification and certification examinations; and 5) adhere to the IMCA's Ethics and other ongoing standards.

The **Certificate in Investment Performance Measurement® (CIPM)** program is a graduate-level investment performance and risk evaluation credential and is awarded by CFA Institute — the largest global association of investment professionals. To earn the CIPM, candidates must: 1) pass two sequential examinations; 2) have at least two years of qualified professional investment experience; 3) join CIPM Association; and 4) commit to comply with the CFA Institute Bylaws and Rules of Procedure.

The **Certified Public Accountant Licensure (CPA)** is a graduate-level accounting license and is awarded by the American Institute of CPAs (AICPA). To earn the CPA licensure, candidates must: 1) have at least two years of public accounting experience; and 2) pass the examination. Please note, every state has its own education and experience requirements that must be met.

The **Certified Regulatory and Compliance Professional™ (CRCP)** designation is a graduate-level compliance certification and is awarded by the Financial Industry Regulatory Authority (FINRA). To earn the CRCP designation, candidates must: 1) pass two weeklong residential courses; 2) pass the two consecutive examinations; and 3) meet continuing education requirements.

The **Certified Treasury Professional® (CTP)** designation is recognized as the leading credential in corporate treasury worldwide and awarded by the Association for Financial Professionals® (AFP). To earn the CTP designation, candidates must: 1) pass the examination, 2) have at least two years of qualified work/education/teaching experience, and 3) meet continuing requirements.

The **Chartered Alternative Investment Analyst® (CAIA)** charter is a graduate-level alternative investment credential awarded by the CAIA Association - a global provider of Alternative Investment education. To earn the CAIA, candidates must: 1) pass two sequential examinations.

The **Chartered Financial Analyst® (CFA)** charter is a graduate-level investment credential awarded by the CFA Institute — the largest global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

The **Chartered Financial Consultant® (ChFC)** credential was introduced in 1982 as an alternative to the CFP® mark. This designation has the same core curriculum as the CFP® **designation**, plus two or three additional elective courses that focus on various areas of personal financial planning. To secure the designation, applicants must have three years of full-time business experience within the preceding five years and must complete nine college-level courses, equivalent to 27 semester credit hours (9 courses).

The **Chartered Retirement Planning Counselor® (CRPC)** designation is a retirement planning credential and is awarded by the College for Financial Planning. To earn the CRPC, candidates must: 1) complete the educational program; 2) pass the final examination; 3) complete the designation application.

The **Certified Trust and Fiduciary Advisor (CTFA)** designation is a professional designation offered by the American Bankers Association (ABA), which provides training and knowledge in taxes, investments, financial planning, trusts, and estates.

The **Accredited Investment Fiduciary® (AIF®)** designation is a professional certification that demonstrates an advisor or other person serving as an investment fiduciary has met certain requirements to earn and maintain the credential. The purpose of the AIF® Designation is to assure that those responsible for managing or advising on investor assets have a fundamental understanding of the principles of fiduciary duty, the standards of conduct for acting as a fiduciary, and a process for carrying out fiduciary responsibility.



# Important Information: Disclosures & Technical Terms

**Past performance is not indicative of future results. Any type of investing involves risk and there are no guarantees that these methods will be successful. Economic charts are provided for illustrative purposes only. The information provided herein is subject to market conditions and is therefore expected to fluctuate.**

The opinions contained in this presentation reflect those of Sterling Capital Management LLC, and not those of Truist Financial Corporation or its executives. The stated opinions are for general information only and are educational in nature. These opinions are not meant to be predictions or an offer of individual or personalized investment advice. They are not intended as an offer or solicitation with respect to the purchase or sale of any security. This information and these opinions are subject to change without notice. All opinions and information herein have been obtained or derived from sources believed to be reliable. Sterling Capital Management LLC does not assume liability for any loss which may result from the reliance by any person upon such information or opinions.

Investment advisory services are available through Sterling Capital Management LLC, an investment adviser registered with the U.S. Securities & Exchange Commission and an independently-operated subsidiary of Truist Financial Corporation. Sterling Capital Management LLC manages customized investment portfolios, provides asset allocation analysis and offers other investment-related services to affluent individuals and businesses. Securities and other investments held in investment management or investment advisory accounts at Sterling Capital Management LLC are not deposits or other obligations of Truist Financial Corporation, Truist Bank or any affiliate, are not guaranteed by Truist Bank or any other bank, are not insured by the FDIC or any other federal government agency, and are subject to investment risk, including possible loss of principal invested.

Sterling Capital does not provide tax or legal advice. You should consult with your individual tax or legal professional before taking any action that may have tax or legal implications.

**Model Assumptions:** Assumptions, opinions and estimates are provided for illustrative purposes only. They should not be relied upon as recommendations to buy or sell securities. Forecasts of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice. We believe the information provided here is reliable, but do not warrant its accuracy or completeness.

Expected return estimates are subject to uncertainty and error. Expected returns for each asset class can be conditional on economic scenarios; in the event a particular scenario comes to pass, actual returns could be significantly higher or lower than forecasted.

This information is not intended as a recommendation to invest in any particular asset class or strategy or product or as a promise of future performance. Note that these asset class assumptions are passive, and do not consider the impact of active management.

**Core Consumer Price Index:** a measure of the aggregate price level in an economy, excluding certain volatile items.

**Option Adjusted Spread (OAS):** A bond's yield spread over comparable maturity government bonds, adjusted for any embedded options.

**Real GDP:** Real gross domestic product (GDP) is an inflation-adjusted measure that reflects the value of all goods and services produced by an economy in a given year, expressed in base-year prices.

**Nonfarm payroll** refers to the number of jobs in the private sector and government agencies. It excludes farm workers, private household employees, proprietors, non-profit employees, and actively serving military.

**Revenue-to-Firm Value:** Total Index Revenues of the past 12 months divided by the sum of equity market value and the value of total debt. This is a measure of total sales generated on the total value (debt plus equity) of firms in the index.

**TIPS Breakeven:** The inflation rate implied by the spread in yield between U.S. TIPS (Treasury Inflation Protected Securities) and nominal U.S. Government Bonds of equal maturity.

**U.S. 3-Year Real Revenue Growth, Russell 3000 Non-Financials:** For the Russell 3000 excluding financial firms, the percentage change in trailing 12-month inflation adjusted revenue over 12-month inflation adjusted revenue three years prior.

**U.S. Cyclically Adjusted Earnings Yield:** The 10-year average of annual, inflation adjusted earnings divided by the current inflation adjusted price of the S&P 500 index. This measure is the inverse of the Shiller CAPE Ratio.

**YOY U.S. Productivity Growth:** The year-over-year growth in real U.S. output produced per hour worked for non-farm workers.

**Capitalization/Style Returns:** Capitalization/Style returns are based on the S&P Indexes. All values are cumulative total return for stated period including the reinvestment of dividends. The indexes used from left to right, top to bottom are as follows: S&P 500 Value Index, S&P 500 Index, S&P 500 Growth Index, S&P Mid Cap 400 Value Index, S&P Mid Cap 400 Index, S&P Mid Cap 400 Growth Index, S&P Small Cap 600 Value Index, S&P Small Cap 600 Index, S&P Small Cap 600 Growth Index. The S&P 500<sup>®</sup> Index is a readily available, carefully constructed, market-value-weighted benchmark of common stock performance. Currently, the S&P<sup>®</sup> Composite includes 500 of the largest stocks (in terms of stock market value) in the United States; prior to March 1957 it consisted of 90 of the largest stocks. The S&P Midcap 400 is designed to measure the performance of the middle capitalization sector of the U.S. equities market. This market capitalization weighted index was created in June of 1991 and consists of 400 domestic stocks from the NYSE, NASDAQ, and AMEX chosen for market size, liquidity and industry group representation. The S&P SmallCap 600 is designed to measure the performance of the small capitalization sector of the U.S. equities market. This index consists of 600 domestic stocks chosen for market size, liquidity, (bid-asked spread, ownership, share turnover and number of no trade days) and industry group representation. The S&P Style indices measure growth and value along two separate dimensions, with three factors each used to measure growth and value. The Growth factors are 3 Year Change in Earnings per Share over Price per Share, 3 Year Sales per Share Growth Rate, and Momentum. The Value factors are Book Value to price Ratio, Earnings to Price Ratio, and Sales to Price Ratio.



# Important Information

## Index Definitions & Disclosures

**A Note on Indices:** The volatility of an index varies greatly; all indices are unmanaged and investments cannot be made directly in an index. Indices are shown for illustrative purposes only and do not represent the performance of any specific investment. The indices selected by Sterling Capital Management to measure performance are representative of broad asset classes. Sterling Capital Management retains the right to change representative indices at any time.

The **Bloomberg Emerging Markets Hard Currency Aggregate Index** is a flagship hard currency Emerging Markets debt benchmark that includes USD-denominated debt from sovereign, quasi-sovereign, and corporate EM issuers.

The **Bloomberg Global Treasury Ex U.S. Hedged Index** is comprised of securities issued by developed ex. U.S. and emerging market governments. The index is hedged against constituent currencies versus the U.S. dollar.

The **Bloomberg Global Treasury ex US Index** is a subset of the flagship Global Treasury Index that does not have any exposure to US debt. This multi-currency benchmark includes investment grade, fixed-rate bonds issued by governments in their native currencies.

The **Bloomberg U.S. Aggregate Bond Index** is an unmanaged index composed of securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. It is not possible to invest in the Bloomberg U.S. Aggregate Bond Index, which is unmanaged and does not incur fees and charges.

The **Bloomberg U.S. Corporate High Yield Index** measures the U.S. corporate market of non-investment grade, fixed-rate corporate bonds. Securities are classified as high yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below.

The **Bloomberg U.S. Credit Index** measures the investment grade, U.S. dollar-denominated, fixed-rate, taxable corporate and government related bond markets. It is composed of the U.S. Corporate Index and a non-corporate component that includes foreign agencies, sovereigns, supnationals and local authorities.

The **Bloomberg U.S. Government Index** is comprised of securities issued by the U.S. government and its agencies with at least one year until final maturity.

The **Bloomberg U.S. MBS Index** covers the mortgage-backed pass-through securities of Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC). It is formed by grouping the universe of individual fixed rate MBS pools into generic aggregates.

The **Bloomberg U.S. TIPS Index** includes all publicly issued, U.S. Treasury inflation-protected securities that have at least one year remaining to maturity, are rated investment grade, and have \$250 million or more of outstanding face value.

The **Bloomberg U.S. Treasury Inflation-Linked Bond Index (Series-L)** measures the performance of the U.S. Treasury Inflation Protected Securities (TIPS) market. Federal Reserve holdings of U.S. TIPS are not index eligible and are excluded from the face amount outstanding of each bond in the index.

The **Bloomberg Commodity Index** and related sub-indices are composed of futures contracts on physical commodities and represents 22 separate commodities traded on U.S. exchanges, with the exception of aluminum, nickel and zinc.

**Bloomberg L.P. Information:** "Bloomberg®" and the Bloomberg indices are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by Sterling Capital Management LLC and its affiliates. Bloomberg is not affiliated with Sterling Capital Management LLC or its affiliates, and Bloomberg does not approve, endorse, review, or recommend the product(s) presented herein. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to the product(s) presented herein.

The **Dow Jones Equity All REIT Index** is designed to measure all publicly traded real estate investment trusts in the Dow Jones U.S. stock universe classified as equity REITs according to the S&P Dow Jones Indices REIT Industry Classification Hierarchy. These companies are REITs that primarily own and operate income-producing real estate.

The **MSCI ACWI ex USA Growth Index** captures large and mid cap securities exhibiting overall growth style characteristics across 22 Developed Markets (DM) countries and 26 Emerging Markets (EM) countries.

The **MSCI ACWI Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets.

The **MSCI ACWI Investable Market Index (IMI) Index** captures large, mid and small cap representation across 23 Developed Markets (DM) and 26 Emerging Markets (EM) countries. With 8,768 constituents, the index is comprehensive, covering approximately 99% of the global equity investment opportunity set. DM countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the U.K. and the U.S. EM countries include: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Qatar, Russia, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.



# Important Information

## Index Definitions & Disclosures

**A Note on Indices:** The volatility of an index varies greatly; all indices are unmanaged and investments cannot be made directly in an index. Indices are shown for illustrative purposes only and do not represent the performance of any specific investment. The indices selected by Sterling Capital Management to measure performance are representative of broad asset classes. Sterling Capital Management retains the right to change representative indices at any time.

The **MSCI EAFE Index** is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada.

The **MSCI Emerging Markets Investable Market Index (IMI) Index** captures large, mid and small cap representation across 24 Emerging Markets (EM) countries. With 3,415 constituents, the index covers approximately 99% of the free float-adjusted market capitalization in each country.

The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

The **MSCI Emerging Markets Growth Index** captures large and mid cap securities exhibiting overall growth style characteristics across 26 Emerging Markets (EM) countries. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend.

The **MSCI Emerging Markets Value Index** captures large and mid cap securities exhibiting overall value style characteristics across 26 Emerging Markets (EM) countries. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.

The **MSCI World ex USA Investable Market Index (IMI) Index** captures large, mid and small cap representation across 22 of 23 Developed Markets (DM) countries excluding the United States. With 3,490 constituents, the index covers approximately 99% of the free float-adjusted market capitalization in each country.

The **MSCI World ex USA Large Cap Index** captures large cap representation across 22 of 23 Developed Markets (DM) countries excluding the United States. With 411 constituents, the index covers approximately 70% of the free float-adjusted market capitalization in each country.

The **MSCI World ex USA Small Cap Index** captures small cap representation across 22 of 23 Developed Markets (DM) countries (excluding the United States). With 2,529 constituents, the index covers approximately 14% of the free float-adjusted market capitalization in each country.

The **MSCI World ex USA Value Index** captures large and mid cap securities exhibiting overall value style characteristics across 22 of 23 Developed Markets countries.

The **Russell 2000® Index** measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000® Index is a subset of the Russell 3000® Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000® is constructed to provide a comprehensive and unbiased small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set.

The **Russell 2000® Growth Index** measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000® companies with higher price-to-value ratios and higher forecasted growth values. The Russell 2000® Growth Index is constructed to provide a comprehensive and unbiased barometer for the small-cap growth segment. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set and that the represented companies continue to reflect growth characteristics.

The **Russell 2000® Value Index** measures the performance of small-cap value segment of the U.S. equity universe. It includes those Russell 2000® companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2000® Value Index is constructed to provide a comprehensive and unbiased barometer for the small-cap value segment. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set and that the represented companies continue to reflect value characteristics.

The **Russell 3000® Index** measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market. The Russell 3000® Index is constructed to provide a comprehensive, unbiased and stable barometer of the broad market and is completely reconstituted annually to ensure new and growing equities are included.

The **Russell Midcap® Growth Index** measures the performance of the midcap growth segment of the U.S. equity universe. It includes those Russell Midcap® Index companies with higher price-to-book ratios and higher forecasted growth values. The Russell Midcap® Growth Index is constructed to provide a comprehensive and unbiased barometer of the mid-cap growth market. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid-cap growth market.

The **Russell Midcap® Index** measures the performance of the mid-cap segment of the U.S. equity universe. The Russell Midcap® Index is a subset of the Russell 1000® Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap® Index represents approximately 31% of the total market capitalization of the Russell 1000® companies. The Russell Midcap® Index is constructed to provide a comprehensive and unbiased barometer for the mid-cap segment. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid-cap opportunity set.

# Important Information

## Index Definitions & Disclosures

**A Note on Indices:** The volatility of an index varies greatly; all indices are unmanaged and investments cannot be made directly in an index. Indices are shown for illustrative purposes only and do not represent the performance of any specific investment. The indices selected by Sterling Capital Management to measure performance are representative of broad asset classes. Sterling Capital Management retains the right to change representative indices at any time.

**The Russell Midcap® Value Index** measures the performance of the midcap value segment of the U.S. equity universe. It includes those Russell Midcap® Index companies with lower price-to-book ratios and lower forecasted growth values. The Russell Midcap® Value Index is constructed to provide a comprehensive and unbiased barometer of the mid-cap value market. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true midcap value market.

**The Russell Top 200® Growth Index** measures the performance of the especially large cap segment of the U.S. equity universe represented by stocks in the largest 200 by market cap. It includes Russell Top 200® Index companies with higher growth earning potential as defined by Russell's leading style methodology.

**The Russell Top 200® Index** is an index of the largest 200 companies in the Russell 3000 index. It is commonly used as a benchmark index for U.S.-based ultra large-cap (mega-cap) stocks with the average member commanding a market capitalization of upwards of \$200 billion.

**The Russell Top 200® Value Index** measures the performance of the especially large cap segment of the US equity universe represented by stocks in the largest 200 by market cap that exhibit value characteristics. It includes Russell Top 200® companies that are considered more value oriented relative to the overall market as defined by Russell's leading style methodology.

The **S&P® 500 Index** is an unmanaged capitalization-weighted index of 500 U.S. stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

The **S&P Small Cap 600® Index:** The S&P SmallCap 600® Index is designed to measure the performance of the small capitalization sector of the U.S. equities market. This index consists of 600 domestic stocks chosen for market size, liquidity, (bid-asked spread, ownership, share turnover and number of no trade days) and industry group representation.

The **S&P Mid Cap 400® Index:** The S&P MidCap 400® Index is designed to measure the performance of the mid capitalization sector of the U.S. equities market. This index consists of 400 domestic stocks chosen for market size, liquidity, (bid-asked spread, ownership, share turnover and number of no trade days) and industry group representation.

The **S&P 1500:** An investable U.S. equity benchmark, the S&P Composite 1500 combines three leading indices, the S&P 500®, the S&P MidCap 400, and the S&P SmallCap 600 to cover approximately 90% of the U.S. market capitalization. It is designed for investors seeking to replicate the performance of the U.S. equity market or benchmark against a representative universe of tradable stocks.

The **Trade-Weighted U.S. Dollar Index**, also known as the broad index, is a measure of the value of the United States dollar relative to other world currencies. It is a trade weighted index that improves on the older U.S. Dollar Index by using more currencies and the updating the weights yearly.

The **VIX Index** is a calculation designed to produce a measure of constant, 30-day expected volatility of the U.S. stock market, derived from real-time, mid-quote prices of S&P 500® Index (SPX<sup>SM</sup>) call and put options.



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***Burgess Chambers & Associates, Inc.***

***Institutional Investment Advisors***

*[www.burgesschambers.com](http://www.burgesschambers.com)*

***December 31, 2023***

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# Cocoa Beach General Employees Pension Plan

## Investment Performance Period Ending December 31, 2023

The following investment information was prepared by BCA, relying upon data from statements provided by the plan custodian and/or investment manager(s).  
BCA reviews transactions provided by the custodian and uses reasonable care to ensure the accuracy of the data contained herein.  
However, BCA cannot guarantee the accuracy of the custodian's statement.



# Cocoa Beach General Employees' Pension Plan BCA Market Perspective © Can Artificial Intelligence Manage a Pension Portfolio? January 2024

The broad reach of Artificial Intelligence's impact can be felt across many sectors including education, business, manufacturing, and healthcare, with the list growing daily. AI uses technology to design and build machines and computers resulting in creating human-like cognitive functions. Instead of being a system, AI is an integration of technologies in a system. AI takes large amounts of data and constructs algorithmic models based upon strict instructions to achieve automated decision making. AI is already working in the manufacturing process to drive efficiency and in science and medicine to solve complex problems.

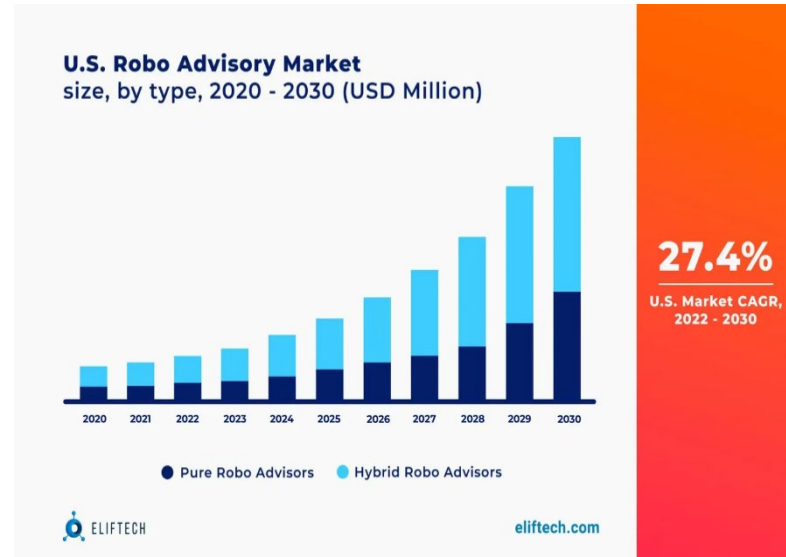
Can these same principles of AI apply to asset management? Trading algorithms have been in place for many years and are often incorporated with high-frequency trading operations. With quantitative asset management, researchers attempt to correlate factors to stock price behavior. Retail investors have also gravitated toward "robo-advisors".

These approaches, quantitative management and robo-advisors, attempt to use statistics, not AI, to achieve better investment performance.

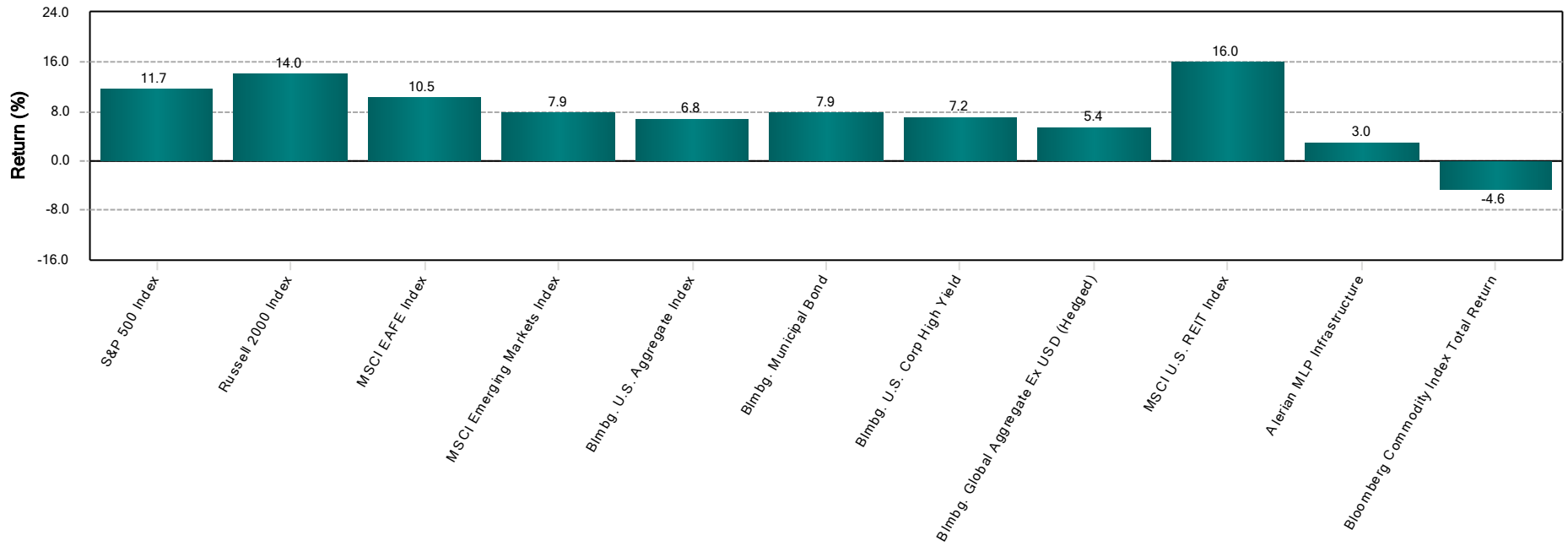
Building an appropriate asset allocation model does not rely upon AI. Instead, simulations that combine thousands of return possibilities for each asset class may be used to determine return probabilities for various time periods. Monte Carlo simulations (analysis) use estimated value ranges to achieve a probability distribution of outcomes or expected investment returns. This approach is widely used today in building asset allocation models.

At a macro level, the factors that influence investor behavior and equity performance are numerous. Beyond the fundamentals associated with security selection and asset allocation, the forces of economic policies, disruptive inventions, new technology, pandemics, wars, political misfortunes, and even weather all weigh on investor behavior and investment outcomes.

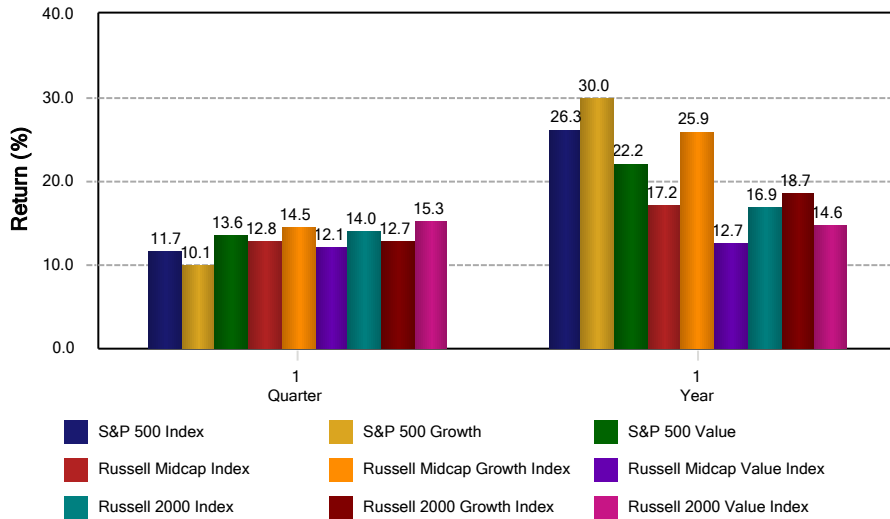
Stock selection remains the key driver to performance. In today's top-heavy, cap-weighted equity benchmarks, the manager's decision process to outperform may come down to just a few stocks. AI decision making has yet to prove it can exceed active manager performance and lead the charge in beating benchmarks.



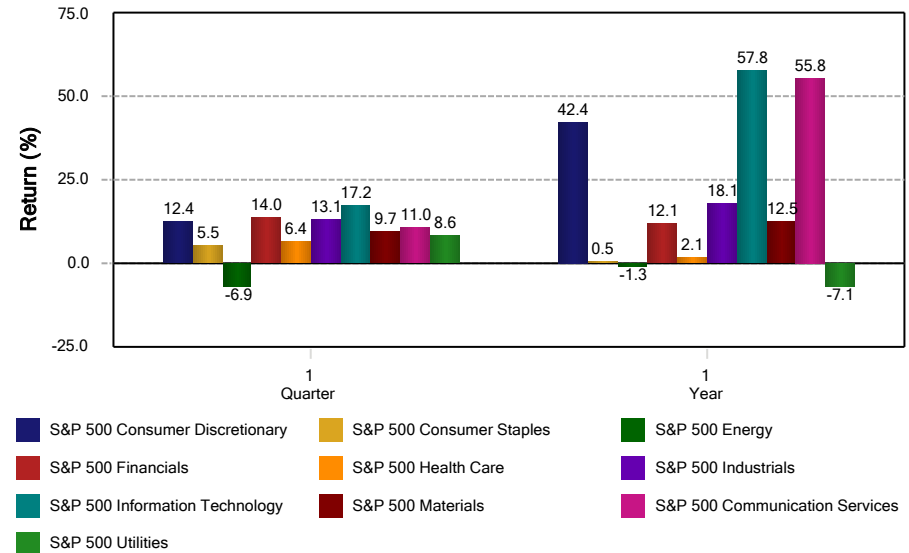
1 Quarter Performance



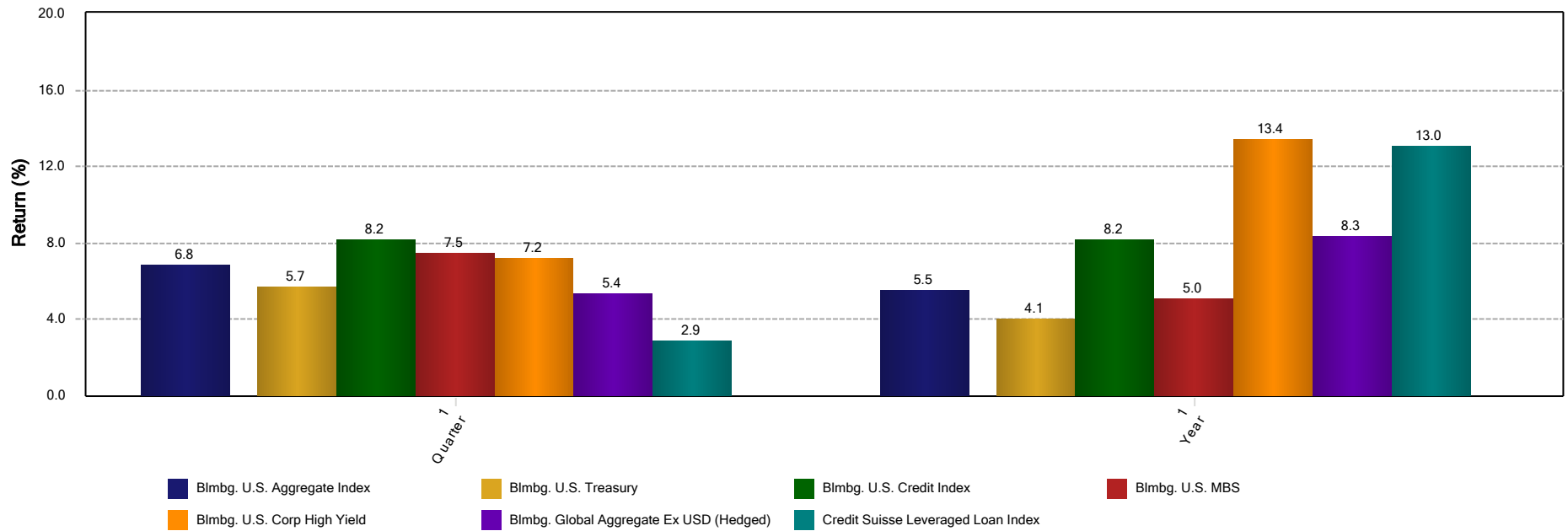
US Market Indices Performance



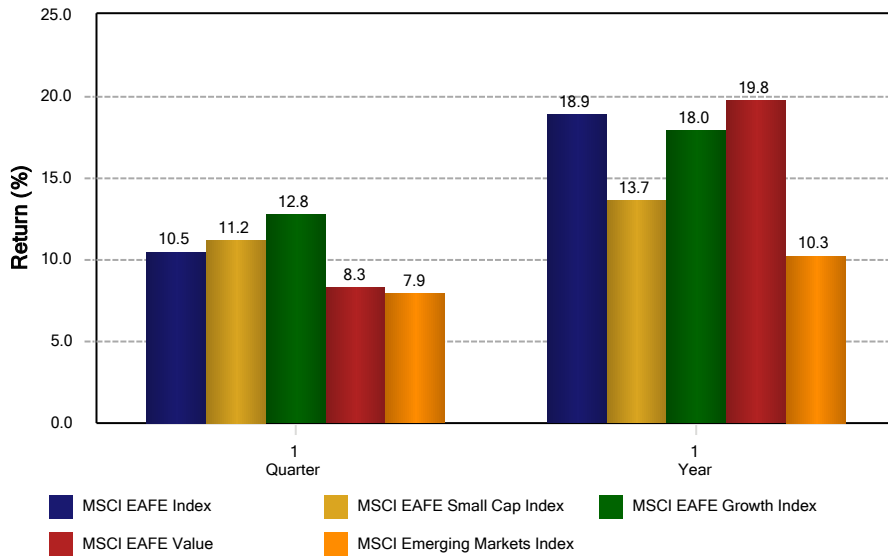
US Market Sector Performance



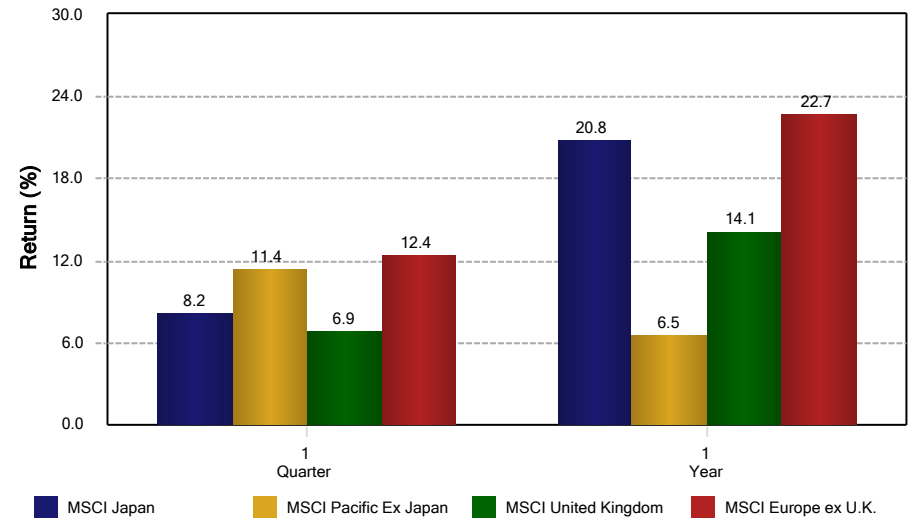
**Fixed Income Market Sector Performance**



**Intl Equity Indices Performance**



**Intl Equity Region Performance**



**Cocoa Beach General Employees' Pension Plan**  
**Total Fund**  
**Investment Summary**  
**December 31, 2023**

- ❑ For the quarter, the Plan gained +9.1%, net of fees (or \$2.7 million), vs. the Strategic Model (+8.8%).
- ❑ The best performing asset categories for the quarter were Large Cap Growth (+14.4%), Small Cap Equity (+14.0) and Large Cap Value (+12.5%).
- ❑ For the one-year period, the Plan earned \$4.0 million or 14.6%, gross of fees, +14.1%, net of fees, outperforming the Strategic Model (+13.0%).
- ❑ The best three performing asset categories for the one-year period were Large Cap Growth (+52.7%), Large Cap Core (+26.2%) and Small Cap Equity (+19.0%).
- ❑ For the three and five-year periods, the Plan earned an average of +2.2% and +9.3% (gross of fees) respectively.



**Cocoa Beach General Employees' Pension Plan  
Total Fund  
Investment Policy Review  
December 31, 2023**

	<b>Yes</b>	<b>No</b>
The Total Fund's annualized three-year performance achieved the Strategic Model. (+2.2% vs. +2.7%)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Total Fund's annualized three-year performance (gross) achieved the 7.25% actuarial assumption rate.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Total Fund's annualized five-year performance achieved the Strategic Model.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The Total Fund's annualized five-year performance (gross) achieved the 7.25% actuarial assumption rate.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Large Cap Value annualized three-year performance achieved the LCV Benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Large Cap Value annualized five-year performance achieved the LCV Benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Large Cap Growth annualized three-year performance achieved the LCG Benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Large Cap Growth annualized five-year performance achieved the LCG Benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Large Cap Core annualized three-year performance achieved the LCC Benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mid Cap annualized three-year performance achieved the Russell Mid Cap.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mid Cap annualized five-year performance achieved the Russell Mid Cap. (+12.0% vs. +12.7%)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Small Cap annualized three-year performance achieved the Russell 2000.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Small Cap annualized five-year performance achieved the Russell 2000.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Convertible annualized three-year performance achieved the ML Convert. x144A All Qual. Index (Index based).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Convertible annualized five-year performance achieved the ML Convert. x144A All Qual. Index (Index based).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Global Infrastructure annualized three-year performance achieved the FTSE Global Core Infrastructure 50/50 Index.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
International annualized three-year performance achieved the International Benchmark.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
International annualized five-year performance achieved the International Benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
REIT annualized three-year performance achieved the Real Estate Benchmark.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
REIT annualized five-year performance achieved the Real Estate Benchmark.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Fixed Income annualized three-year performance achieved the Fixed Income Benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fixed Income annualized five-year performance achieved the Fixed Income Benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Investments in equities (including convertibles) are within the 75% limitation (market) <sup>1</sup> .	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Foreign equities are within the 25% limitation (at market) <sup>2</sup> .	<input checked="" type="checkbox"/>	<input type="checkbox"/>
No more than 5% of the Fund's assets (at cost) are invested in common or capital stock of an issuing company.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

<sup>1</sup> Equity = 68.8%

<sup>2</sup> Foreign Equities = 13.7%

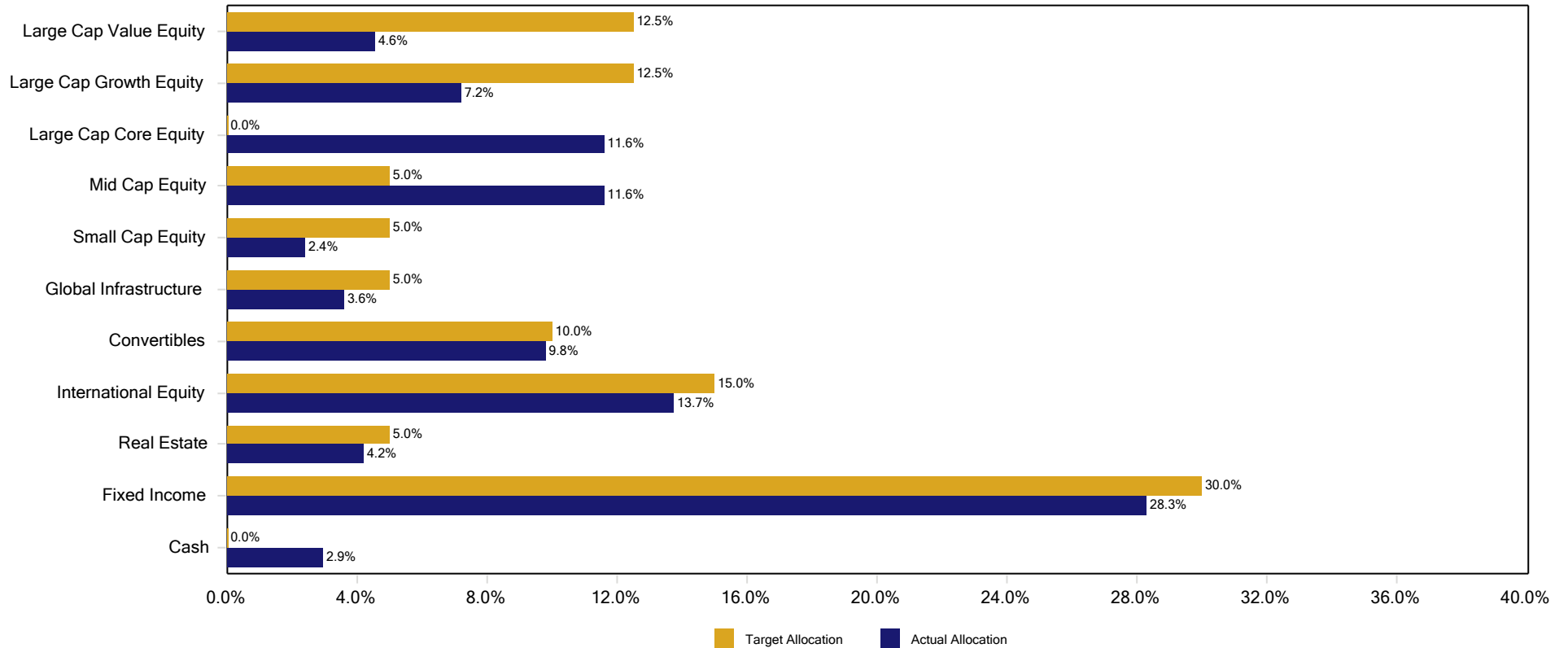


**Cocoa Beach General Employees Pension Plan  
Investment Performance - Net  
December 31, 2023**

	<u>Quarter</u>	<u>One Year</u>	<u>Three Years</u>	<u>Four Years</u>	<u>Five Years</u>
Beginning Market Value	29,257,579	29,171,077	33,678,728	29,023,261	24,679,837
Contributions	312,398	-970,747	-3,114,478	-3,867,092	-4,564,781
Gain/Loss	2,661,314	4,030,962	1,667,041	7,075,122	12,116,235
Ending Market Value	32,231,291	32,231,291	32,231,291	32,231,291	32,231,291
<b>Total Fund (%)</b>	<b>9.1</b>	<b>14.1</b>	<b>1.8</b>	<b>6.0</b>	<b>8.8</b>
<b>Strategic Model (%)</b>	<b>8.8</b>	<b>13.0</b>	<b>2.7</b>	<b>6.0</b>	<b>8.9</b>



**Cocoa Beach General Employees Pension Plan  
Actual vs. Target Asset Allocation  
December 31, 2023**

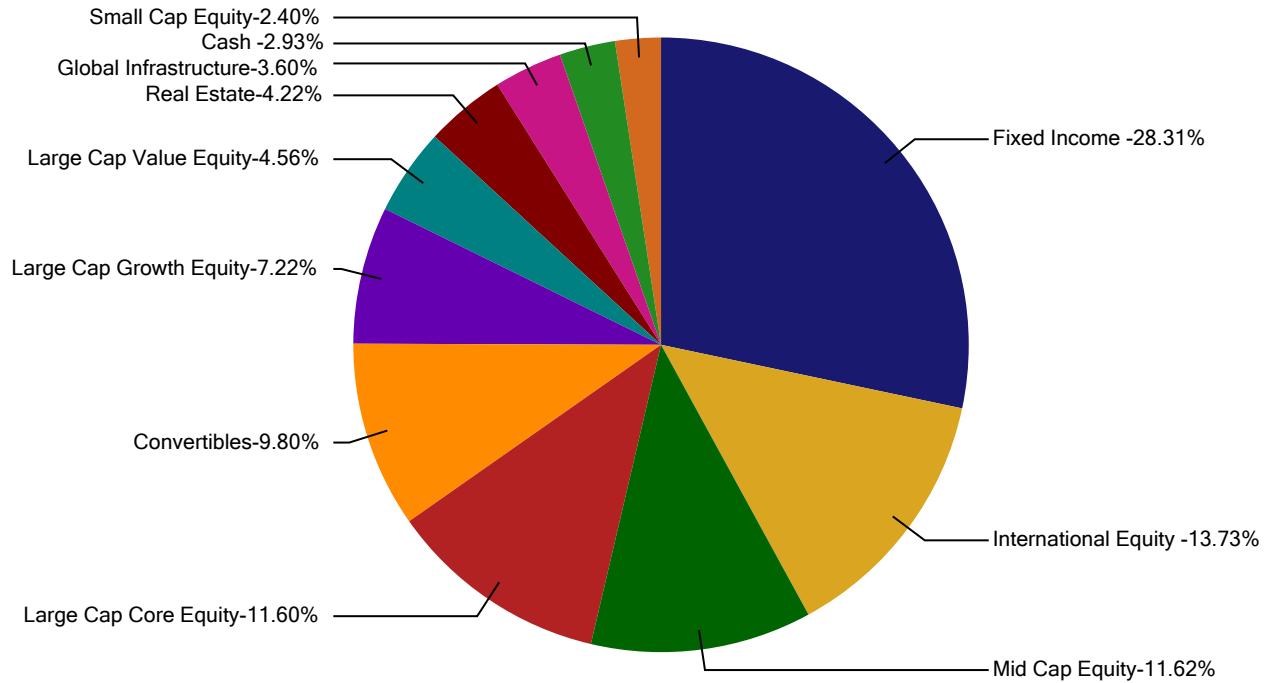


	Market Value Actual \$	Percent Actual	Percent Target	Percent Difference
Total Fund	32,231,291	100.0	100.0	0.0
Large Cap Value Equity	1,470,318	4.6	12.5	-7.9
Large Cap Growth Equity	2,327,873	7.2	12.5	-5.3
Large Cap Core Equity	3,739,445	11.6	0.0	11.6
Mid Cap Equity	3,745,414	11.6	5.0	6.6
Small Cap Equity	774,307	2.4	5.0	-2.6
Global Infrastructure	1,159,228	3.6	5.0	-1.4
Convertibles	3,157,510	9.8	10.0	-0.2
International Equity	4,425,353	13.7	15.0	-1.3
Real Estate	1,360,833	4.2	5.0	-0.8
Fixed Income	9,126,169	28.3	30.0	-1.7
Cash	944,841	2.9	0.0	2.9



## Cocoa Beach General Employees Pension Plan Asset Allocation

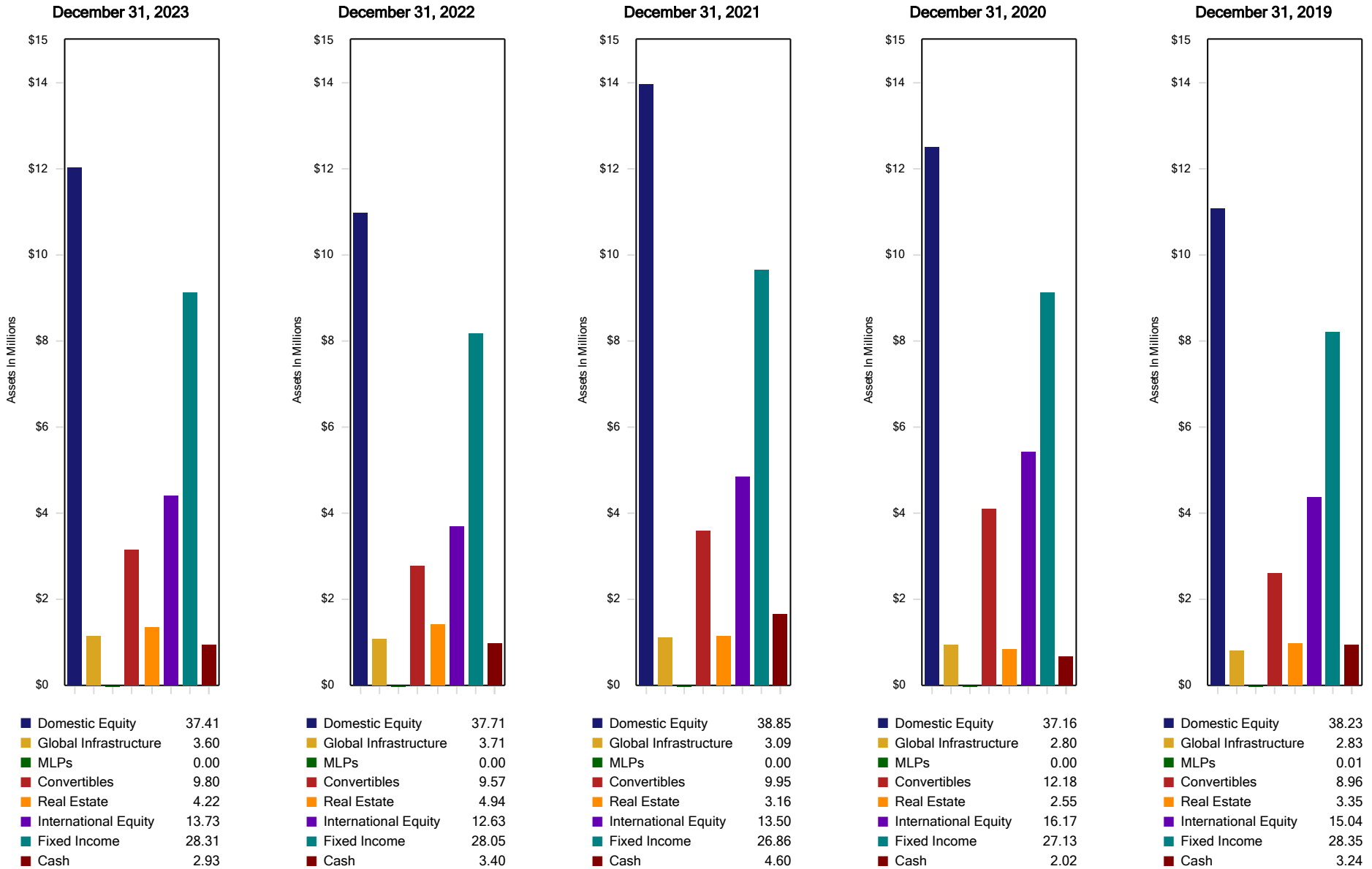
December 31, 2023 : 32,231,291.17



	<u>Market Value \$</u>	<u>Allocation (%)</u>
■ Fixed Income	9,126,169	28.31
■ International Equity	4,425,353	13.73
■ Mid Cap Equity	3,745,414	11.62
■ Large Cap Core Equity	3,739,445	11.60
■ Convertibles	3,157,510	9.80
■ Large Cap Growth Equity	2,327,873	7.22
■ Large Cap Value Equity	1,470,318	4.56
■ Real Estate	1,360,833	4.22
■ Global Infrastructure	1,159,228	3.60
■ Cash	944,841	2.93
■ Small Cap Equity	774,307	2.40



# Cocoa Beach General Employees Pension Plan Historical Asset Allocation December 31, 2023



**Cocoa Beach General Employees Pension Plan**  
**Asset Allocation & Performance**  
**December 31, 2023**

	Market Value	QTD ROR	1 Year ROR	3 Year ROR	4 Year ROR	5 Year ROR
<b>Total Fund</b>	<b>32,231,291</b>	<b>9.2</b>	<b>14.6</b>	<b>2.2</b>	<b>6.4</b>	<b>9.3</b>
Strategic Model		8.8	13.0	2.7	6.0	8.9
<b>Large Cap Value Equity</b>	<b>1,470,318</b>	<b>12.5</b>	<b>12.7</b>	<b>9.9</b>	<b>9.1</b>	<b>13.3</b>
Large Cap Value Benchmark		9.5	11.5	8.9	7.3	10.9
<b>Large Cap Growth Equity</b>	<b>2,327,873</b>	<b>14.4</b>	<b>52.7</b>	<b>11.3</b>	<b>18.1</b>	<b>20.9</b>
Large Cap Growth Benchmark		14.2	42.7	8.9	15.6	19.5
<b>Large Cap Core Equity</b>	<b>3,739,445</b>	<b>11.7</b>	<b>26.2</b>	<b>10.5</b>	<b>N/A</b>	<b>N/A</b>
S&P 500 Index		11.7	26.3	10.0	12.0	15.7
<b>Mid Cap Equity</b>	<b>3,745,414</b>	<b>11.6</b>	<b>15.0</b>	<b>6.2</b>	<b>7.6</b>	<b>12.0</b>
Russell Midcap Index		12.8	17.2	5.9	8.6	12.7
<b>Small Cap Equity</b>	<b>774,307</b>	<b>14.0</b>	<b>19.0</b>	<b>4.4</b>	<b>6.6</b>	<b>10.3</b>
Russell 2000 Index		14.0	16.9	2.2	6.4	10.0
<b>Convertibles</b>	<b>3,157,510</b>	<b>7.0</b>	<b>15.6</b>	<b>-2.9</b>	<b>9.0</b>	<b>11.6</b>
ML All Conv Ex.144A AQ Index		7.0	13.2	0.1	10.1	12.5
<b>Global Infrastructure</b>	<b>1,159,228</b>	<b>11.2</b>	<b>8.1</b>	<b>8.1</b>	<b>5.6</b>	<b>N/A</b>
FTSE Global Core Infrastructure 50/50 Index		11.1	3.1	4.6	2.5	6.9
<b>International Equity</b>	<b>4,425,353</b>	<b>10.5</b>	<b>16.6</b>	<b>-2.2</b>	<b>4.2</b>	<b>8.6</b>
International Equity Benchmark		9.8	16.2	2.0	4.2	7.6
<b>Real Estate</b>	<b>1,360,833</b>	<b>4.5</b>	<b>-3.5</b>	<b>4.5</b>	<b>0.7</b>	<b>4.8</b>
Real Estate Benchmark		-4.8	-12.0	4.9	4.0	8.6
NCREIF Fund Index-ODCE (VW)		-4.8	-12.0	4.9	4.0	4.2
<b>Fixed Income</b>	<b>9,126,169</b>	<b>6.5</b>	<b>6.1</b>	<b>-2.3</b>	<b>0.3</b>	<b>2.0</b>
Fixed Income Benchmark		6.8	5.5	-3.3	-0.7	1.1
<b>Cash</b>	<b>944,841</b>	<b>1.4</b>	<b>4.9</b>	<b>2.1</b>	<b>1.7</b>	<b>1.8</b>
ICE BofAML 3 Month U.S. T-Bill		1.4	5.0	2.2	1.8	1.9



**Cocoa Beach General Employees Pension Plan**  
**Asset Allocation & Performance**  
**December 31, 2023**

**1 Strategic Model (IPS Total Fund Hybrid Benchmark):** From Dec 2019: 12.5% R1000V + 12.5% R1000G + 5% RMC + 5% R2000 + 5% FTSE Global 50/50 Index + 10% ML AQ US Conv x144A + 15% ACWI xUS + 5% NCREIF ODCE+ 30% BCAG; prior May '15 12.5% R1000V + 12.5% R1000G + 5% RMC + 5% R2000 + 5% Alerian MLP Index + 10% ML AQ US Conv x144A + 15% ACWI xUS + 5% Wilshire REIT + 30% BCAG; from Apr '14 12.5% R1000V + 12.5% R1000G + 5% RMC + 5% R2000 + 5% Alerian MLP Infrac + 10% ML AQ US Conv x144A + 15% EAFE + 5% Wilshire REIT + 30% BCAG; from Apr '11 12.5% R1000V + 12.5% R1000G + 7.5% RMC + 7.5% R2000V + 10% ML AQ US Conv x144A + 15% EAFE + 5% Wilshire REIT + 30% BCAG; from Apr'07 12% R1000V + 12% R1000G + 12% RMC + 10% R2000V + 11% EAFE + 5% Wilshire REIT + 38% LBAG; from Jul'04 was 47% R3000 + 8% MSCI EAFE + 10% Wilshire REIT + 35% LBIA; from Apr'01 was 60% SP500 + 40%LBAG; was 50% SP500 + 50% LBAG.

**2 LCG Benchmark:** From April'07 Russell 1000 Growth; prior was 50% S&P500 & 50% S&P 500 Citi (Barra) Growth.

**3 LCV Benchmark:** From April'07 Russell 1000 Value; prior was 50% S&P500 & 50% S&P 500 Citi (Barra) Value.

**4 International Benchmark:** From May '15 100% ACWI ex US; Prior 100% EAFE.

**5 Fixed Income Benchmark:** From April'07 Lehman Aggregate; prior from July'04 was Lehman Intermediate Aggregate; prior was Lehman Aggregate Index.

**6 Real Estate Benchmark:** From Dec 2019: 100% NCREIF ODCE; Prior from Apr 2007: 100% Wilshire REIT.



**Cocoa Beach General Employees Pension Plan**  
**Asset Allocation & Performance - Gross**  
**December 31, 2023**

	Market Value	QTD ROR	1 Year ROR	3 Year ROR	4 Year ROR	5 Year ROR
<b>Total Fund</b>	<b>32,231,291</b>	<b>9.2</b>	<b>14.6</b>	<b>2.2</b>	<b>6.4</b>	<b>9.3</b>
<b>Equity</b>	<b>22,160,281</b>	<b>10.7</b>	<b>18.5</b>	<b>3.8</b>	<b>8.4</b>	<b>12.0</b>
Sterling Equity Income (SMA)	1,470,318	12.5	12.8	N/A	N/A	N/A
Loomis Sayles Large Cap Growth (SMA)	2,327,873	14.4	52.7	N/A	N/A	N/A
Vanguard S&P 500 (ETF)	3,739,445	11.7	26.4	N/A	N/A	N/A
Federated Hermes MDT Small Cap Growth (MF)	128,274	13.7	21.1	N/A	N/A	N/A
Hotchkis & Wiley Small Cap Diversified Value (MF)	646,032	14.0	17.2	N/A	N/A	N/A
Touchstone Mid Cap Growth (MF)	974,852	13.9	25.8	N/A	N/A	N/A
Touchstone Mid Cap Value (MF)	1,498,899	9.5	8.6	N/A	N/A	N/A
iShares Russell Mid-Cap (ETF)	1,271,663	12.8	17.3	6.0	8.6	12.7
iShares Convertible Bond (ETF)	3,157,510	7.0	15.6	-2.9	N/A	N/A
Cohen & Steers Global Infrastructure Fund (CIT)	483,627	12.0	3.2	5.0	3.5	N/A
Lazard Global Listed Infrastructure Portfolio (MF)	675,601	10.7	12.0	10.5	7.4	N/A
Am Funds EuroPacific Growth R6 (MF)	4,425,353	10.5	16.6	-2.2	4.2	8.6
Schwab U.S. REIT (ETF)	602,412	18.1	11.3	5.6	0.1	4.3
PREDEX Fund (MF)	758,421	-4.3	-12.7	5.2	4.3	N/A
<b>Fixed Income</b>	<b>9,126,169</b>	<b>6.5</b>	<b>6.1</b>	<b>-2.3</b>	<b>0.3</b>	<b>2.0</b>
Sterling Fixed Income (SMA)	9,126,169	6.6	6.0	N/A	N/A	N/A
<b>Cash</b>	<b>944,841</b>	<b>1.4</b>	<b>4.9</b>	<b>2.1</b>	<b>1.7</b>	<b>1.8</b>
SunTrust Custody Acct Cash Sweep (MF)	656,177	1.3	5.0	2.2	1.7	1.7
SunTrust Inv Mgmt Acct Cash Sweep (MF)	288,664	1.4	4.9	2.1	1.7	1.8

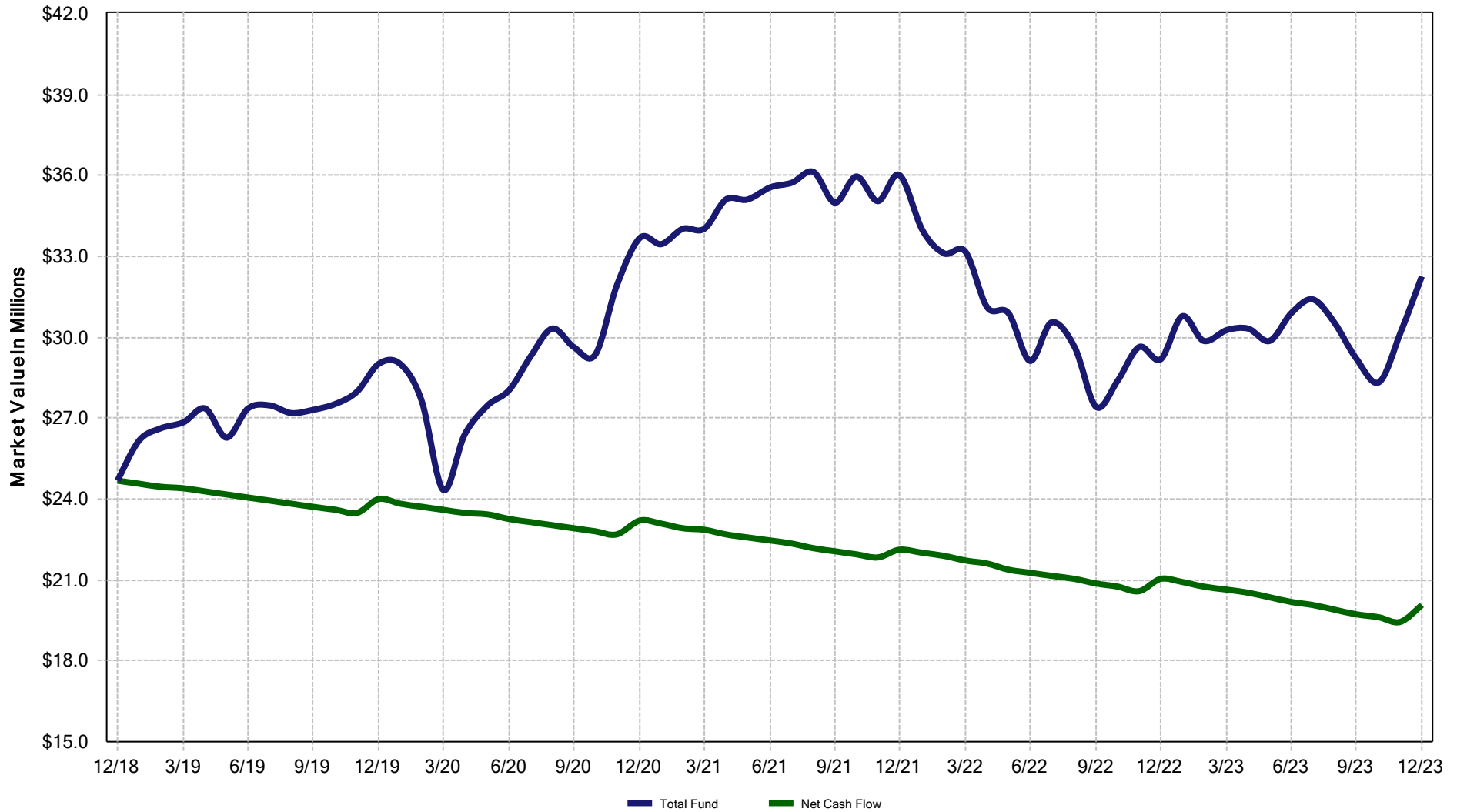


**Cocoa Beach General Employees Pension Plan**  
**Asset Allocation & Performance - Net**  
**December 31, 2023**

	Market Value	QTD ROR	1 Year ROR	3 Year ROR	4 Year ROR	5 Year ROR
<b>Total Fund</b>	<b>32,231,291</b>	<b>9.1</b>	<b>14.1</b>	<b>1.8</b>	<b>6.0</b>	<b>8.8</b>
<b>Equity</b>	<b>22,160,281</b>	<b>10.5</b>	<b>18.0</b>	<b>3.3</b>	<b>7.9</b>	<b>11.5</b>
Sterling Equity Income (SMA)	1,470,318	12.4	12.4	N/A	N/A	N/A
Loomis Sayles Large Cap Growth (SMA)	2,327,873	14.3	52.2	N/A	N/A	N/A
Vanguard S&P 500 (ETF)	3,739,445	11.7	26.3	N/A	N/A	N/A
Federated Hermes MDT Small Cap Growth (MF)	128,274	13.1	19.7	N/A	N/A	N/A
Hotchkis & Wiley Small Cap Diversified Value (MF)	646,032	13.8	16.3	N/A	N/A	N/A
Touchstone Mid Cap Growth (MF)	974,852	13.7	24.8	N/A	N/A	N/A
Touchstone Mid Cap Value (MF)	1,498,899	9.3	7.7	N/A	N/A	N/A
iShares Russell Mid-Cap (ETF)	1,271,663	12.7	17.0	5.8	8.4	12.5
iShares Convertible Bond (ETF)	3,157,510	7.0	15.4	-3.1	N/A	N/A
Cohen & Steers Global Infrastructure Fund (CIT)	483,627	11.8	2.4	4.2	2.7	N/A
Lazard Global Listed Infrastructure Portfolio (MF)	675,601	10.4	10.9	9.5	6.3	N/A
Am Funds EuroPacific Growth R6 (MF)	4,425,353	10.4	16.1	-2.7	3.7	8.0
Schwab U.S. REIT (ETF)	602,412	18.0	11.2	5.6	0.0	4.2
PREDEX Fund (MF)	758,421	-4.6	-13.8	4.0	3.1	N/A
<b>Fixed Income</b>	<b>9,126,169</b>	<b>6.4</b>	<b>5.8</b>	<b>-2.6</b>	<b>0.0</b>	<b>1.6</b>
Sterling Fixed Income (SMA)	9,126,169	6.5	5.7	N/A	N/A	N/A
<b>Cash</b>	<b>944,841</b>	<b>1.4</b>	<b>4.9</b>	<b>2.1</b>	<b>1.7</b>	<b>1.8</b>
SunTrust Custody Acct Cash Sweep (MF)	656,177	1.3	5.0	2.2	1.7	1.7
SunTrust Inv Mgmt Acct Cash Sweep (MF)	288,664	1.4	4.9	2.1	1.7	1.8



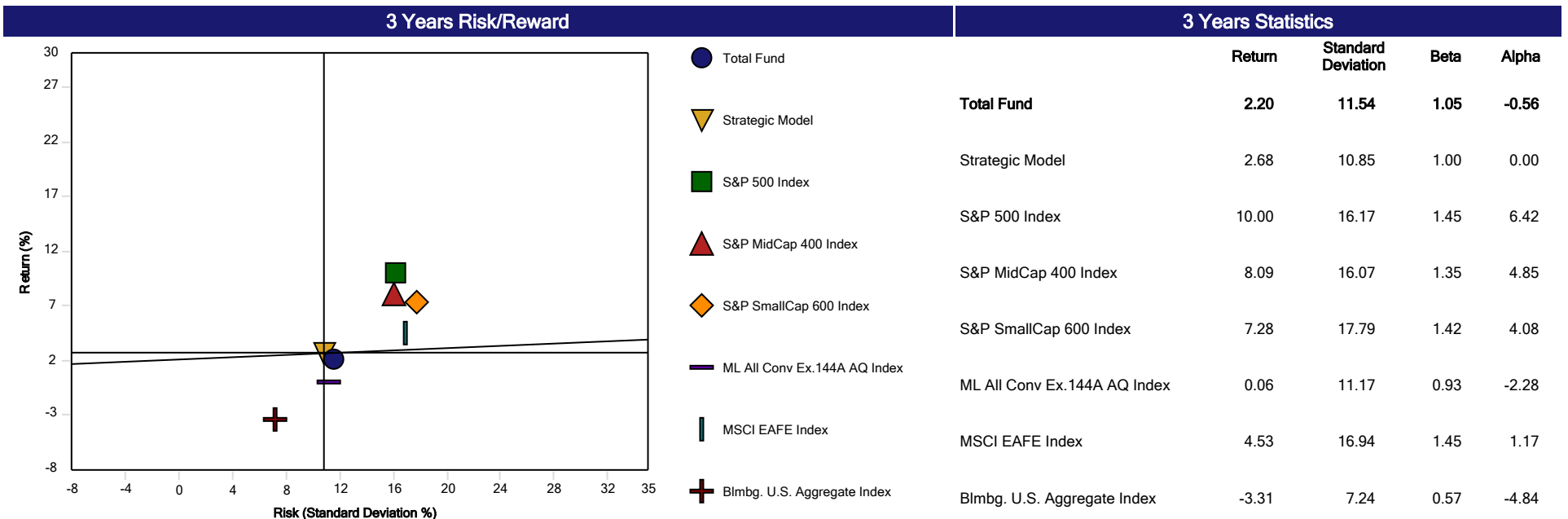
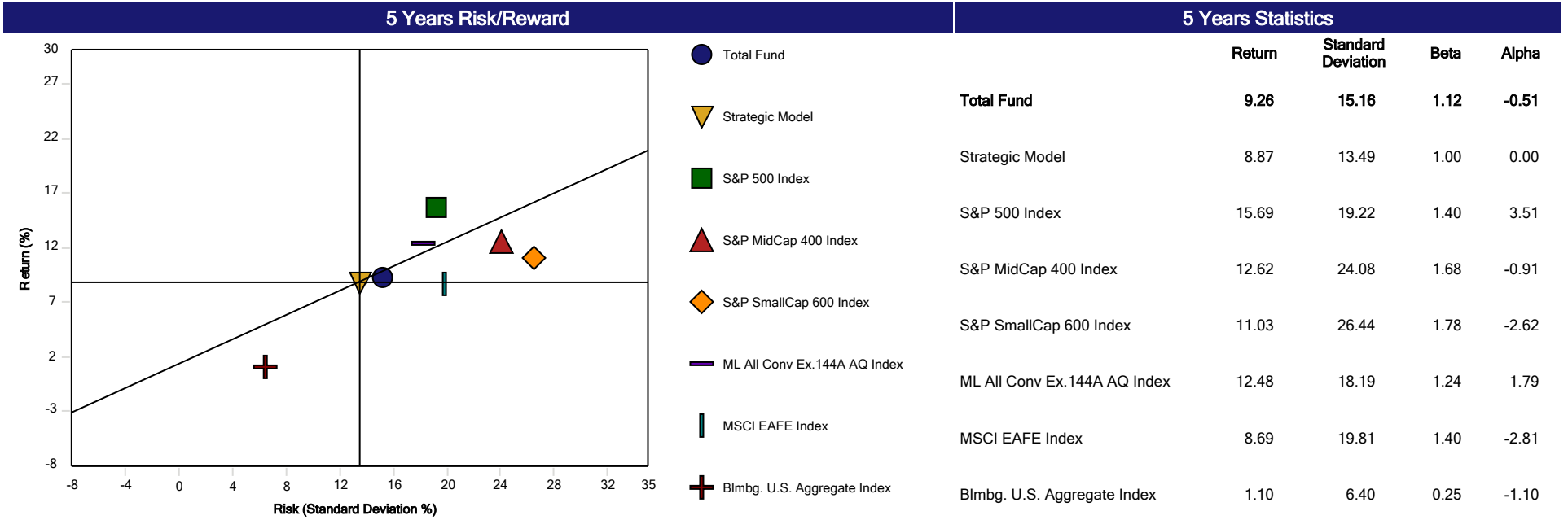
**Cocoa Beach General Employees Pension Plan  
Growth of Investments  
January 1, 2019 Through December 31, 2023**



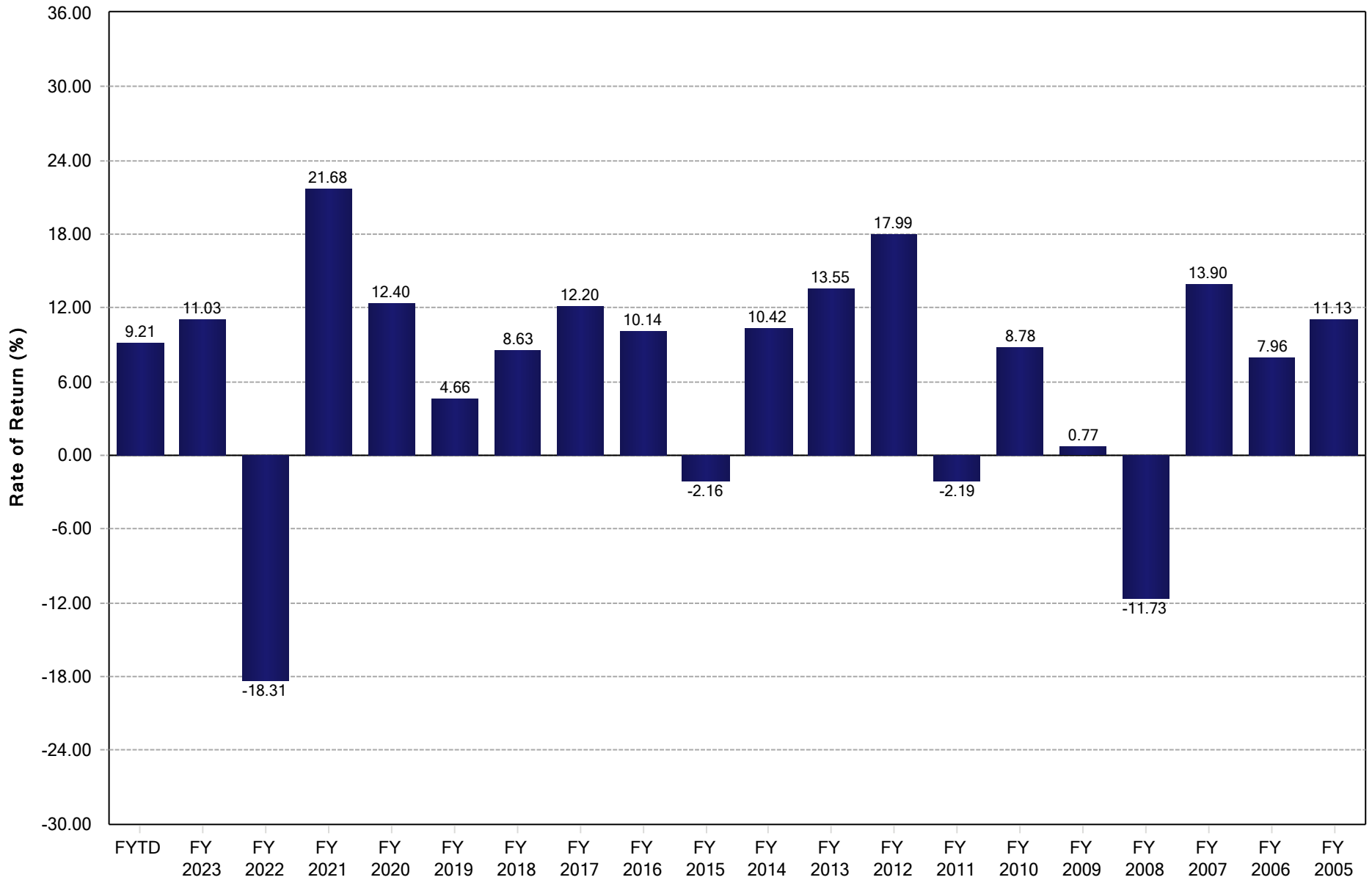
<u>Beginning MV</u>	<u>Ending MV</u>	<u>Annualized ROR</u>
\$24,679,837	\$32,231,291	9.3



## Cocoa Beach General Employees Pension Plan Capital Market Line Period Ending December 31, 2023



**Cocoa Beach General Employees Pension Plan**  
**Fiscal Year Rates of Return**  
**December 31, 2023**

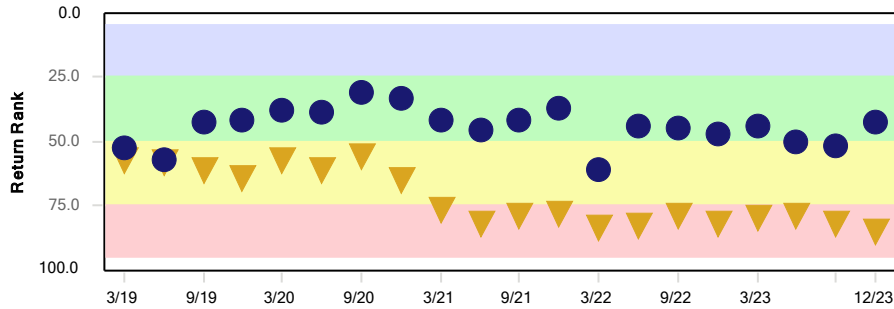


# Cocoa Beach General Employees Pension Plan

## Large Cap Value Equity

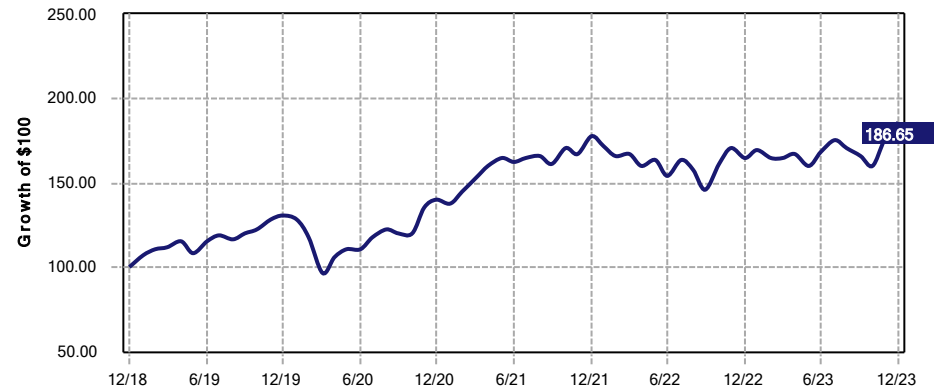
### December 31, 2023

**5 Years Rolling Percentile Ranking - 5 Years**

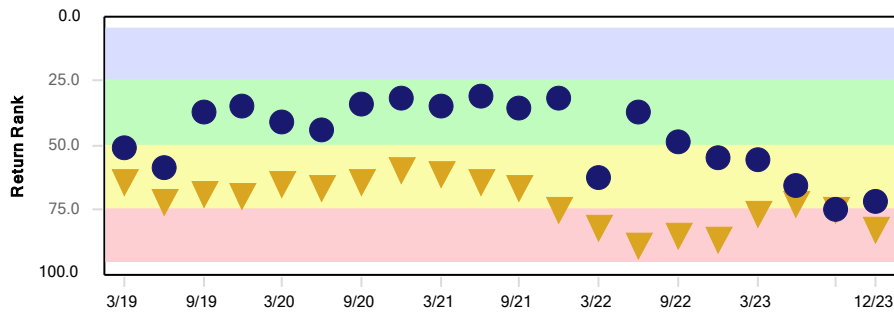


	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Large Cap Value Equity	20	0 (0%)	16 (80%)	4 (20%)	0 (0%)
▼ Large Cap Value Benchmark	20	0 (0%)	0 (0%)	8 (40%)	12 (60%)

**Growth of a Dollar**

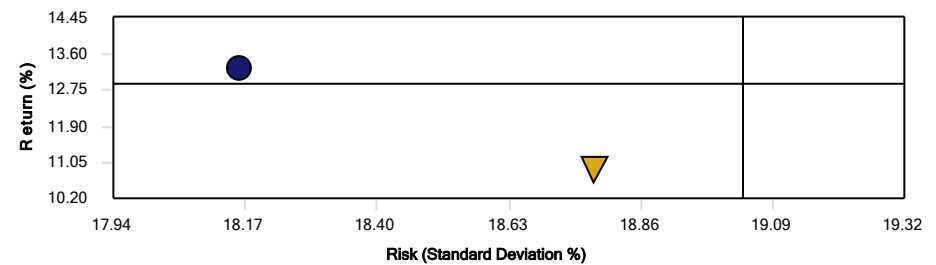


**3 Years Rolling Percentile Ranking - 5 Years**



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Large Cap Value Equity	20	0 (0%)	12 (60%)	8 (40%)	0 (0%)
▼ Large Cap Value Benchmark	20	0 (0%)	0 (0%)	14 (70%)	6 (30%)

**Peer Group Risk/Reward - 5 Years**



	Return	Standard Deviation
● Large Cap Value Equity	13.29	18.16
▼ Large Cap Value Benchmark	10.91	18.78
— Median	12.91	19.04

**Historical Statistics - 5 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Large Cap Value Equity	13.29	18.16	2.69	0.95	0.68	88.69	99.10
Large Cap Value Benchmark	10.91	18.78	0.00	1.00	0.55	100.00	100.00

**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Large Cap Value Equity	9.87	15.26	1.74	0.90	0.55	87.56	94.06
Large Cap Value Benchmark	8.86	16.51	0.00	1.00	0.47	100.00	100.00

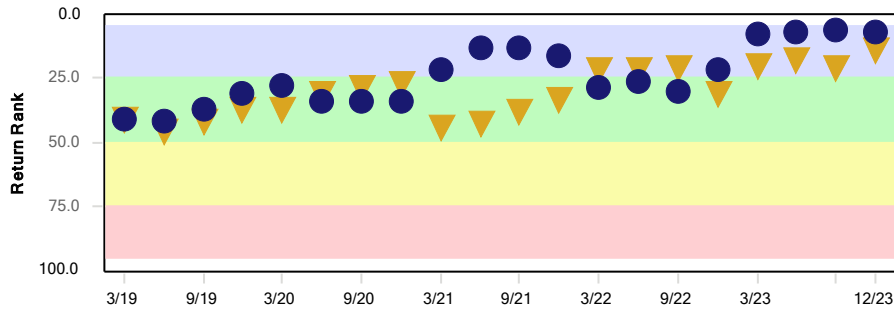


# Cocoa Beach General Employees Pension Plan

## Large Cap Growth Equity

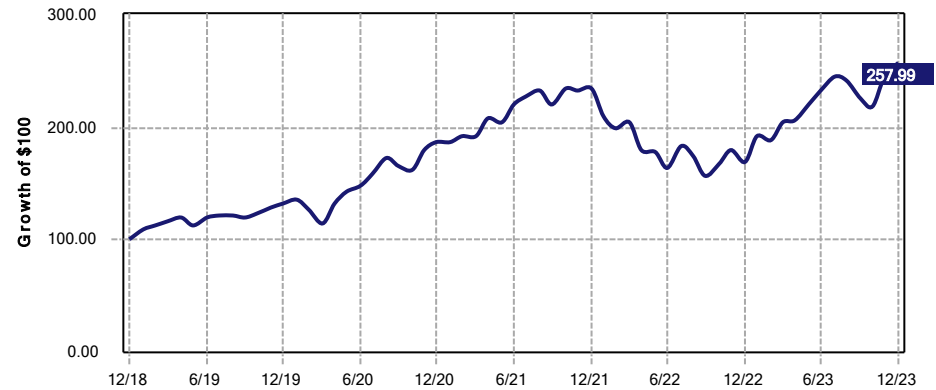
### December 31, 2023

#### 5 Years Rolling Percentile Ranking - 5 Years

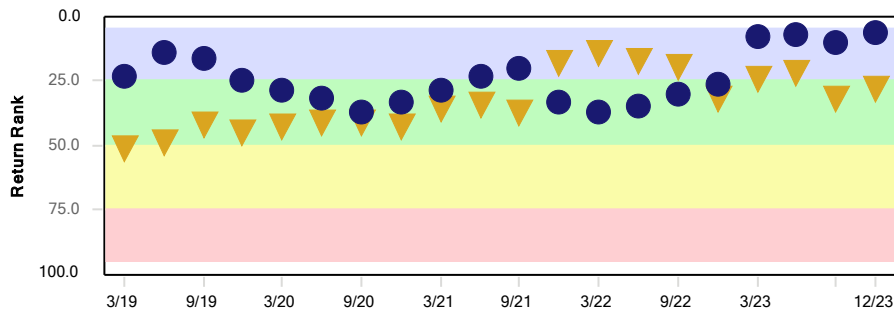


	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Large Cap Growth Equity	20	9 (45%)	11 (55%)	0 (0%)	0 (0%)
▼ Large Cap Growth Benchmark	20	7 (35%)	13 (65%)	0 (0%)	0 (0%)

#### Growth of a Dollar

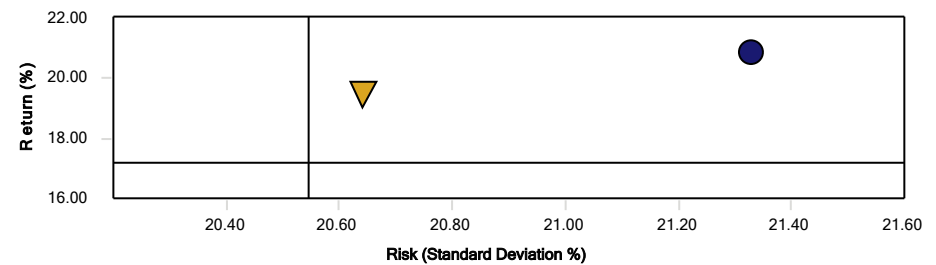


#### 3 Years Rolling Percentile Ranking - 5 Years



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Large Cap Growth Equity	20	10 (50%)	10 (50%)	0 (0%)	0 (0%)
▼ Large Cap Growth Benchmark	20	6 (30%)	13 (65%)	1 (5%)	0 (0%)

#### Peer Group Risk/Reward - 5 Years



	Return	Standard Deviation
● Large Cap Growth Equity	20.87	21.33
▼ Large Cap Growth Benchmark	19.50	20.64
— Median	17.22	20.54

#### Historical Statistics - 5 Years

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Large Cap Growth Equity	20.87	21.33	1.09	1.01	0.91	95.95	101.06
Large Cap Growth Benchmark	19.50	20.64	0.00	1.00	0.88	100.00	100.00

#### Historical Statistics - 3 Years

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Large Cap Growth Equity	11.29	22.16	2.07	1.05	0.50	98.64	106.30
Large Cap Growth Benchmark	8.86	20.51	0.00	1.00	0.42	100.00	100.00

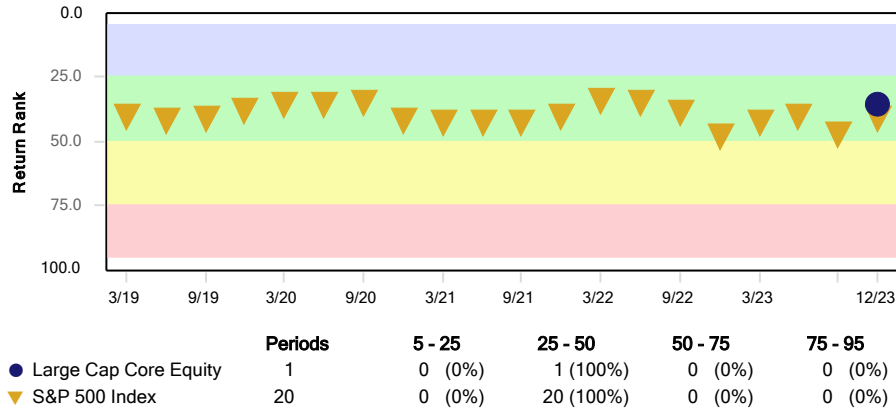


# Cocoa Beach General Employees Pension Plan

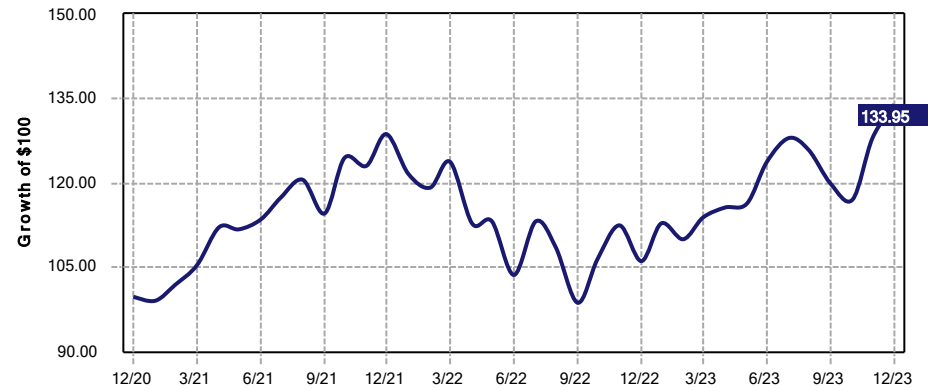
## Large Cap Core Equity

### December 31, 2023

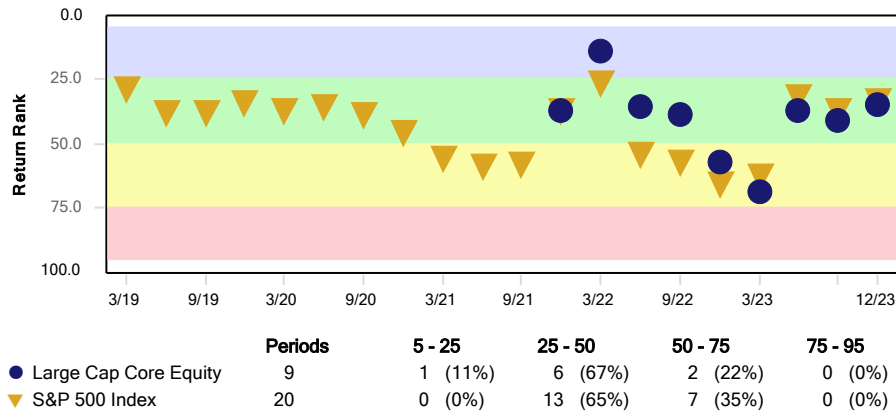
#### 3 Years Rolling Percentile Ranking - 5 Years



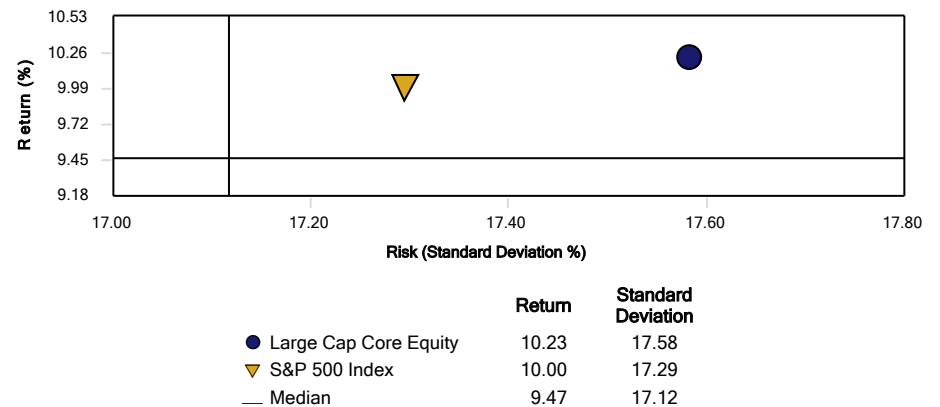
#### Growth of a Dollar



#### 1 Year Rolling Percentile Ranking - 5 Years



#### Peer Group Risk/Reward - 3 Years



#### Historical Statistics - 3 Years

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Large Cap Core Equity	10.23	17.58	0.13	1.01	0.52	99.78	100.68
S&P 500 Index	10.00	17.29	0.00	1.00	0.52	100.00	100.00

#### Historical Statistics - 1 Year

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Large Cap Core Equity	26.19	14.14	-0.12	1.00	1.38	101.31	100.20
S&P 500 Index	26.29	14.11	0.00	1.00	1.39	100.00	100.00

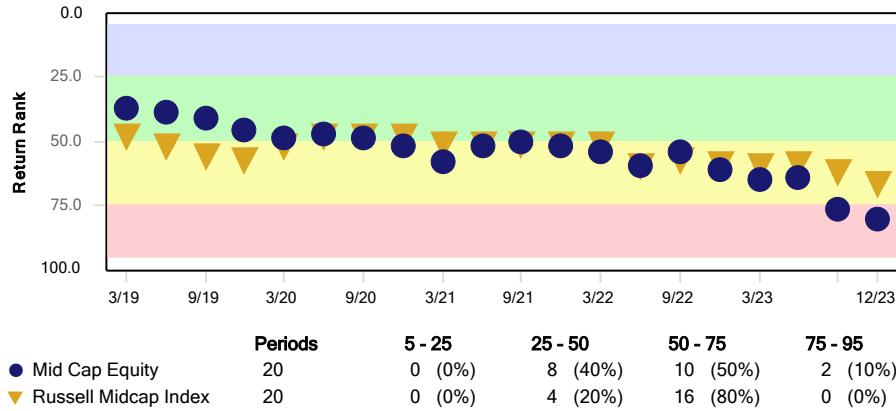


# Cocoa Beach General Employees Pension Plan

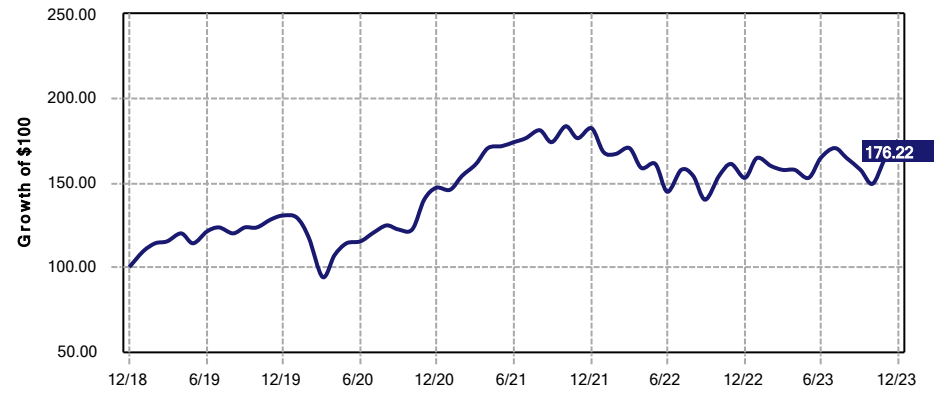
## Mid Cap Equity

### December 31, 2023

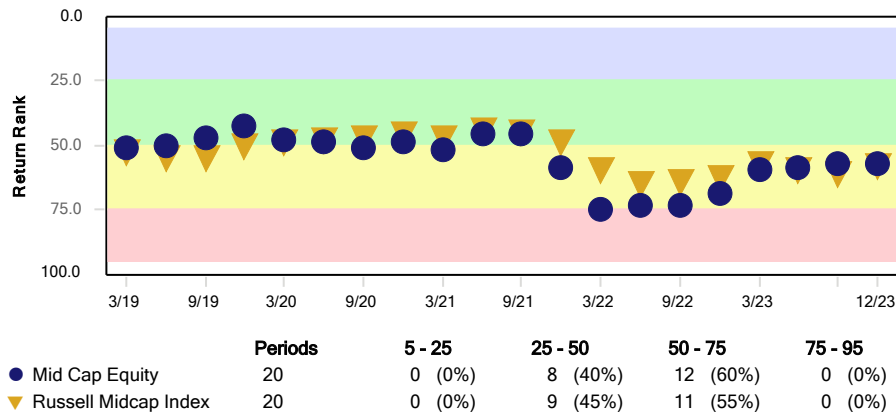
**5 Years Rolling Percentile Ranking - 5 Years**



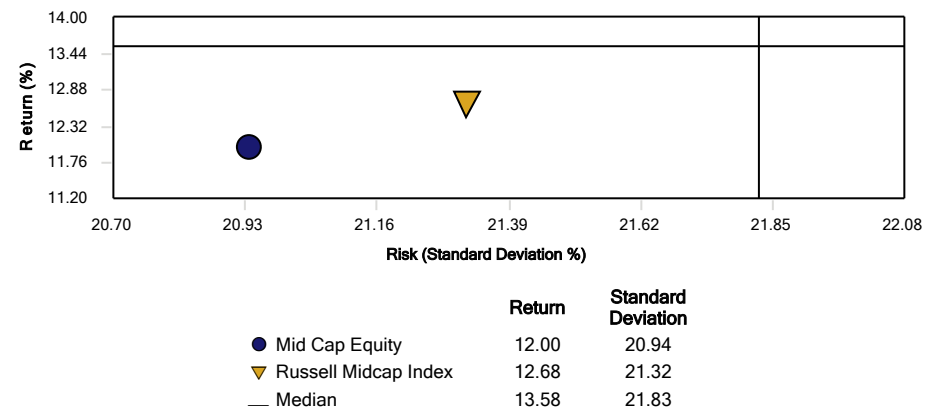
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Mid Cap Equity	12.00	20.94	-0.36	0.98	0.56	99.35	97.75
Russell Midcap Index	12.68	21.32	0.00	1.00	0.58	100.00	100.00

**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Mid Cap Equity	6.16	18.61	0.39	0.97	0.30	97.99	98.92
Russell Midcap Index	5.92	19.11	0.00	1.00	0.29	100.00	100.00

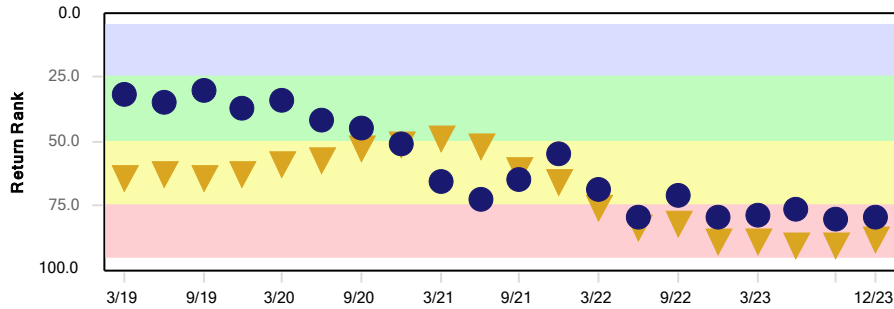


# Cocoa Beach General Employees Pension Plan

## Small Cap Equity

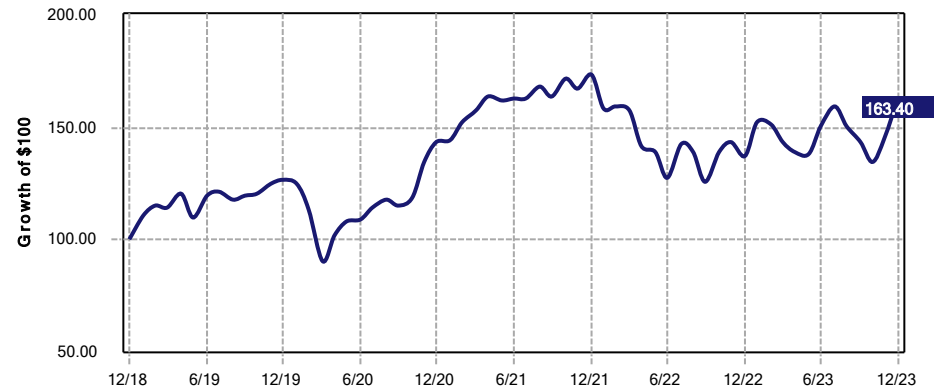
### December 31, 2023

**5 Years Rolling Percentile Ranking - 5 Years**

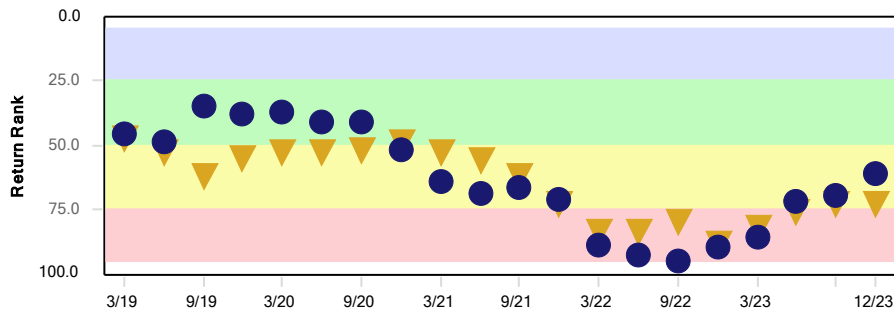


	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Small Cap Equity	20	0 (0%)	7 (35%)	7 (35%)	6 (30%)
▼ Russell 2000 Index	20	0 (0%)	1 (5%)	11 (55%)	8 (40%)

**Growth of a Dollar**

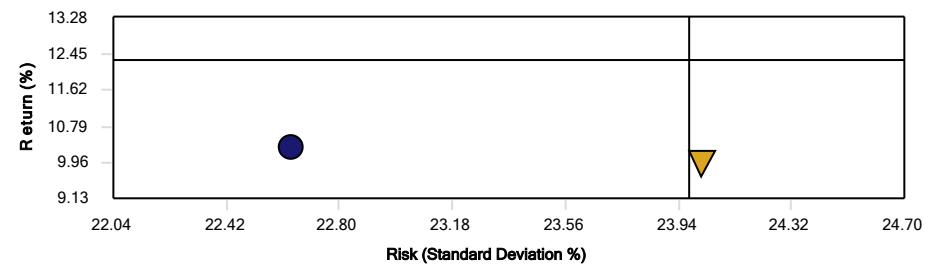


**3 Years Rolling Percentile Ranking - 5 Years**



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Small Cap Equity	20	0 (0%)	7 (35%)	8 (40%)	5 (25%)
▼ Russell 2000 Index	20	0 (0%)	2 (10%)	12 (60%)	6 (30%)

**Peer Group Risk/Reward - 5 Years**



	Return	Standard Deviation
● Small Cap Equity	10.32	22.64
▼ Russell 2000 Index	9.97	24.02
— Median	12.33	23.97

**Historical Statistics - 5 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Small Cap Equity	10.32	22.64	1.03	0.92	0.47	88.39	92.05
Russell 2000 Index	9.97	24.02	0.00	1.00	0.44	100.00	100.00

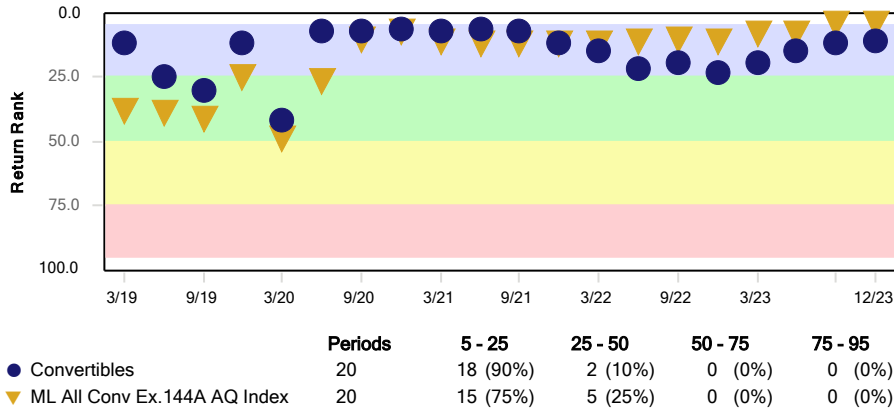
**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Small Cap Equity	4.36	21.03	2.23	0.96	0.21	88.96	96.84
Russell 2000 Index	2.22	21.11	0.00	1.00	0.11	100.00	100.00

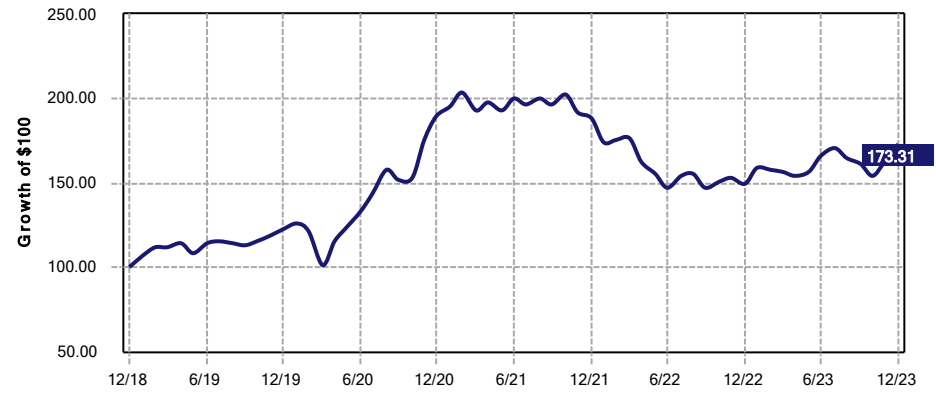


# Cocoa Beach General Employees Pension Plan Convertibles December 31, 2023

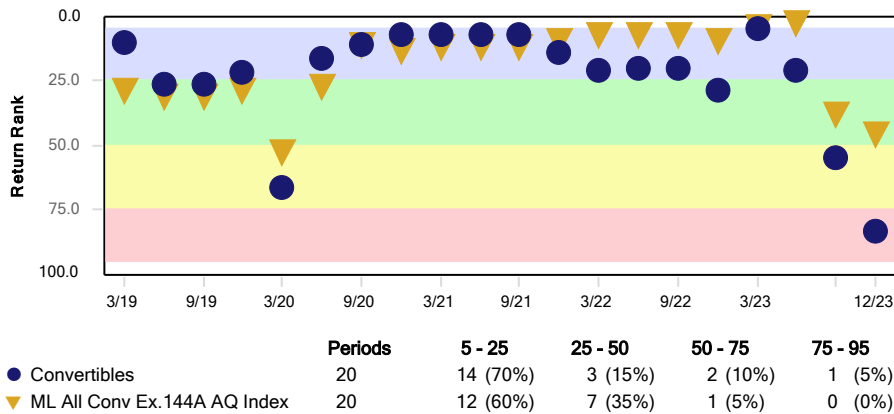
**5 Years Rolling Percentile Ranking - 5 Years**



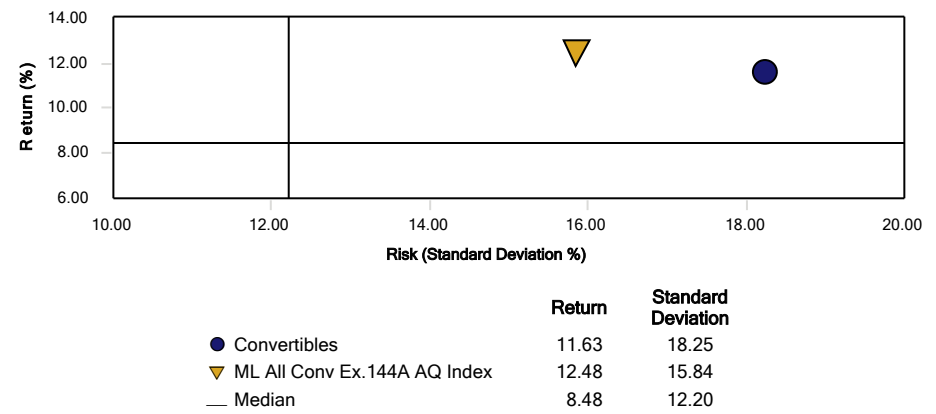
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Convertibles	11.63	18.25	-2.05	1.13	0.59	119.34	109.24
ML All Conv Ex. 144A AQ Index	12.48	15.84	0.00	1.00	0.70	100.00	100.00

**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Convertibles	-2.93	13.53	-2.87	1.07	-0.31	119.28	102.73
ML All Conv Ex. 144A AQ Index	0.06	12.20	0.00	1.00	-0.11	100.00	100.00

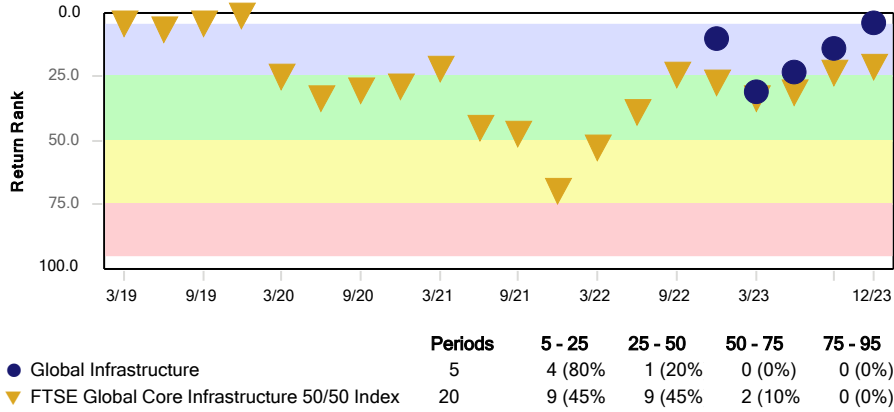


# Cocoa Beach General Employees Pension Plan

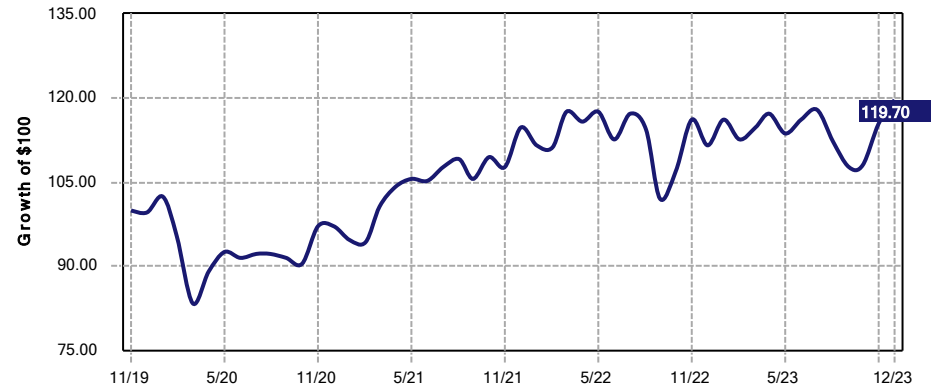
## Global Infrastructure

### December 31, 2023

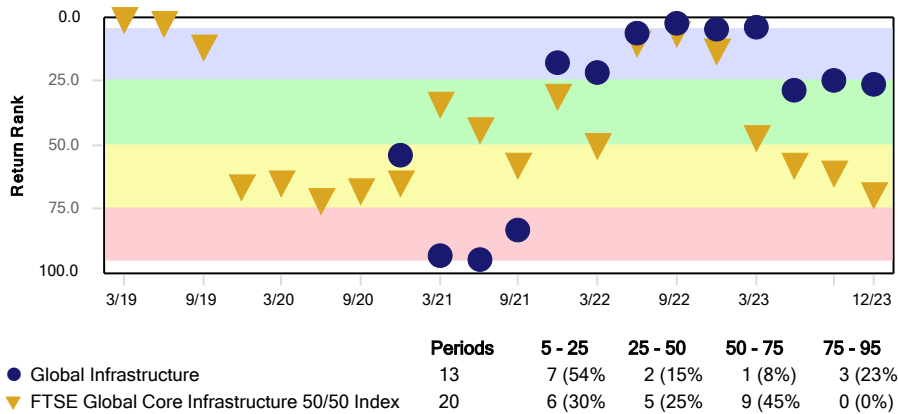
#### 3 Years Rolling Percentile Ranking - 5 Years



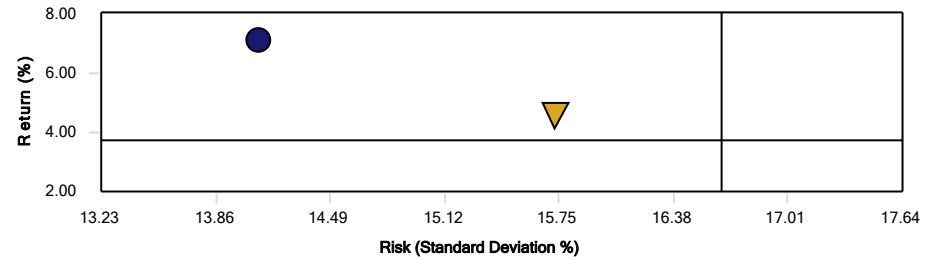
#### Growth of a Dollar



#### 1 Year Rolling Percentile Ranking - 5 Years



#### Peer Group Risk/Reward - 3 Years



	Return	Standard Deviation
● Global Infrastructure	7.14	14.09
▼ FTSE Global Core Infrastructure 50/50 Index	4.57	15.72
— Median	3.72	16.65

#### Historical Statistics - 3 Years

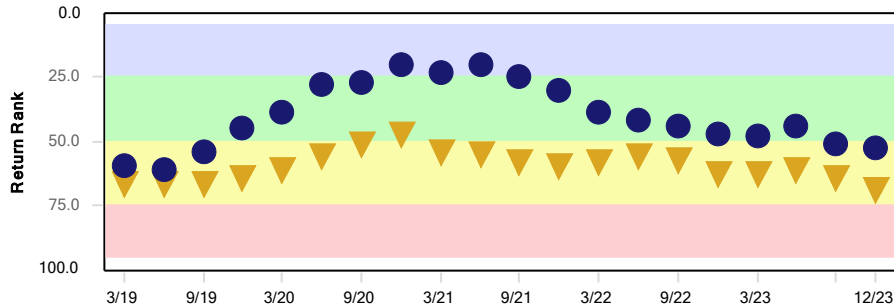
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Global Infrastructure	7.14	14.09	2.97	0.87	0.41	81.30	93.97
FTSE Global Core Infrastructure 50/50 Index	4.57	15.72	0.00	1.00	0.23	100.00	100.00

#### Historical Statistics - 1 Year

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Global Infrastructure	7.18	12.09	4.47	0.80	0.23	68.79	87.68
FTSE Global Core Infrastructure 50/50 Index	3.10	14.81	0.00	1.00	-0.05	100.00	100.00

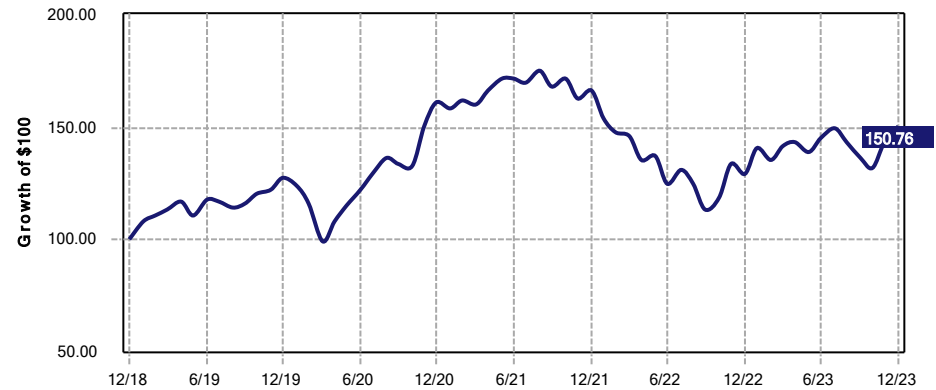
## Cocoa Beach General Employees Pension Plan International Equity December 31, 2023

### 5 Years Rolling Percentile Ranking - 5 Years

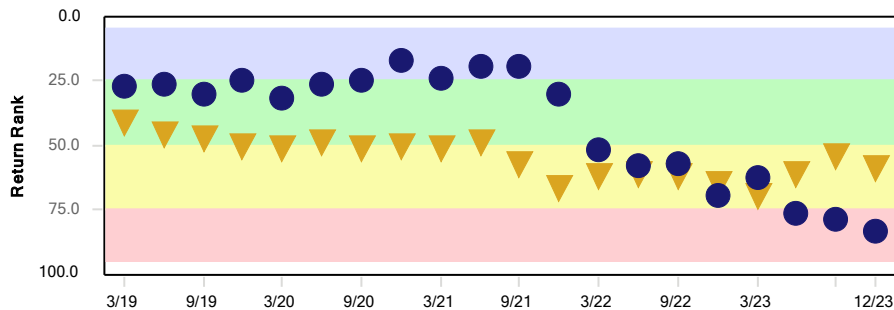


	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● International Equity	20	4 (20%)	11 (55%)	5 (25%)	0 (0%)
▼ International Equity Benchmark	20	0 (0%)	1 (5%)	19 (95%)	0 (0%)

### Growth of a Dollar

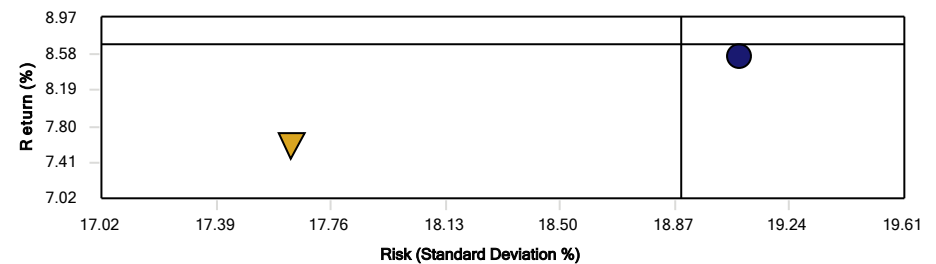


### 3 Years Rolling Percentile Ranking - 5 Years



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● International Equity	20	6 (30%)	6 (30%)	5 (25%)	3 (15%)
▼ International Equity Benchmark	20	0 (0%)	7 (35%)	13 (65%)	0 (0%)

### Peer Group Risk/Reward - 5 Years



	Return	Standard Deviation
● International Equity	8.56	19.08
▼ International Equity Benchmark	7.60	17.63
— Median	8.68	18.89

### Historical Statistics - 5 Years

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
International Equity	8.56	19.08	0.68	1.05	0.43	107.70	109.31
International Equity Benchmark	7.60	17.63	0.00	1.00	0.40	100.00	100.00

### Historical Statistics - 3 Years

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
International Equity	-2.21	17.68	-4.12	1.06	-0.16	118.76	99.77
International Equity Benchmark	2.04	16.06	0.00	1.00	0.07	100.00	100.00

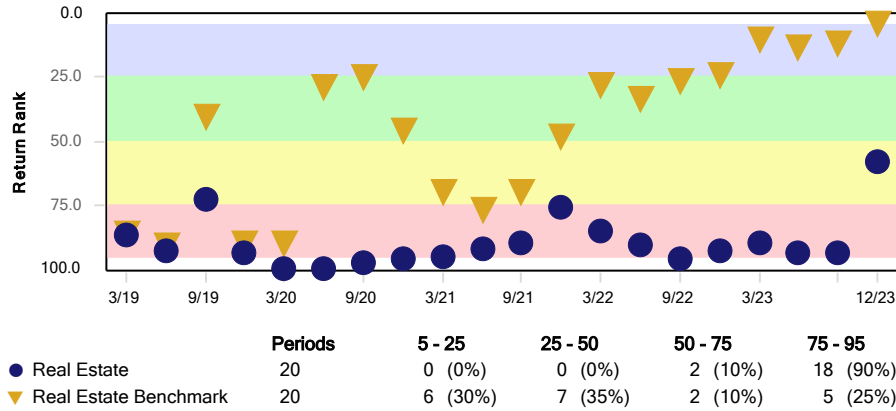


# Cocoa Beach General Employees Pension Plan

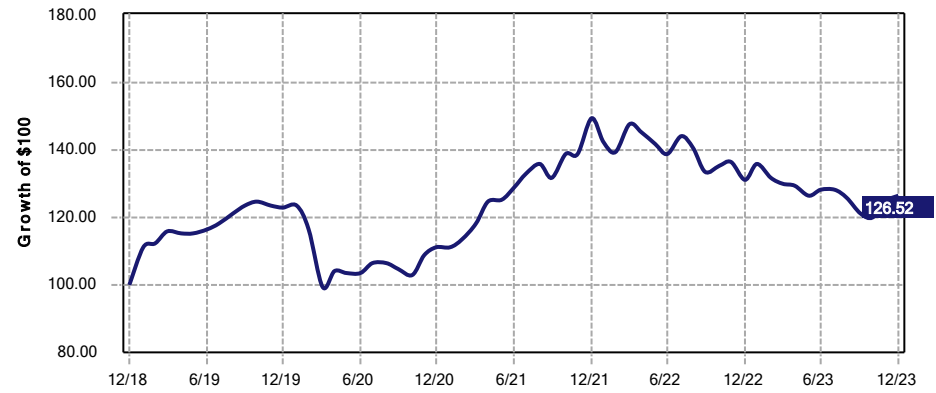
## Real Estate

### December 31, 2023

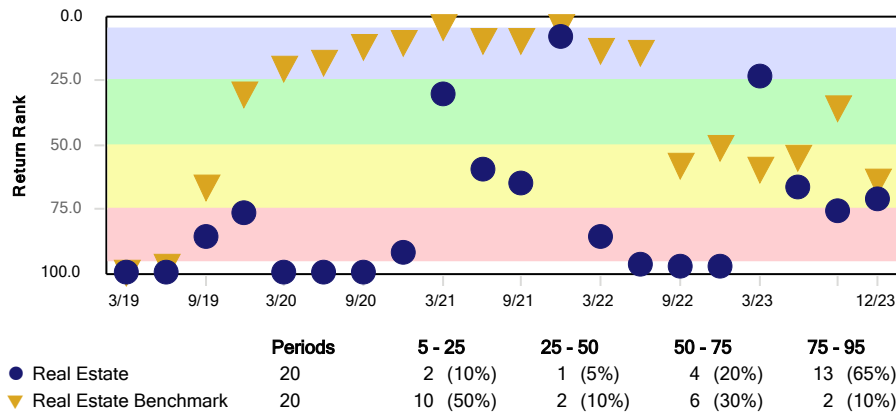
**5 Years Rolling Percentile Ranking - 5 Years**



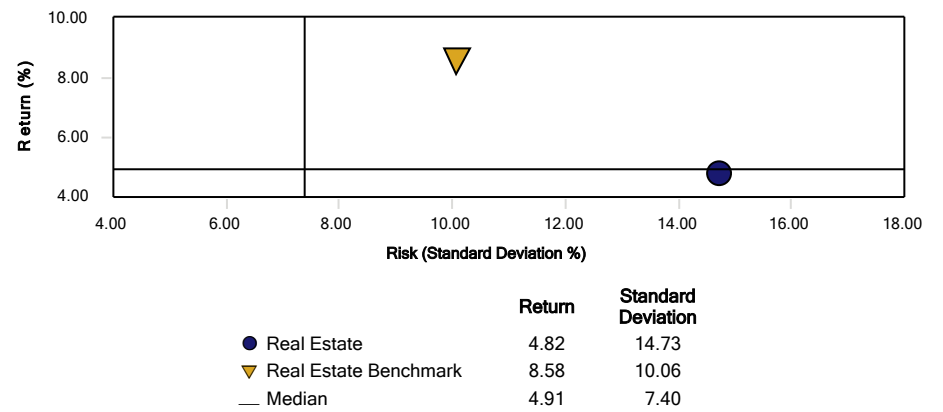
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Real Estate	4.82	14.73	-0.35	0.70	0.26	5.16	47.83
Real Estate Benchmark	8.58	10.06	0.00	1.00	0.66	100.00	100.00

**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Real Estate	4.48	11.54	2.63	0.47	0.24	30.03	61.27
Real Estate Benchmark	4.92	9.18	0.00	1.00	0.31	100.00	100.00

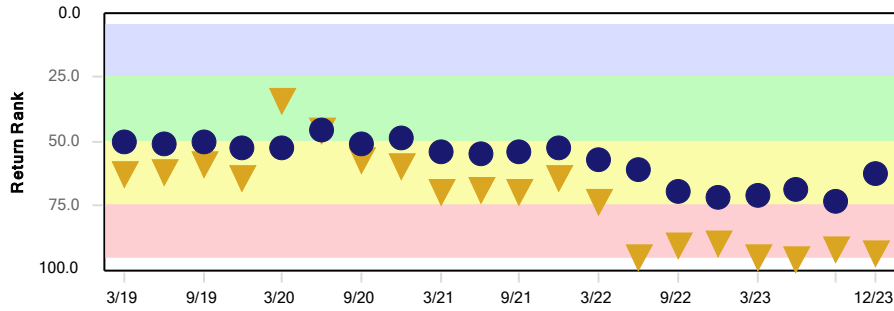


# Cocoa Beach General Employees Pension Plan

## Fixed Income

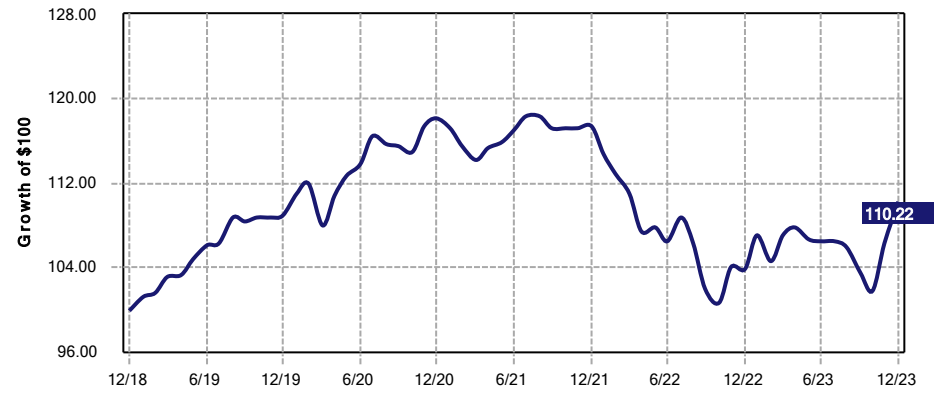
### December 31, 2023

**5 Years Rolling Percentile Ranking - 5 Years**

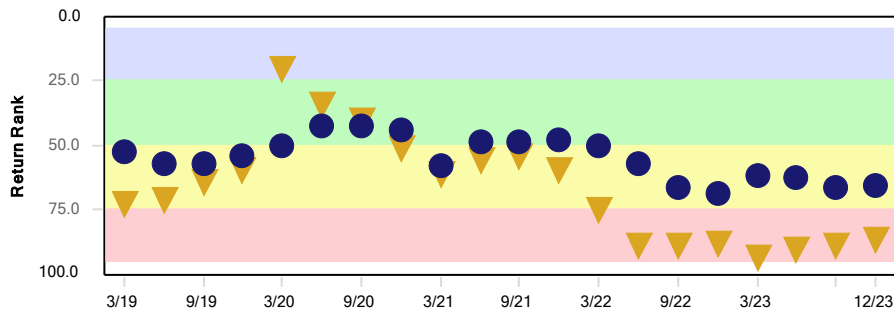


	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Fixed Income	20	0 (0%)	4 (20%)	16 (80%)	0 (0%)
▼ Fixed Income Benchmark	20	0 (0%)	2 (10%)	11 (55%)	7 (35%)

**Growth of a Dollar**

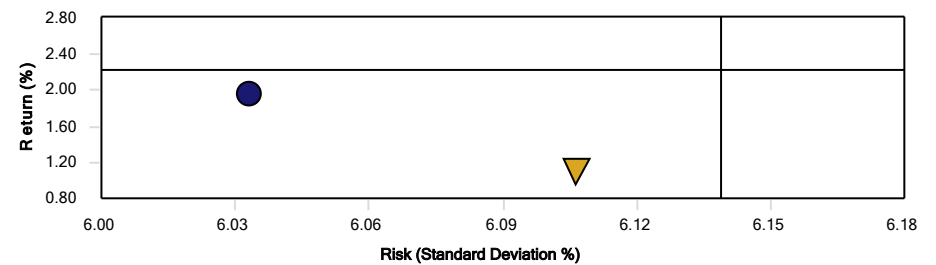


**3 Years Rolling Percentile Ranking - 5 Years**



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Fixed Income	20	0 (0%)	8 (40%)	12 (60%)	0 (0%)
▼ Fixed Income Benchmark	20	1 (5%)	2 (10%)	10 (50%)	7 (35%)

**Peer Group Risk/Reward - 5 Years**



	Return	Standard Deviation
● Fixed Income	1.96	6.03
▼ Fixed Income Benchmark	1.10	6.11
— Median	2.24	6.14

**Historical Statistics - 5 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
<b>Fixed Income</b>	1.96	6.03	0.92	0.94	0.04	94.99	105.58
<i>Fixed Income Benchmark</i>	1.10	6.11	0.00	1.00	-0.10	100.00	100.00

**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
<b>Fixed Income</b>	-2.29	6.66	0.80	0.93	-0.65	89.18	97.56
<i>Fixed Income Benchmark</i>	-3.31	7.14	0.00	1.00	-0.75	100.00	100.00



# Cocoa Beach General Employees Pension Plan

## Glossary

### December 31, 2023

- ACCRUED INTEREST- Bond interest earned since the last interest payment, but not yet received.
- ALPHA- A linear regressive constant that measures expected return independent of Beta.
- ASSET ALLOCATION- The division of portfolio asset classes in order to achieve an expected investment objective.
- BALANCED UNIVERSES - Public Funds, Endowments & Foundations, Corporate peer groups, and PSN peer groups.
- BETA- A measure of portfolio sensitivity (volatility) in relation to the market, based upon past experience.
- BOND DURATION- A measure of portfolio sensitivity to interest rate risk.
- COMMINGLED FUND- An investment fund which is similar to a mutual fund in that investors are permitted to purchase and redeem units that represent ownership in a pool of securities.
- CONVERTIBLE BONDS - Hybrid securities' that offer equity returns during rising equity markets and improved down-market protection.
- CORE- An equal weighting in both growth and value stocks.
- CORRELATION COEFFICIENT- A measure of how two assets move together. The measure is bounded by +1 and -1; +1 means that the two assets move together positively, while a measure of -1 means that the assets are perfectly negatively correlated.
- GROWTH MANAGER- Generally invests in companies that have either experienced above-average growth rates and/or are expected to experience above-average growth rates in the future. Growth portfolios tend to have high price/earnings ratios and generally pay little to no dividends.
- INDEXES- Indexes are used as "independent representations of markets" (e.g., S&P 500).
- INFORMATION RATIO- Annualized excess return above the benchmark relative to the annualized tracking error.
- LARGE CAP- Generally, the term refers to a company that has a market capitalization that exceeds \$10 billion.
- MANAGER UNIVERSE- A collection of quarterly investment returns from various investment management firms that may be subdivided by style (e.g. growth, value, core).
- MID CAP- Generally, the term refers to a company that has a market capitalization between \$2 and \$10 billion.
- NCREIF - A quarterly time series composite total rate of return measure of investment performance of a large pool of individual commercial real estate properties acquired in the private market for investment purposes only.
- NCREIF ODCE - Open End Diversified Core Equity index which consists of historical and current returns from 26 open-end commingled funds pursuing core strategy. This index is capitalization weighted, time weighted and gross of fees.
- NET- Investment return accounts only for manager fees.
- PROTECTING FLORIDA INVESTMENT ACT (PFIA) - SBA publishes a list of prohibited investments (scrutinized companies).
- RATE OF RETURN- The percentage change in the value of an investment in a portfolio over a specified time period, excluding contributions.
- RISK MEASURES- Measures of the investment risk level, including beta, credit, duration, standard deviation, and others that are based on current and historical data.
- R-SQUARED- Measures how closely portfolio returns and those of the market are correlated, or how much variation in the portfolio returns may be explained by the market. An R2 of 40 means that 40% of the variation in a fund's price changes could be attributed to changes in the market index over the time period.



**Cocoa Beach General Employees Pension Plan**  
**Glossary**  
**December 31, 2023**

- SHARPE RATIO- The ratio of the rate of return earned above the risk-free rate to the standard deviation of the portfolio. It measures the number of units of return per unit of risk.
- SMALL CAP- Generally refers to a company with a market capitalization \$300 million to \$2 billion.
- STANDARD DEVIATION- Measure of the variability (dispersion) of historical returns around the mean. It measures how much exposure to volatility was experienced by the implementation of an investment strategy.
- SYSTEMATIC RISK- Measured by beta, it is the risk that cannot be diversified away (market risk).
- TIME WEIGHTED (TW) RETURN - A measure of the investments versus the investor. When there are no flows the TW & DOLLAR weighted (DW) returns are the same and vice versa.
- TRACKING ERROR- A measure of how closely a manager's performance tracks an index; it is the annualized standard deviation of the differences between the quarterly returns for the manager and the benchmark.
- TREYNOR RATIO- A measure of reward per unit of risk. (excess return divided by beta).
- UP AND DOWN-MARKET CAPTURE RATIO- Ratio that illustrates how a manager performed relative to the market during rising and declining market periods.
- VALUE MANAGER- Generally invests in companies that have low price-to-earnings and price-to-book ratios and/or above-average dividend yields.



**Cocoa Beach General Employees Pension Plan  
Disclosure  
December 31, 2023**

Advisory services are offered through or by Burgess Chambers and Associates, Inc., a registered SEC investment advisor.

Performance Reporting:

1. Changes in portfolio valuations due to capital gains or losses, dividends, interest, income and management fees are included in the calculation of returns. All calculations are made in accordance with generally accepted industry standards.
2. BCA complies with the Association for Investment Management and Research Performance Presentation Standards (AIMR-PPS). Returns are time-weighted rates of return (TWR).
3. Transaction costs, such as commissions, are included in the purchase cost or deducted from the proceeds or sale of a security. Differences in transaction costs may affect comparisons.
4. Individual client returns may vary due to a variety of factors, including differences in investment objectives, asset allocating and timing of investment decisions.
5. Performance reports are generated from information supplied by the client, custodian, and/or investment managers. BCA relies upon the accuracy of this data when preparing reports.
6. The market indexes do not include transaction costs, and an investment in a product similar to the index would have lower performance dependent upon costs, fees, dividend reinvestments, and timing. Benchmarks and indexes are for comparison purposes only, and there is no assurance or guarantee that such performance will be achieved.
7. Performance information prepared by third party sources may differ from that shown by BCA. These differences may be due to different methods of analysis, different time periods being evaluated, different pricing sources for securities, treatment of accrued income, treatment of cash, and different accounting procedures.
8. Certain valuations, such as alternative assets, ETF, and mutual funds, are prepared based on information from third party sources, the accuracy of such information cannot be guaranteed by BCA. Such data may include estimates and maybe subject to revision.
9. BCA relies on third party vendors to supply tax cost and market values, In the event that cost values are not available, market values may be used as a substitute.
10. BCA has not reviewed the risks of individual security holdings.
11. BCA investment reports are not indicative of future results.
12. Performance rankings are time sensitive and subject to change.
13. Mutual Fund (MF), Collective Investment Trusts (CIT) and Exchange Traded Funds (ETF) are ranked in net of fee universes.
14. Separately Managed Account (SMA) and Commingled Fund (CF) returns are ranked in gross of fees universes.
15. Composite returns are ranked in universes that encompass both gross and net of fee returns.
16. Total Fund returns are ranked in a gross of fee universe.
17. Private investments may include performance fees in addition to a management fee. For the purpose of BCA's calculations, net returns take in consideration both performance and management fees, but gross returns include management fees only.
18. For a free copy of Part II (mailed w/i 5 bus. days from request receipt) of Burgess Chambers & Associates, Inc.'s most recent Form ADV which details pertinent business procedures, please contact: 315 East Robinson Street Suite #690, Orlando, Florida 32801, 407-644-0111, [info@burgesschambers.com](mailto:info@burgesschambers.com).



***Burgess Chambers & Associates, Inc.***  
***Institutional Investment Advisors***  
***[www.burgesschambers.com](http://www.burgesschambers.com)***

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CITY OF COCOA BEACH  
GENERAL EMPLOYEES' PENSION TRUST FUND

ACTUARIAL VALUATION  
AS OF OCTOBER 1, 2023

CONTRIBUTIONS APPLICABLE TO THE  
PLAN/FISCAL YEAR ENDING SEPTEMBER 30, 2025



**FOSTER & FOSTER**  
ACTUARIES AND CONSULTANTS

January 8, 2024

Board of Trustees  
City of Cocoa Beach  
General Employees' Pension Board

Re: City of Cocoa Beach General Employees' Pension Trust Fund

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Cocoa Beach General Employees' Pension Trust Fund. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year. Use of the results for other purposes may not be applicable and may produce significantly different results.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Chapter 112, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in the valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience.

The funding percentages and unfunded accrued liability as measured based on the actuarial value of assets will differ from similar measures based on the market value of assets. These measures, as provided, are appropriate for determining the adequacy of future contributions, but may not be appropriate for the purpose of settling a portion or all of its liabilities. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the valuation, we did not perform an analysis of the potential range of such future measurements.

In conducting the valuation, we have relied on personnel, plan design, and asset information supplied by the City of Cocoa Beach, financial reports prepared by the custodian bank, and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

Additionally, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models that apply the funding rules to generate the results. All internally developed models are reviewed as part of the valuation process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

In our opinion, the Minimum Required Contribution set forth in this report constitutes a reasonable actuarially determined contribution under Actuarial Standard of Practice No. 4.


The undersigned are familiar with the immediate and long-term aspects of pension valuations, and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All of the sections of this report are considered an integral part of the actuarial opinions.


To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the City of Cocoa Beach, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the General Employees' Pension Trust Fund. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact us at 239-433-5500.

Respectfully submitted,

Foster & Foster, Inc.

By:   
\_\_\_\_\_  
Douglas H. Lozen, EA, MAAA  
Enrolled Actuary #23-7778

By:   
\_\_\_\_\_  
Tyler A. Koftan, EA, MAAA  
Enrolled Actuary #23-8685

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Enclosures

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SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Cocoa Beach General Employees' Pension Trust Fund, performed as of October 1, 2023, has been completed and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ending September 30, 2025.

The contribution requirements, compared with those set forth in the October 1, 2022 actuarial valuation report, are as follows:

Valuation Date Applicable to Fiscal Year Ending	10/1/2023 <u>9/30/2025</u>	10/1/2022 <u>9/30/2024</u>
Minimum Required Contribution % of Projected Annual Payroll	16.59%	14.19%
Member Contributions (Est.) % of Projected Annual Payroll	5.00%	5.00%
City Required Contribution <sup>2</sup> % of Projected Annual Payroll	11.59%	9.19%

<sup>1</sup> Please note that the City has access to a prepaid contribution of \$194,270.83 that is available to offset a portion of the above stated requirements for the fiscal year ending September 30, 2024.

As you can see, the Minimum Required Contribution shows an increase when compared to the results set forth in the October 1, 2022 actuarial valuation report. The increase is attributable to net unfavorable actuarial experience described in the next paragraph.

Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. Sources of actuarial loss included an investment return of 4.72% (Actuarial Asset Basis), falling short of the 7.25% assumption and an average salary increase of 14.81%, exceeding the 4.92% assumption.

## CHANGES SINCE PRIOR VALUATION

### Plan Changes

There have been no changes in benefits since the prior valuation.

### Actuarial Assumption/Method Changes

There have been no assumption or method changes since the prior valuation.

## CONTRIBUTION IMPACT OF ANNUAL CHANGES

(1) Contribution Determined as of October 1, 2022	9.19%
(2) Summary of Contribution Impact by component:	
Change in Normal Cost Rate	-0.06%
Change in Administrative Expense Percentage	-0.03%
Payroll Change Effect on UAAL Amortization	-0.27%
Investment Return (Actuarial Asset Basis)	1.09%
Salary Increases	1.08%
Active Decrements	0.23%
Inactive Mortality	0.20%
UAAL Amortization Impact from Contribution Policy	0.24%
Assumption Change	0.00%
Other	-0.08%
Total Change in Contribution	<u>2.40%</u>
(3) Contribution Determined as of October 1, 2023	11.59%

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	<u>10/1/2023</u>	<u>10/1/2022</u>
A. Participant Data		
Actives	134	135
Service Retirees	104	98
Beneficiaries	17	16
Disability Retirees	1	1
Terminated Vested	<u>45</u>	<u>34</u>
Total	301	284
Projected Annual Payroll	7,589,374	6,798,608
Annual Rate of Payments to:		
Service Retirees	1,687,879	1,542,316
Beneficiaries	272,506	260,329
Disability Retirees	32,002	32,002
Terminated Vested	208,486	150,945
B. Assets		
Actuarial Value (AVA)	31,595,092	31,198,756
Market Value (MVA)	28,953,585	27,226,970
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	16,811,159	15,757,134
Disability Benefits	1,509,614	1,524,160
Death Benefits	448,288	424,389
Vested Benefits	959,744	872,320
Refund of Contributions	125,166	104,187
Service Retirees	17,028,905	15,718,507
Beneficiaries	2,604,739	2,300,896
Disability Retirees	394,001	398,761
Terminated Vested	<u>1,081,056</u>	<u>881,365</u>
Total	40,962,672	37,981,719

C. Liabilities - (Continued)	<u>10/1/2023</u>	<u>10/1/2022</u>
Present Value of Future Salaries	59,143,409	52,563,601
Present Value of Future Member Contributions	2,957,170	2,628,180
Normal Cost (Retirement)	642,623	572,493
Normal Cost (Disability)	63,097	62,037
Normal Cost (Death)	20,361	18,923
Normal Cost (Vesting)	71,030	64,499
Normal Cost (Refunds)	<u>29,823</u>	<u>26,714</u>
Total Normal Cost	826,934	744,666
Present Value of Future Normal Costs	5,951,979	5,269,527
Accrued Liability (Retirement)	12,127,345	11,664,119
Accrued Liability (Disability)	1,019,801	1,049,258
Accrued Liability (Death)	297,194	285,440
Accrued Liability (Vesting)	421,948	381,752
Accrued Liability (Refunds)	35,704	32,094
Accrued Liability (Inactives)	<u>21,108,701</u>	<u>19,299,529</u>
Total Actuarial Accrued Liability (EAN AL)	35,010,693	32,712,192
Unfunded Actuarial Accrued Liability (UAAL)	3,415,601	1,513,436
Funded Ratio (AVA / EAN AL)	90.2%	95.4%

D. Actuarial Present Value of Accrued Benefits	<u>10/1/2023</u>	<u>10/1/2022</u>
Vested Accrued Benefits		
Inactives	21,108,701	19,299,529
Actives	7,735,022	7,737,232
Member Contributions	<u>2,279,296</u>	<u>2,281,187</u>
Total	31,123,019	29,317,948
Non-vested Accrued Benefits	<u>362,987</u>	<u>349,055</u>
Total Present Value		
Accrued Benefits (PVAB)	31,486,006	29,667,003
Funded Ratio (MVA / PVAB)	92.0%	91.8%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
Plan Experience	1,594,629	
Benefits Paid	(1,859,092)	
Interest	2,083,466	
Other	<u>0</u>	
Total	1,819,003	

Valuation Date	10/1/2023	10/1/2022
Applicable to Fiscal Year Ending	<u>9/30/2025</u>	<u>9/30/2024</u>

E. Pension Cost

Normal Cost (with interest) % of Projected Annual Payroll <sup>1</sup>	11.09	11.15
Administrative Expenses (with interest) % of Projected Annual Payroll <sup>1</sup>	0.67	0.70
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 15 years (as of 10/1/2023, with interest) % of Projected Annual Payroll <sup>1</sup>	4.83	2.34
Minimum Required Contribution % of Projected Annual Payroll <sup>1</sup>	16.59	14.19
Expected Member Contributions % of Projected Annual Payroll <sup>1</sup>	5.00	5.00
Expected City Contribution % of Projected Annual Payroll <sup>1</sup>	11.59	9.19

F. Past Contributions

Plan Years Ending:	<u>9/30/2023</u>
Total Required Contribution	846,174
City Requirement	475,695
Actual Contributions Made:	
Members (excluding buyback)	370,479
City	<u>475,695</u>
Total	846,174

G. Net Actuarial (Gain)/Loss 1,813,124

<sup>1</sup> Contributions developed as of 10/1/2023 are expressed as a percentage of Projected Annual Payroll at 10/1/2023 of \$7,589,374.

H. Schedule Illustrating the Amortization of the Total Unfunded Actuarial Accrued Liability as of:

<u>Year</u>	<u>Projected Unfunded Actuarial Accrued Liability</u>
2023	3,415,601
2024	3,276,937
2025	3,128,220
2028	2,614,195
2032	1,737,325
2035	898,317
2038	0

I. (i) 5 Year Comparison of Actual and Assumed Salary Increases

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2023	14.81%	4.92%
Year Ended	9/30/2022	13.48%	4.58%
Year Ended	9/30/2021	3.45%	4.76%
Year Ended	9/30/2020	3.73%	4.79%
Year Ended	9/30/2019	5.19%	6.70%

(ii) 5 Year Comparison of Investment Return on Market Value and Actuarial Value

		<u>Market Value</u>	<u>Actuarial Value</u>	<u>Assumed</u>
Year Ended	9/30/2023	10.28%	4.72%	7.25%
Year Ended	9/30/2022	-18.96%	3.15%	7.25%
Year Ended	9/30/2021	20.86%	10.78%	7.75%
Year Ended	9/30/2020	11.35%	8.54%	7.75%
Year Ended	9/30/2019	3.79%	8.04%	7.75%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2023	\$7,589,374
	10/1/2013	4,830,141
(b) Total Increase		57.13%
(c) Number of Years		10.00
(d) Average Annual Rate		4.62%

STATEMENT BY ENROLLED ACTUARY

This actuarial valuation was prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.



Douglas H. Lozen, EA, MAAA  
Enrolled Actuary #23-7778

Please let us know when the report is approved by the Board and unless otherwise directed we will provide a copy of the report to the following office to comply with Chapter 112 Florida Statutes:

Mr. Keith Brinkman  
Bureau of Local  
Retirement Systems  
Post Office Box 9000  
Tallahassee, FL 32315-9000

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

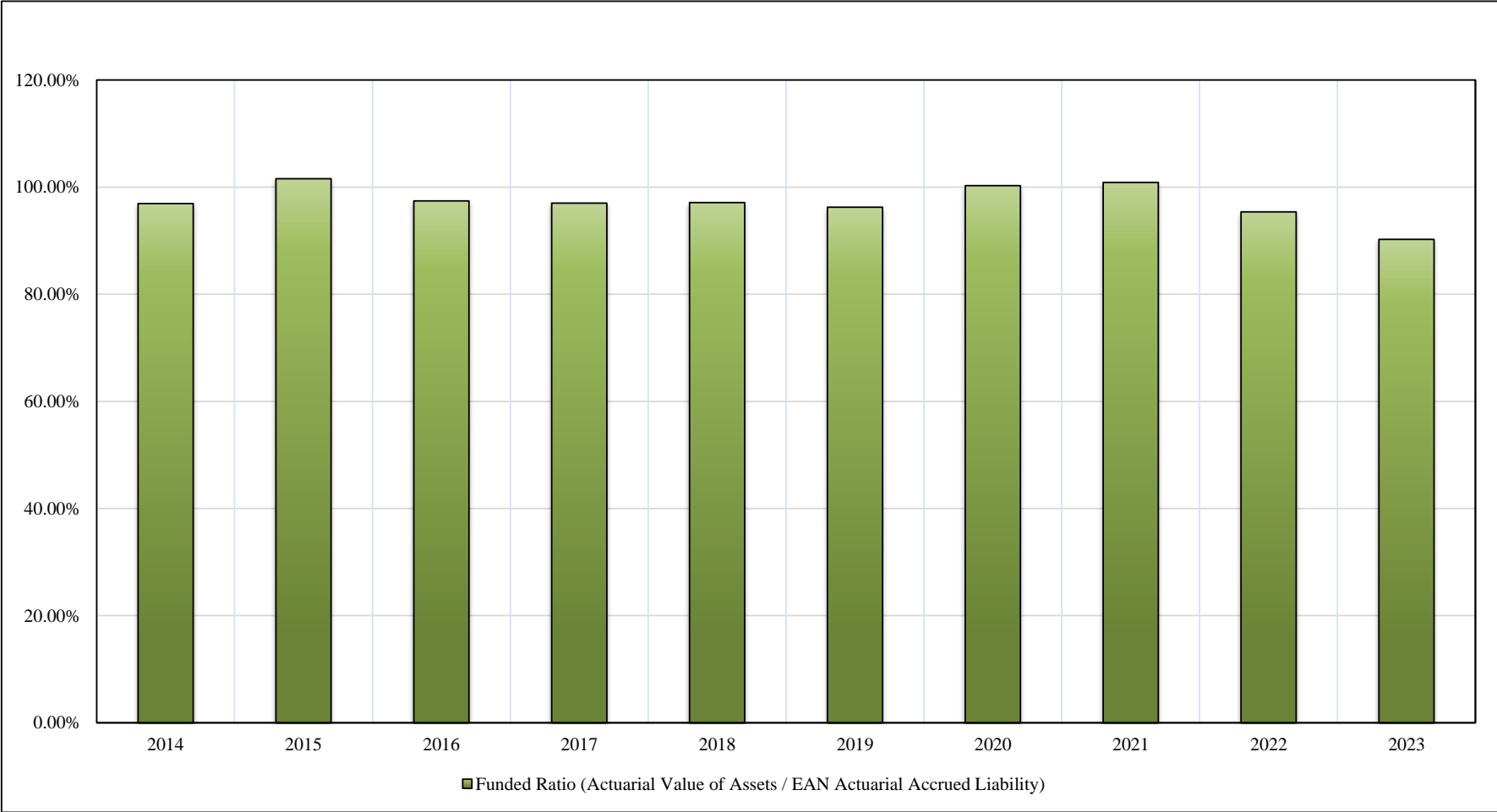
(1) Unfunded Actuarial Accrued Liability as of October 1, 2022	\$1,513,436
(2) Sponsor Normal Cost developed as of October 1, 2022	404,736
(3) Expected administrative expenses for the year ended September 30, 2023	46,850
(4) Expected interest on (1), (2) and (3)	140,766
(5) Sponsor contributions to the System during the year ended September 30, 2023	475,695
(6) Expected interest on (5)	27,616
(7) Expected Unfunded Actuarial Accrued Liability as of September 30, 2023 (1)+(2)+(3)+(4)-(5)-(6)	1,602,477
(8) Change to UAAL due to Assumption Change	0
(9) Change to UAAL due to Actuarial (Gain)/Loss	1,813,124
(10) Unfunded Actuarial Accrued Liability as of October 1, 2023	3,415,601

<u>Type of Base</u>	<u>Date Established</u>	<u>Years Remaining</u>	<u>10/1/2023 Amount</u>	<u>Amortization Amount</u>
Consolidation Base	10/1/2021	13	(363,680)	(41,150)
Actuarial Loss	10/1/2022	14	1,966,157	212,776
Actuarial Loss	10/1/2023	15	1,813,124	188,556
			3,415,601	360,182

## DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1) Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2022	\$1,513,436
(2) Expected UAAL as of October 1, 2023	1,602,477
(3) Summary of Actuarial (Gain)/Loss, by component:	
Investment Return (Actuarial Asset Basis)	780,114
Salary Increases	775,007
Active Decrements	161,373
Inactive Mortality	144,903
Other	<u>(48,273)</u>
Increase in UAAL due to (Gain)/Loss	1,813,124
Assumption Changes	0
(4) Actual UAAL as of October 1, 2023	\$3,415,601

# HISTORY OF FUNDING PROGRESS



## ACTUARIAL ASSUMPTIONS AND METHODS

### Mortality Rate

#### *Healthy Active Lives:*

**Female:** PubG.H-2010 for Employees.

**Male:** PubG.H-2010 (Below Median) for Employees, set back one year.

#### *Healthy Retiree Lives:*

**Female:** PubG.H-2010 (Below Median) for Healthy Retirees.

**Male:** PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

#### *Beneficiary Lives:*

**Female:** PubG.H-2010 (Below Median) for Healthy Retirees.

**Male:** PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

#### *Disabled Lives:*

PubG.H-2010 for Disabled Retirees, set forward three years.

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

The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for non-special-risk employees, with appropriate adjustments made based on plan demographics.

### Interest Rate

7.25% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.

### Salary Increases

See table later in this section. This assumption was adopted by the Board, based on results of the November 16, 2021 Experience Study.

### Payroll Growth

None.

Administrative Expenses

\$49,685 annually, based on the average of actual expenses incurred in the prior two fiscal years.

Amortization Method

New UAAL amortization bases are amortized over 15 years; the amortization payment is subject to a minimum based on a 30-year amortization of the UAAL in order to comply with Actuarial Standard of Practice No. 4.

Bases established prior to the valuation date are adjusted proportionally to match the Expected Unfunded Actuarial Accrued Liability as of the valuation date, in order to align prior year bases with the portion of the current year UAAL associated with prior year sources.

Funding Method

Entry Age Normal Actuarial Cost Method. The following loads are applied for determining the minimum required contribution:

Interest - 1/4th of a year, based on current 7.25% assumption.

Salary - None.

Low-Default-Risk Obligation Measure

Based on the Entry Age Normal Actuarial Cost Method and an interest rate of 4.87% per year compounded annually, net of investment related expenses. This rate is consistent with the Yield to Maturity of the S&P Municipal Bond 20-Year High Grade Rate Index as of September 30, 2023. All other assumptions for the Low-Default-Risk Obligation Measure are consistent with the assumptions shown in this section unless otherwise noted.

Normal Retirement

A 25% probability for each year of Normal Retirement eligibility between ages 62-69, followed by a 100% probability for ages 70 and older.

This assumption was adopted by the Board, based on results of the November 16, 2021 Experience Study.

Early Retirement

Commencing with the earliest Early Retirement Age (52), Members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.

This assumption was reviewed and maintained by the Board, based on results of the November 16, 2021 Experience Study.

Disability Rate

See table later in this section. These rates are similar to those utilized by other municipal General Employee programs.

Termination Rate

See table later in this section. This assumption was adopted by the Board, based on results of the November 16, 2021 Experience Study.

Asset Valuation Method

The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). Over time, this may result in a de minimis bias that is above or below the Market Value of Assets.

Assumption Tables

<u>% Terminating During the Year</u>		<u>% Becoming Disabled During the Year</u>		<u>Salary Scale</u>	
<u>Service</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Service</u>	<u>Rate</u>
0	15.0%	20	0.05%	0	8.00%
1-4	12.0%	25	0.05%	1-4	6.50%
5-9	6.0%	30	0.06%	5-9	4.00%
10+	2.0%	35	0.07%	10-19	3.25%
		40	0.12%	20+	3.00%
		45	0.22%		
		50	0.43%		
		55	0.89%		
		60	1.61%		
		65	2.80%		

## GLOSSARY

Actuarial Value of Assets is the asset value used in the valuation to determine contribution requirements. It represents the plan's Market Value of Assets (see below), with adjustments according to the plan's Actuarial Asset Method. These adjustments produce a "smoothed" value that is likely to be less volatile from year to year than the Market Value of Assets.

Entry Age Normal Cost Method - Under this method, the normal cost is the sum of the individual normal costs for all active participants. For an active participant, the normal cost is the participant's normal cost accrual rate, multiplied by the participant's current compensation.

(a) The normal cost accrual rate equals:

(i) the present value of future benefits for the participant, determined as of the participant's entry age, divided by

(ii) the present value of the compensation expected to be paid to the participant for each year of the participant's anticipated future service, determined as of the participant's entry age.

(b) In calculating the present value of future compensation, the salary scale is applied both retrospectively and prospectively to estimate compensation in years prior to and subsequent to the valuation year based on the compensation used for the valuation.

(c) The accrued liability is the sum of the individual accrued liabilities for all participants and beneficiaries. A participant's accrued liability equals the present value, at the participant's attained age, of future benefits less the present value at the participant's attained age of the individual normal costs payable in the future. A beneficiary's accrued liability equals the present value, at the beneficiary's attained age, of future benefits. The unfunded accrued liability equals the total accrued liability less the actuarial value of assets.

(d) Under this method, the entry age used for each active participant is the participant's age at the time he or she would have commenced participation if the plan had always been in existence under current terms, or the age as of which he or she first earns service credits for purposes of benefit accrual under the current terms of the plan.

Market Value of Assets is the fair market value of plan assets as of the valuation date. This amount may be adjusted to produce an Actuarial Value of Assets for plan funding purposes.

Normal (Current Year's) Cost is the current year's cost for benefits yet to be funded. Under the Entry Age Normal cost method, it is determined for each participant as the present value of future benefits, determined as of the Member's entry age, amortized as a level percentage of compensation over the anticipated number of years of participation, determined as of the entry age.

Payroll Under Assumed Ret. Age is the projected annual rate of pay for the fiscal year beginning on the valuation date of all covered Members, excluding any Members who are assumed to retire with 100% probability on the valuation date.

Projected Annual Payroll is the projected annual rate of pay for the fiscal year following the fiscal year beginning on the valuation date of all covered Members.

Present Value of Benefits is the single sum value on the valuation date of all future benefits to be paid to current plan participants.

Total Annual Payroll is the projected annual rate of pay for the fiscal year beginning on the valuation date of all covered Members.

Total Required Contribution is equal to the Normal Cost plus an amount sufficient to amortize the Unfunded Accrued Liability over no more than 30 years. The required amount is adjusted for interest according to the timing of contributions during the year.

Unfunded Actuarial Accrued Liability (UAAL) is the difference between the actuarial accrued liability (described above) and the Actuarial Value of Assets. Under the Entry Age Normal Actuarial Cost Method, an actuarial gain or loss, based on actual versus expected UAAL, is determined in conjunction with each valuation of the plan.

## DISCUSSION OF RISK

ASOP No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, states that the actuary should identify risks that, in the actuary's professional judgment, may reasonably be anticipated to significantly affect the plan's future financial condition.

Throughout this report, actuarial results are determined using various actuarial assumptions. These results are based on the premise that all future plan experience will align with the plan's actuarial assumptions; however, there is no guarantee that actual plan experience will align with the plan's assumptions. It is possible that actual plan experience will differ from anticipated experience in an unfavorable manner that will negatively impact the plan's funded position.

Below are examples of ways in which plan experience can deviate from assumptions and the potential impact of that deviation. Typically, this results in an actuarial gain or loss representing the current-year financial impact on the plan's unfunded liability of the experience differing from assumptions; this gain or loss is amortized over a period of time determined by the plan's amortization method. When assumptions are selected that adequately reflect plan experience, gains and losses typically offset one another in the long term, resulting in a relatively low impact on the plan's contribution requirements associated with plan experience. When assumptions are too optimistic, losses can accumulate over time and the plan's amortization payment could potentially grow to an unmanageable level.

- Investment Return: When the rate of return on the Actuarial Value of Assets falls short of the assumption, this produces a loss representing assumed investment earnings that were not realized. Further, it is unlikely that the plan will experience a scenario that matches the assumed return in each year as capital markets can be volatile from year to year. Therefore, contribution amounts can vary in the future.
- Salary Increases: When a plan participant experiences a salary increase that was greater than assumed, this produces a loss representing the cost of an increase in anticipated plan benefits for the participant as compared to the previous year. The total gain or loss associated with salary increases for the plan is the sum of salary gains and losses for all active participants.
- Demographic Assumptions: Actuarial results take into account various potential events that could happen to a plan participant, such as retirement, termination, disability, and death. Each of these potential events is assigned a liability based on the likelihood of the event and the financial consequence of the event for the plan. Accordingly, actuarial liabilities reflect a blend of financial consequences associated with various possible outcomes (such as retirement at one of various possible ages). Once the outcome is known (e.g. the participant retires) the liability is adjusted to reflect the known outcome. This adjustment produces a gain or loss depending on whether the outcome was more or less favorable than other outcomes that could have occurred.

### Impact of Plan Maturity on Risk

For newer pension plans, most of the participants and associated liabilities are related to active members who have not yet reached retirement age. As pension plans continue in operation and active members reach retirement ages, liabilities begin to shift from being primarily related to active members to being shared amongst active and retired members. Plan maturity is a measure of the extent to which this shift has occurred. It is important to understand that plan maturity can have an impact on risk tolerance and the overall risk characteristics of the plan. For example, closed plans with a large amount of retired liability do not have as long of a time horizon to recover from losses (such as losses on investments due to lower than expected investment returns) as plans where the majority of the liability is attributable to active members. For this reason, less tolerance for investment risk may be warranted for highly mature closed plans with a substantial inactive liability. Similarly, mature closed plans paying substantial retirement benefits resulting in a small positive or net negative cash flow can be more sensitive to near term investment volatility, particularly if the size of the fund is shrinking, which can result in less assets being available for investment in the market.

To assist with determining the maturity of the plan, we have provided some relevant metrics in the table following titled “Plan Maturity Measures and Other Risk Metrics”. Highlights of this information are discussed below:

- The Support Ratio, determined as the ratio of active to inactive members, has decreased from 150.0% on October 1, 2013 to 91.8% on October 1, 2023, indicating that the plan has been maturing during the period.
- The Accrued Liability Ratio, determined as the ratio of the Inactive Accrued Liability, which is the liability associated with members who are no longer employed but are due a benefit from the plan, to the Total Accrued Liability, is 60.3%. With a plan of this maturity, losses due to lower than expected investment returns or demographic factors may result in larger increases in contribution requirements than would be needed for a less mature plan. Please note Chapter 112, Florida Statutes, requires that the plan sponsor contributes the minimum required contribution; thus, there is minimal solvency risk to the plan.
- The Funded Ratio, determined as the ratio of the Actuarial Value of Assets to the Total Accrued Liability, has increased from 89.0% on October 1, 2013 to 90.2% on October 1, 2023.
- The Net Cash Flow Ratio, determined as the ratio of the Net Cash Flow (contributions minus benefit payments and administrative expenses) to the Market Value of Assets, decreased from 1.2% on October 1, 2013 to -3.7% on October 1, 2023. The current Net Cash Flow Ratio of -3.7% indicates that contributions are not currently covering the plan's benefit payments and administrative expenses.

### Low Default-Risk Obligation Measure

ASOP No. 4, Measuring Pension Obligations and Determining Pension Plan Costs or Contributions, was revised as of December 2021 to include a “low-default-risk obligation measure” (LDROM). This liability measure is consistent with the determination of the actuarial accrued liability shown on page 8 in terms of member data, plan provisions, and assumptions/methods, under the Entry Age Normal Cost Method, except that the interest rate is tied to low-default-risk fixed income securities. The S&P Municipal Bond 20 Year High Grade Rate Index (daily rate closest to, but not later than, the measurement date) was selected to represent a current market rate of low risk but longer-term investments that could be included in a low-risk asset portfolio. The interest rate used in this valuation was 4.87%, resulting in an LDROM of \$45,253,861. The LDROM should not be considered the “correct” liability measurement; it simply shows a possible outcome if the Board elected to hold a very low risk asset portfolio. The Board actually invests the pension plan’s contributions in a diversified portfolio of stocks and bonds and other investments with the objective of maximizing investment returns at a reasonable level of risk. Consequently, the difference between the plan’s Actuarial Accrued Liability disclosed earlier in this section and the LDROM can be thought of as representing the expected taxpayer savings from investing in the plan’s diversified portfolio compared to investing only in high quality bonds.

The actuarial valuation reports the funded status and develops contributions based on the expected return of the plan’s investment portfolio. If instead, the plan switched to investing exclusively in high quality bonds, the LDROM illustrates that reported funded status would be lower (which also implies that the Actuarially Determined Contributions would be higher), perhaps significantly. Unnecessarily high contribution requirements in the near term may not be affordable and could imperil plan sustainability and benefit security.

It is important to note that the actuary has identified the risks above as the most significant risks based on the characteristics of the plan and the nature of the project, however, it is not an exhaustive list of potential risks that could be considered. Additional advanced modeling, as well as the identification of additional risks, can be provided at the request of the audience addressed on page 2 of this report.

## PLAN MATURITY MEASURES AND OTHER RISK METRICS

	<u>10/1/2023</u>	<u>10/1/2022</u>	<u>10/1/2018</u>	<u>10/1/2013</u>
<u>Support Ratio</u>				
Total Actives	134	135	131	123
Total Inactives <sup>1</sup>	146	135	111	82
Actives / Inactives <sup>1</sup>	91.8%	100.0%	118.0%	150.0%
<u>Asset Volatility Ratio</u>				
Market Value of Assets (MVA)	28,953,585	27,226,970	26,856,137	20,087,052
Total Annual Payroll	7,670,279	6,858,262	5,958,158	4,830,141
MVA / Total Annual Payroll	377.5%	397.0%	450.7%	415.9%
<u>Accrued Liability (AL) Ratio</u>				
Inactive Accrued Liability	21,108,701	19,299,529	14,510,396	9,755,056
Total Accrued Liability (EAN)	35,010,693	32,712,192	26,842,745	21,285,743
Inactive AL / Total AL	60.3%	59.0%	54.1%	45.8%
<u>Funded Ratio</u>				
Actuarial Value of Assets (AVA)	31,595,092	31,198,756	26,067,118	18,936,723
Total Accrued Liability (EAN)	35,010,693	32,712,192	26,842,745	21,285,743
AVA / Total Accrued Liability (EAN)	90.2%	95.4%	97.1%	89.0%
<u>Net Cash Flow Ratio</u>				
Net Cash Flow <sup>2</sup>	(1,059,053)	(1,044,959)	(542,316)	243,509
Market Value of Assets (MVA)	28,953,585	27,226,970	26,856,137	20,087,052
Ratio	-3.7%	-3.8%	-2.0%	1.2%

<sup>1</sup> Excludes terminated participants awaiting a refund of member contributions.

<sup>2</sup> Determined as total contributions minus benefit payments and administrative expenses.

STATEMENT OF FIDUCIARY NET POSITION  
SEPTEMBER 30, 2023

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Money Market	857,378.40	857,378.40
Cash	332.51	332.51
Total Cash and Equivalents	857,710.91	857,710.91
Total Receivable	0.00	0.00
Investments:		
U. S. Bonds and Bills	1,915,325.67	1,663,507.46
Federal Agency Guaranteed Securities	117,646.35	102,691.96
Corporate Bonds	2,958,115.75	2,577,612.91
Municipal Obligations	1,155,563.50	1,094,500.85
Equities	3,047,641.09	3,302,199.13
Mutual Funds:		
Fixed Income	5,281,817.59	5,758,621.09
Equity	13,437,443.17	13,816,247.54
Total Investments	27,913,553.12	28,315,380.94
Total Assets	28,771,264.03	29,173,091.85
 <u>LIABILITIES</u>		
Payables:		
Refunds of Member Contributions	8,528.74	8,528.74
Investment Expenses	15,476.67	15,476.67
Prepaid Member Contribution	30.62	30.62
Prepaid City Contribution	194,270.83	194,270.83
Total Liabilities	219,506.86	219,506.86
 NET POSITION RESTRICTED FOR PENSIONS	 28,551,757.17	 28,953,584.99

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2023  
Market Value Basis

ADDITIONS

Contributions:

Member	370,479.33	
City	475,695.46	

Total Contributions 846,174.79

Investment Income:

Net Realized Gain (Loss)	(210,142.89)	
Unrealized Gain (Loss)	2,328,834.58	
Net Increase in Fair Value of Investments	2,118,691.69	
Interest & Dividends	795,829.12	
Less Investment Expense <sup>1</sup>	(128,852.20)	

Net Investment Income 2,785,668.61

Total Additions 3,631,843.40

DEDUCTIONS

Distributions to Members:

Benefit Payments	1,824,256.44	
Refunds of Member Contributions	34,835.70	

Total Distributions 1,859,092.14

Administrative Expense 46,136.00

Total Deductions 1,905,228.14

Net Increase in Net Position 1,726,615.26

NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year 27,226,969.73

End of the Year 28,953,584.99

<sup>1</sup>Investment related expenses include investment advisory, custodial and performance monitoring fees.

ACTUARIAL ASSET VALUATION  
SEPTEMBER 30, 2023

Actuarial Assets for funding purposes are developed by increasing the Actuarial Assets used in the most recent actuarial valuation of the Fund by the average annual market value rate of return (net of investment related expenses) for the past four years. Actuarial Assets shall not be less than 80% nor greater than 120% of Market Value of Assets.

Details of the derivation are set forth as follows:

Plan Year End	Rate of Return <sup>1</sup>
09/30/2020	11.35%
09/30/2021	20.86%
09/30/2022	-18.96%
09/30/2023	10.28%

Annualized Rate of Return for prior four (4) years: 4.72%

(A) 10/01/2022 Actuarial Assets, including Prepaid Contributions: \$31,295,324.39

(I) Net Investment Income:

1. Interest and Dividends	795,829.12	
2. Realized Gain (Loss)	(210,142.89)	
3. Unrealized Gain (Loss)	2,328,834.58	
4. Change in Actuarial Value	(1,330,278.99)	
5. Investment Related Expenses	(128,852.20)	
Total		1,455,389.62

(B) 10/01/2023 Actuarial Assets, including Prepaid Contributions: \$31,789,393.82

Actuarial Asset Rate of Return =  $2I/(A+B-I)$ , based on Unlimited Actuarial Assets: 4.72%

10/01/2023 Limited Actuarial Assets \$31,595,092.37

10/01/2023 Market Value of Assets \$28,953,584.99

Actuarial Asset Rate of Return, based on Limited Actuarial Assets: 4.72%

Actuarial Gain/(Loss) due to Investment Return (Limited Actuarial Asset Basis) (\$780,113.50)

<sup>1</sup>Market Value Basis, net of investment related expenses.

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
 SEPTEMBER 30, 2023  
 Actuarial Asset Basis

REVENUES

Contributions:		
Member	370,479.33	
City	475,695.46	
Total Contributions		846,174.79
Earnings from Investments:		
Interest & Dividends	795,829.12	
Net Realized Gain (Loss)	(210,142.89)	
Unrealized Gain (Loss)	2,328,834.58	
Change in Actuarial Value	(1,330,278.99)	
Total Earnings and Investment Gains		1,584,241.82
EXPENDITURES		
Distributions to Members:		
Benefit Payments	1,824,256.44	
Refunds of Member Contributions	34,835.70	
Total Distributions		1,859,092.14
Expenses:		
Investment related <sup>1</sup>	128,852.20	
Administrative	46,136.00	
Total Expenses		174,988.20
Change in Net Assets for the Year		396,336.27
Net Assets Beginning of the Year		31,198,756.10
Net Assets End of the Year <sup>2</sup>		31,595,092.37

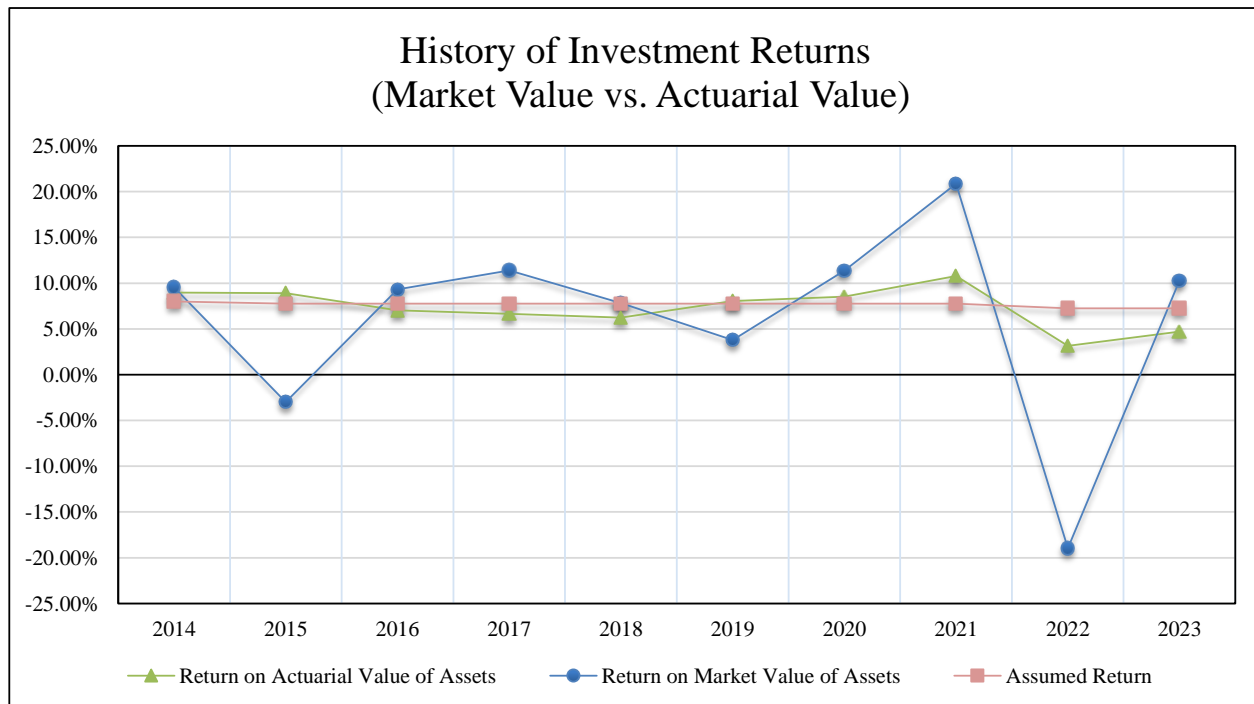
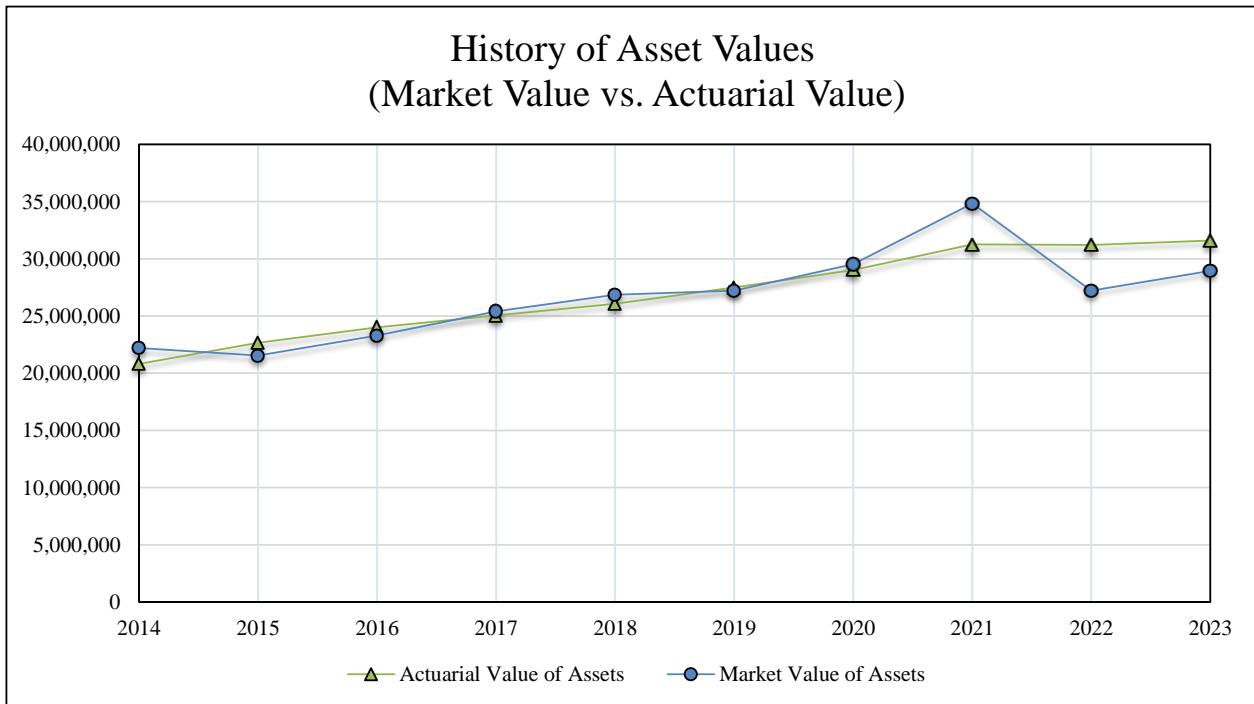
<sup>1</sup>Investment related expenses include investment advisory, custodial and performance monitoring fees.

<sup>2</sup>Net Assets may be limited for actuarial consideration.

RECONCILIATION OF CITY SHORTFALL/(PREPAID) CONTRIBUTION  
FOR THE FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2023

(1)	City Required Contribution Rate	6.42%
(2)	Pensionable Payroll Derived from Member Contributions	\$7,409,586.60
(3)	City Required Contribution (1) x (2)	475,695.46
(4)	Equals Required City Contribution for Fiscal 2023	475,695.46
(5)	Less 2022 Prepaid Contribution	(96,568.29)
(6)	Less Actual City Contributions	<u>(573,398.00)</u>
(7)	Equals City's Shortfall/(Prepaid) Contribution as of September 30, 2023	(\$194,270.83)

# HISTORY OF ASSET VALUES AND INVESTMENT RETURNS



STATISTICAL DATA

	<u>10/1/2023</u>	<u>10/1/2022</u>	<u>10/1/2021</u>	<u>10/1/2020</u>
<u>Actives</u>				
Number	134	135	128	133
Average Current Age	47.5	47.4	48.5	47.8
Average Age at Employment	39.1	38.6	39.2	38.8
Average Past Service	8.4	8.8	9.3	9.0
Average Annual Salary	\$57,241	\$50,802	\$47,113	\$46,486
<u>Service Retirees</u>				
Number	104	98	95	93
Average Current Age	70.0	69.5	69.1	68.4
Average Annual Benefit	\$16,230	\$15,738	\$15,177	\$14,929
<u>Beneficiaries</u>				
Number	17	16	15	11
Average Current Age	66.3	66.3	66.0	62.2
Average Annual Benefit	\$16,030	\$16,271	\$13,998	\$13,816
<u>Disability Retirees</u>				
Number	1	1	1	1
Average Current Age	66.3	65.3	64.3	63.3
Average Annual Benefit	\$32,002	\$32,002	\$32,002	\$32,002
<u>Terminated Vested</u>				
Number	45	34	32	26
Average Current Age <sup>1</sup>	47.7	49.1	50.3	51.4
Average Annual Benefit <sup>1</sup>	\$8,687	\$7,547	\$9,448	\$9,591

<sup>1</sup> The Average Current Age and Average Annual Benefit exclude participants awaiting a refund of contributions.

## ELIGIBILITY FOR RETIREMENT

Members are eligible for Normal Retirement based upon the following criteria:

- 1) Attained Age 62 with 5 Years of Credited Service

Members are eligible for Early Retirement based upon the following criteria:

- 1) Attained Age 52 with 5 Years of Credited Service

As of the date of this valuation, the following list of Members are eligible for:

<u>Normal Retirement</u>	<u>Early Retirement</u>	
Besst, Mark	Bokilo, Matt S.	Kempton, Pamela
Bratlie, Darryl	Brown, Joseph	Krick, Christopher
Carragino, Wayne	Brown, Michael	Langdon, Lorinda
Francis, Craig	Bunch, Kelly	Lombardi, Linda
Malzone, Peter J.	Camarillo, Pedro A.	Mann, Daniel
Manfredi, Lori L.	Castillo, John	Manning, Darryl J.
Mazzarell, Samuel	Collings, William	Matthews, Lillie K.
Mclean, Laird C.	Dowdy, Randy	Proferes, Karen
Reiland, Robin	Draycott, Patrisha	Razon, Antonio
Robertson, Alec	Edwards, Patricia	Smith, John
Thompson, Charles	Gaboury, Scott	Terry, Jack
Tuppeny, Terry	Jenkins, Donald P.	Torres, Robert S.
	Johnson, Heidi B.	Tucker, Harold J.
	Kalaghchy, Loredana	

RETIREES AND BENEFICIARIES AS OF OCTOBER 1, 2023

<u>Name</u>	<u>Retirement Status</u>	<u>Date of Retirement</u>
Adams, R. L.	Retired	2/1/2015
Aldridge Alicia	Beneficiary	2/1/2018
Amari, Mickey	Beneficiary	6/1/2018
Andes, Brian	Retired	3/1/2016
Bailey, Clarence	Retired	5/1/2003
Barber, Scott	Retired	2/1/2019
Barr, Lisa	Retired	7/1/2018
Bass, Gloria	Retired	9/1/2023
Beneficiary of John Watkins	Beneficiary	not in payment status
Berry, Donald	Retired	9/1/2023
Beyer, Timothy	Retired	6/1/2019
Blanchard, D. S.	Retired	2/1/2015
Boyer, S.	Retired	2/1/2014
Boyle, W. A.	Retired	1/1/2014
Brady, J. V.	Retired	4/1/2013
Breeden, D. A.	Retired	4/1/2014
Byron, Melissa	Retired	8/1/2022
Campbell, John	Retired	7/1/2005
Caravella, A. V.	Retired	9/1/2013
Cheedle, Kathy	Retired	6/1/2010
Clark, Eileen	Retired	11/1/2021
Connor, D.	Retired	5/1/2014
Cook, B. L.	Retired	2/1/2017
Costello, Thomas	Retired	7/1/2003
Cranfield, Chet	Retired	8/1/2022
Creecy, Lora	Beneficiary	9/1/2018
Custer, Diana L.	Retired	10/1/2018
Dascole, P.	Retired	12/1/2012
Detra Lewer	Retired	1/1/2016
Diliberto, Carol	Retired	7/1/2018
Donnan, Suzanne	Retired	10/1/2004
Drouin, Donald	Retired	9/1/2005
Edwards, Paul S.	Retired	11/1/2018
Faherty, George	Retired	8/1/2009
Flis, (Wielhouwer), Yvette	Retired	10/1/2012
Frank, Ann	Retired	6/1/2007
Furman, Milton	Retired	5/1/2009
Gaddy, John	Retired	12/1/2018
Gaines, Charles	Retired	5/14/2004
Garcia, Victor	Retired	8/1/2011
Gibney, Mercedes D.	Retired	2/1/2019
Girard, M. W.	Retired	2/1/2017
Gittens, Judith	Retired	7/1/2021
Graham, Terry	Retired	9/1/2002
Granger, Carlton	Retired	3/1/2007
Grant, D. E.	Retired	1/1/2013
Gregory, Holly	Retired	9/1/2023
Griffith, Norman	Retired	6/1/2019
Hammock, L. E.	Retired	10/1/2015
Hance, Donald	Beneficiary	9/1/2005
Hardcastle, Teressa	Retired	3/1/2020
Hart, Dennis	Retired	12/1/2001
Henry, G.	Retired	3/1/2018
Herron	Retired	12/1/2011
Hoff, Jon	Retired	8/1/2020
Holland, C.	Retired	11/1/2017
Hoover, D. P.	Retired	10/1/2016
Hougesen	Retired	11/1/2011
Hunsinger, R.	Retired	4/1/2015
Hutson	Retired	6/1/2012
Jones, Peggy	Retired	5/1/2011
Joseph Hoffkins	Retired	3/1/2020
Karageanes, Peter	Disabled	4/1/2010

RETIREES AND BENEFICIARIES AS OF OCTOBER 1, 2023

<u>Name</u>	<u>Retirement Status</u>	<u>Date of Retirement</u>
Killgore, Ken	Retired	3/1/2010
Knable, Cheryl	Beneficiary	7/1/2023
Kuhns, K.	Retired	7/1/2021
Larrea, Paul	Retired	2/1/2021
Lewandowski, Steven	Retired	8/1/2021
Lindh, Richard	Retired	2/1/2009
Lindsey, Cheryl	Retired	7/1/2023
Lister, Jay	Retired	6/1/2005
Loftus, T. J.	Retired	4/1/2016
MacDonald, Frederic	Retired	6/27/2003
Mahr, S. M.	Retired	1/1/2013
Manire, D.	Retired	6/1/2015
Mark Uffelman	Retired	1/1/2010
Marple, Rodney	Retired	12/1/2021
McCaughin, Michael	Retired	3/1/2019
McGregor, Deeann	Beneficiary	8/1/2023
Miller, Mary	Beneficiary	1/1/2019
Morris, R.	Retired	7/1/2014
Mulero, Mary	Beneficiary	4/1/2002
Muster, R. H.	Retired	7/1/2017
Niles, Vivian L.	Beneficiary	12/1/2003
Noke, Brenda	Retired	1/1/2007
Perez, Orlando	Retired	1/1/2008
Price, J. G.	Retired	3/1/2016
Rawles, Ann	Retired	7/1/2003
Regan, Joanie	Retired	2/1/2020
Regan, John	Beneficiary	10/1/2010
Reilly, R.	Retired	4/1/2015
Rochon, A.	Retired	1/1/2018
Roth, R. M.	Retired	12/1/2012
Rummel, John	Retired	4/1/2022
Ryan, Susanne	Retired	6/1/2021
Sandonato	Retired	12/1/2011
Sansbury-Fike, Carol	Beneficiary	8/1/2017
Sharbuno III, Frank	Beneficiary	9/1/2020
Shelton, J. W.	Retired	2/1/2017
Sisco, Sigfredo B.	Retired	11/1/2018
Speir, Wanda	Beneficiary	11/1/2010
Spofford, Elizabeth	Beneficiary	10/1/2018
Stansfield	Retired	8/1/2012
Stephen Waggoner	Retired	5/1/2022
Stevenson, Johnnie	Retired	3/1/2023
Strong, Sr., Robert	Retired	4/1/2023
Stubenrauch, L. W.	Retired	6/1/2016
Sullivan, J. S.	Retired	1/1/2018
Teixeira, Paula	Retired	1/1/2020
Thiel, Jeff R.	Retired	9/1/2013
Turner, Mary	Retired	5/1/2023
Verma, Rajesh	Retired	9/1/2007
Wagner, Sally Howe	Beneficiary	5/1/2000
Wiles, D.	Retired	2/1/2021
Williams, Edward	Retired	7/1/2011
Williams, Sara	Retired	5/1/2019
Wnek, Lori	Retired	6/1/2022
Woodall, J.	Retired	3/1/2015
Wright, Jacqueline	Retired	7/1/2020
Wright, Jr., Glen	Retired	6/1/2011
Wright, Pamela	Retired	5/1/2007
Yelland, Deborah	Beneficiary	10/1/2009

VESTED TERMINATED MEMBERS

A. As of the date of this valuation, the following list of Vested Terminated Members are eligible for:

<u>Normal Retirement</u>	<u>Early Retirement</u>	
Wavra, J.	Bogard, D. D.	Joyce-Webb, S.
	Brasher, Karen	Lawrence, Daniel
	Dooley, Darren	Reilly, E.
	Fain, Christine	Zecman, Christina
	Havlik, Kim	

B. As of the date of this valuation, the following Vested Terminated Members are not yet eligible for Normal or Early Retirement:

<u>Member</u>	<u>Present Value of Benefit <sup>1</sup></u>
Abreu, Jennifer	21,122
Anderson, Christie	19,353
Cadle, Bobby	11,453
Catron, Hunter	8,065
Doerrfeld, C.	15,172
Farrar, Christy	10,232
Fulford, Glenn	102,374
Macvicar, G.	21,781
Maguffin, A.	37,424
Maxim, Scott	5,248
Mcclasky, J.	17,046
Musolff, H.	70,352
Reublin, Brandon	12,598
Ryan, J.	10,019

<sup>1</sup> Present value estimated as of the valuation date, deferred to the Normal Retirement Date using the valuation assumptions for mortality and interest. A formal present value calculation is recommended prior to any disbursements.

C. As of the date of this valuation, the following non-vested terminated Members have not received a refund of their accumulated Member contributions:

<u>Member</u>	<u>Accumulated Member Contributions <sup>2</sup></u>
Baumann, Matthew	338.15
Bruso, Jessica	5,588.48
Christian, Robert	1,100.68
Engelhardt, Robert	150.93
Foss, Eric	720.08
Furst, Dana	549.42
Harper, Emily	968.62
Harris, Jordan	140.38
Jennings, Stephen	72.85
Johnson, Dennis	952.59
Jones, Kelli	1,948.72
Marszal, Tiffany	455.67
Mcrae, Lacey	83.17
Mulone, Lisa	1,787.39
Oberg, Ashley	71.40
Reeves, Jory	363.12
Sawyer, Breylin	3,240.06
Theisen, Zackery	1,174.18
Tomasello Jr, Paul	50.86
Walters, J.	4,099.38
Youngblood, Christopher	210.31

<sup>2</sup> City confirmation recommended prior to distribution.

## AGE AND SERVICE DISTRIBUTION

### PAST SERVICE

AGE	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Total
15 - 19												0
20 - 24	2	2										4
25 - 29	5	3		1		3						12
30 - 34	1	1	1		1	4						8
35 - 39	1	4	1	2	2	6	2					18
40 - 44	1	2	2	2	2	3			1			13
45 - 49	5	2	1	1		1	3			1		14
50 - 54	2	5	2			3	4	2				18
55 - 59	3		1	1	1	8	2	2			2	20
60 - 64		2		1	1	4	1	3	4	4	4	24
65+								2		1		3
Total	20	21	8	8	7	32	12	9	5	6	6	134

## VALUATION PARTICIPANT RECONCILIATION

### 1. Active lives

a. Number in prior valuation 10/1/2022	135
b. Terminations	
i. Vested (partial or full) with deferred annuity	(5)
ii. Vested in refund of member contributions only	(4)
iii. Refund of member contributions or full lump sum distribution	(5)
c. Deaths	
i. Beneficiary receiving benefits	(1)
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(7)
f. Continuing participants	113
g. New entrants / Rehires	<u>21</u>
h. Total active life participants in valuation	134

### 2. Non-Active lives (including beneficiaries receiving benefits)

	Service Retirees, Vested Receiving	Receiving Death Benefits	Receiving Disability Benefits	Vested (Deferred Annuity)	Vested (Due Refund)	<u>Total</u>
a. Number prior valuation	98	16	1	20	14	149
Retired	7					7
Vested (Deferred Annuity)				5		5
Vested (Due Refund)					4	4
Hired/Terminated in Same Year					4	4
Death, With Survivor		1				1
Death, No Survivor	(1)					(1)
Disabled						0
Refund of Contributions				(1)	(1)	(2)
Rehires						0
Expired Annuities						0
Data Corrections						0
b. Number current valuation	104	17	1	24	21	167

SUMMARY OF CURRENT PLAN  
(Through Ordinance No. 1628)

<u>Effective Date of Amended Plan</u>	November 22, 2018
<u>Eligibility</u>	Full-time employees (excluding sworn police officers, or certified firefighters).
<u>Compensation</u>	Base wages and overtime payments, excluding lump sum payments of accrued unused sick, vacation, paid time off or other leave.
<u>Average Final Compensation</u>	1/12 <sup>th</sup> of the average of the annual Compensation for the 5 years immediately preceding retirement or termination.
<u>Credited Service</u>	Total years and completed months of service as a General Employee with the City.
<u>Normal Retirement</u>	
Date	Age 62 and 5 years of Credited Service.
Benefit Amount	If employed on or after 11/18/99, 2.5% of Average Final Compensation <u>times</u> Credited Service. If employed before 11/18/99, 3.0% of Average Final Compensation <u>times</u> Credited Service.
Benefit Caps	If the Member had 25 or more years of Credited Service on 12/31/98, the maximum benefit payable is 90% of Average Final Compensation. Otherwise, the maximum benefit payable is 80% of Average Final Compensation.
Form of Benefit	Life Annuity (options available).
<u>Early Retirement</u>	
Eligibility	Age 52 and 5 years of Credited Service.
Benefit	Accrued benefit, reduced 2.5% for each year that Early Retirement precedes Normal Retirement.
Form of Benefit	Life Annuity (options available).

Disability Benefit

Eligibility	Total and permanent (as determined by the Board), Member must have at least 10 years of Credited Service to be eligible.
Benefit	Benefit accrued to date of disability, reduced as for Early Retirement from date of disability to Normal Retirement Date.

Death Benefit

Pre-Retirement

Vested	Accrued benefit paid to beneficiary for life at the Member's Normal Retirement Date (unreduced) or on a reduced basis at the otherwise Early Retirement Date.
Not Vested	Refund of accumulated Member Contributions.
Post-Retirement	According to optional form of benefit selected.

Vesting

Schedule	If employed on or before 11/18/99, 10% after 1 year, plus 10% per year thereafter to 100% after 5 years of Credited Service. If employed after 11/18/99, 100% vested upon the completion of 5 years of Credited Service.
Benefit	Member will receive the vested portion of his (her) accrued benefit at the otherwise Early (reduced) or Normal Retirement Date.

Contributions

Members	5.0% of Salary.
City	Balance required to fund the Normal Cost and amortize the Unfunded Actuarial Accrued Liability over not more than 30 years.

CITY OF COCOA BEACH  
GENERAL EMPLOYEES' PENSION TRUST FUND

ACTUARIAL VALUATION  
AS OF OCTOBER 1, 2023

CONTRIBUTIONS APPLICABLE TO THE  
PLAN/FISCAL YEAR ENDING SEPTEMBER 30, 2025



**FOSTER & FOSTER**  
ACTUARIES AND CONSULTANTS

January 8, 2024

Board of Trustees  
City of Cocoa Beach  
General Employees' Pension Board

Re: City of Cocoa Beach General Employees' Pension Trust Fund

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Cocoa Beach General Employees' Pension Trust Fund. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year. Use of the results for other purposes may not be applicable and may produce significantly different results.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Chapter 112, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in the valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience.

The funding percentages and unfunded accrued liability as measured based on the actuarial value of assets will differ from similar measures based on the market value of assets. These measures, as provided, are appropriate for determining the adequacy of future contributions, but may not be appropriate for the purpose of settling a portion or all of its liabilities. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the valuation, we did not perform an analysis of the potential range of such future measurements.

In conducting the valuation, we have relied on personnel, plan design, and asset information supplied by the City of Cocoa Beach, financial reports prepared by the custodian bank, and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

Additionally, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models that apply the funding rules to generate the results. All internally developed models are reviewed as part of the valuation process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

In our opinion, the Minimum Required Contribution set forth in this report constitutes a reasonable actuarially determined contribution under Actuarial Standard of Practice No. 4.

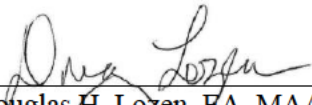
The undersigned are familiar with the immediate and long-term aspects of pension valuations, and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All of the sections of this report are considered an integral part of the actuarial opinions.


To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the City of Cocoa Beach, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the General Employees' Pension Trust Fund. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact us at 239-433-5500.

Respectfully submitted,

Foster & Foster, Inc.

By:   
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Enclosures

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SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Cocoa Beach General Employees' Pension Trust Fund, performed as of October 1, 2023, has been completed and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ending September 30, 2025.

The contribution requirements, compared with those set forth in the October 1, 2022 actuarial valuation report, are as follows:

Valuation Date Applicable to Fiscal Year Ending	10/1/2023 <u>9/30/2025</u>	10/1/2022 <u>9/30/2024</u>
Minimum Required Contribution % of Projected Annual Payroll	16.59%	14.19%
Member Contributions (Est.) % of Projected Annual Payroll	5.00%	5.00%
City Required Contribution <sup>2</sup> % of Projected Annual Payroll	11.59%	9.19%

<sup>1</sup> Please note that the City has access to a prepaid contribution of \$194,270.83 that is available to offset a portion of the above stated requirements for the fiscal year ending September 30, 2024.

As you can see, the Minimum Required Contribution shows an increase when compared to the results set forth in the October 1, 2022 actuarial valuation report. The increase is attributable to net unfavorable actuarial experience described in the next paragraph.

Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. Sources of actuarial loss included an investment return of 4.72% (Actuarial Asset Basis), falling short of the 7.25% assumption and an average salary increase of 14.81%, exceeding the 4.92% assumption.

## CHANGES SINCE PRIOR VALUATION

### Plan Changes

There have been no changes in benefits since the prior valuation.

### Actuarial Assumption/Method Changes

There have been no assumption or method changes since the prior valuation.

## CONTRIBUTION IMPACT OF ANNUAL CHANGES

(1) Contribution Determined as of October 1, 2022	9.19%
(2) Summary of Contribution Impact by component:	
Change in Normal Cost Rate	-0.06%
Change in Administrative Expense Percentage	-0.03%
Payroll Change Effect on UAAL Amortization	-0.27%
Investment Return (Actuarial Asset Basis)	1.09%
Salary Increases	1.08%
Active Decrements	0.23%
Inactive Mortality	0.20%
UAAL Amortization Impact from Contribution Policy	0.24%
Assumption Change	0.00%
Other	-0.08%
Total Change in Contribution	<u>2.40%</u>
(3) Contribution Determined as of October 1, 2023	11.59%

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	<u>10/1/2023</u>	<u>10/1/2022</u>
A. Participant Data		
Actives	134	135
Service Retirees	104	98
Beneficiaries	17	16
Disability Retirees	1	1
Terminated Vested	<u>45</u>	<u>34</u>
Total	301	284
Projected Annual Payroll	7,589,374	6,798,608
Annual Rate of Payments to:		
Service Retirees	1,687,879	1,542,316
Beneficiaries	272,506	260,329
Disability Retirees	32,002	32,002
Terminated Vested	208,486	150,945
B. Assets		
Actuarial Value (AVA)	31,595,092	31,198,756
Market Value (MVA)	28,953,585	27,226,970
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	16,811,159	15,757,134
Disability Benefits	1,509,614	1,524,160
Death Benefits	448,288	424,389
Vested Benefits	959,744	872,320
Refund of Contributions	125,166	104,187
Service Retirees	17,028,905	15,718,507
Beneficiaries	2,604,739	2,300,896
Disability Retirees	394,001	398,761
Terminated Vested	<u>1,081,056</u>	<u>881,365</u>
Total	40,962,672	37,981,719

C. Liabilities - (Continued)	<u>10/1/2023</u>	<u>10/1/2022</u>
Present Value of Future Salaries	59,143,409	52,563,601
Present Value of Future Member Contributions	2,957,170	2,628,180
Normal Cost (Retirement)	642,623	572,493
Normal Cost (Disability)	63,097	62,037
Normal Cost (Death)	20,361	18,923
Normal Cost (Vesting)	71,030	64,499
Normal Cost (Refunds)	<u>29,823</u>	<u>26,714</u>
Total Normal Cost	826,934	744,666
Present Value of Future Normal Costs	5,951,979	5,269,527
Accrued Liability (Retirement)	12,127,345	11,664,119
Accrued Liability (Disability)	1,019,801	1,049,258
Accrued Liability (Death)	297,194	285,440
Accrued Liability (Vesting)	421,948	381,752
Accrued Liability (Refunds)	35,704	32,094
Accrued Liability (Inactives)	<u>21,108,701</u>	<u>19,299,529</u>
Total Actuarial Accrued Liability (EAN AL)	35,010,693	32,712,192
Unfunded Actuarial Accrued Liability (UAAL)	3,415,601	1,513,436
Funded Ratio (AVA / EAN AL)	90.2%	95.4%

D. Actuarial Present Value of Accrued Benefits	<u>10/1/2023</u>	<u>10/1/2022</u>
Vested Accrued Benefits		
Inactives	21,108,701	19,299,529
Actives	7,735,022	7,737,232
Member Contributions	<u>2,279,296</u>	<u>2,281,187</u>
Total	31,123,019	29,317,948
Non-vested Accrued Benefits	<u>362,987</u>	<u>349,055</u>
Total Present Value		
Accrued Benefits (PVAB)	31,486,006	29,667,003
Funded Ratio (MVA / PVAB)	92.0%	91.8%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
Plan Experience	1,594,629	
Benefits Paid	(1,859,092)	
Interest	2,083,466	
Other	<u>0</u>	
Total	1,819,003	

Valuation Date	10/1/2023	10/1/2022
Applicable to Fiscal Year Ending	<u>9/30/2025</u>	<u>9/30/2024</u>

E. Pension Cost

Normal Cost (with interest) % of Projected Annual Payroll <sup>1</sup>	11.09	11.15
Administrative Expenses (with interest) % of Projected Annual Payroll <sup>1</sup>	0.67	0.70
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 15 years (as of 10/1/2023, with interest) % of Projected Annual Payroll <sup>1</sup>	4.83	2.34
Minimum Required Contribution % of Projected Annual Payroll <sup>1</sup>	16.59	14.19
Expected Member Contributions % of Projected Annual Payroll <sup>1</sup>	5.00	5.00
Expected City Contribution % of Projected Annual Payroll <sup>1</sup>	11.59	9.19

F. Past Contributions

Plan Years Ending:	<u>9/30/2023</u>
Total Required Contribution	846,174
City Requirement	475,695
Actual Contributions Made:	
Members (excluding buyback)	370,479
City	<u>475,695</u>
Total	846,174

G. Net Actuarial (Gain)/Loss 1,813,124

<sup>1</sup> Contributions developed as of 10/1/2023 are expressed as a percentage of Projected Annual Payroll at 10/1/2023 of \$7,589,374.

H. Schedule Illustrating the Amortization of the Total Unfunded Actuarial Accrued Liability as of:

<u>Year</u>	<u>Projected Unfunded Actuarial Accrued Liability</u>
2023	3,415,601
2024	3,276,937
2025	3,128,220
2028	2,614,195
2032	1,737,325
2035	898,317
2038	0

I. (i) 5 Year Comparison of Actual and Assumed Salary Increases

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2023	14.81%	4.92%
Year Ended	9/30/2022	13.48%	4.58%
Year Ended	9/30/2021	3.45%	4.76%
Year Ended	9/30/2020	3.73%	4.79%
Year Ended	9/30/2019	5.19%	6.70%

(ii) 5 Year Comparison of Investment Return on Market Value and Actuarial Value

		<u>Market Value</u>	<u>Actuarial Value</u>	<u>Assumed</u>
Year Ended	9/30/2023	10.28%	4.72%	7.25%
Year Ended	9/30/2022	-18.96%	3.15%	7.25%
Year Ended	9/30/2021	20.86%	10.78%	7.75%
Year Ended	9/30/2020	11.35%	8.54%	7.75%
Year Ended	9/30/2019	3.79%	8.04%	7.75%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2023	\$7,589,374
	10/1/2013	4,830,141
(b) Total Increase		57.13%
(c) Number of Years		10.00
(d) Average Annual Rate		4.62%

STATEMENT BY ENROLLED ACTUARY

This actuarial valuation was prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.



Douglas H. Lozen, EA, MAAA  
Enrolled Actuary #23-7778

Please let us know when the report is approved by the Board and unless otherwise directed we will provide a copy of the report to the following office to comply with Chapter 112 Florida Statutes:

Mr. Keith Brinkman  
Bureau of Local  
Retirement Systems  
Post Office Box 9000  
Tallahassee, FL 32315-9000

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

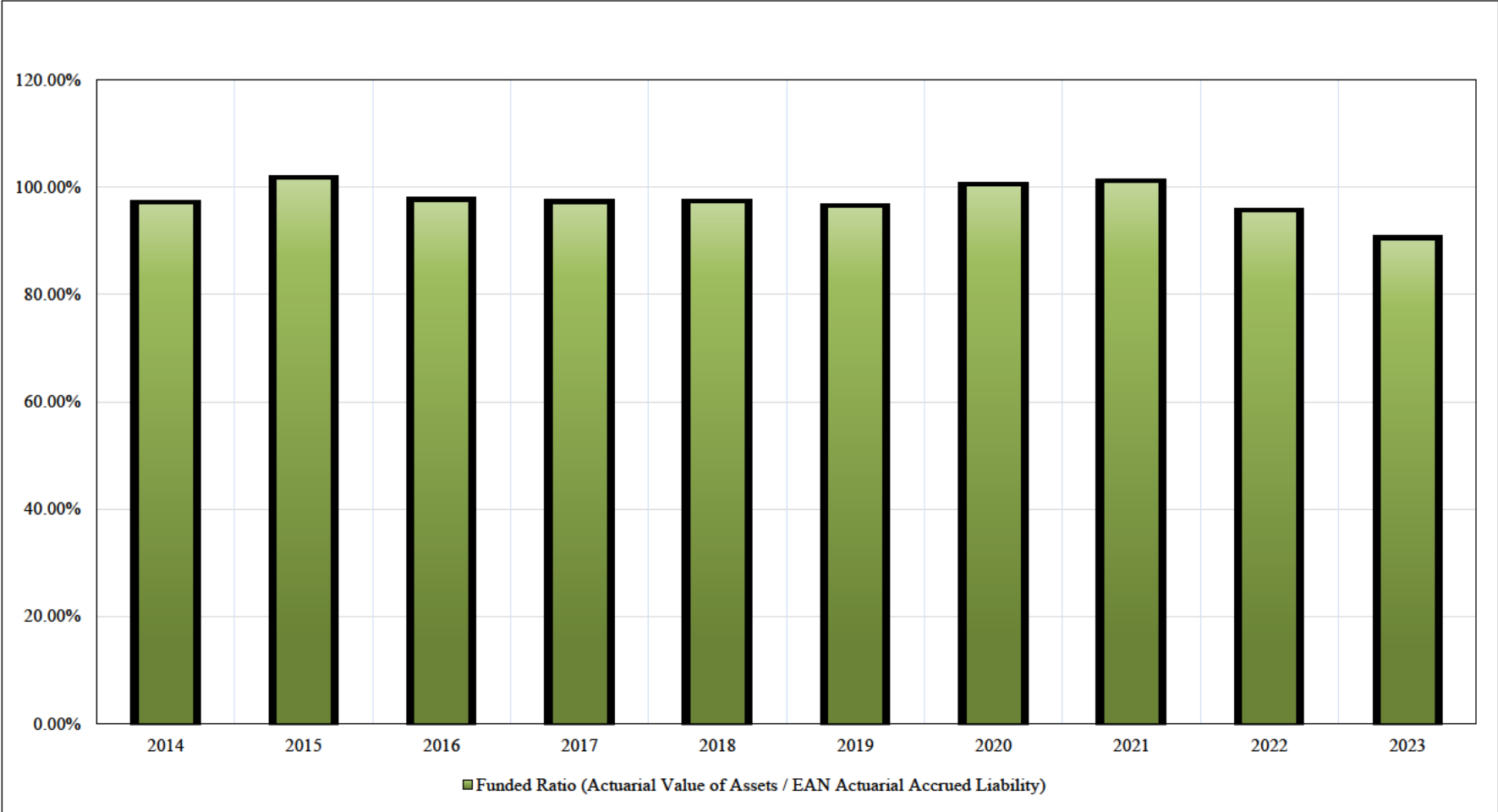
(1) Unfunded Actuarial Accrued Liability as of October 1, 2022	\$1,513,436
(2) Sponsor Normal Cost developed as of October 1, 2022	404,736
(3) Expected administrative expenses for the year ended September 30, 2023	46,850
(4) Expected interest on (1), (2) and (3)	140,766
(5) Sponsor contributions to the System during the year ended September 30, 2023	475,695
(6) Expected interest on (5)	27,616
(7) Expected Unfunded Actuarial Accrued Liability as of September 30, 2023 (1)+(2)+(3)+(4)-(5)-(6)	1,602,477
(8) Change to UAAL due to Assumption Change	0
(9) Change to UAAL due to Actuarial (Gain)/Loss	1,813,124
(10) Unfunded Actuarial Accrued Liability as of October 1, 2023	3,415,601

<u>Type of Base</u>	<u>Date Established</u>	<u>Years Remaining</u>	<u>10/1/2023 Amount</u>	<u>Amortization Amount</u>
Consolidation Base	10/1/2021	13	(363,680)	(41,150)
Actuarial Loss	10/1/2022	14	1,966,157	212,776
Actuarial Loss	10/1/2023	15	1,813,124	188,556
			3,415,601	360,182

## DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1) Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2022	\$1,513,436
(2) Expected UAAL as of October 1, 2023	1,602,477
(3) Summary of Actuarial (Gain)/Loss, by component:	
Investment Return (Actuarial Asset Basis)	780,114
Salary Increases	775,007
Active Decrements	161,373
Inactive Mortality	144,903
Other	<u>(48,273)</u>
Increase in UAAL due to (Gain)/Loss	1,813,124
Assumption Changes	0
(4) Actual UAAL as of October 1, 2023	\$3,415,601

# HISTORY OF FUNDING PROGRESS



## ACTUARIAL ASSUMPTIONS AND METHODS

### Mortality Rate

#### *Healthy Active Lives:*

**Female:** PubG.H-2010 for Employees.

**Male:** PubG.H-2010 (Below Median) for Employees, set back one year.

#### *Healthy Retiree Lives:*

**Female:** PubG.H-2010 (Below Median) for Healthy Retirees.

**Male:** PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

#### *Beneficiary Lives:*

**Female:** PubG.H-2010 (Below Median) for Healthy Retirees.

**Male:** PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

#### *Disabled Lives:*

PubG.H-2010 for Disabled Retirees, set forward three years.

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

The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for non-special-risk employees, with appropriate adjustments made based on plan demographics.

### Interest Rate

7.25% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.

### Salary Increases

See table later in this section. This assumption was adopted by the Board, based on results of the November 16, 2021 Experience Study.

### Payroll Growth

None.

Administrative Expenses

\$49,685 annually, based on the average of actual expenses incurred in the prior two fiscal years.

Amortization Method

New UAAL amortization bases are amortized over 15 years; the amortization payment is subject to a minimum based on a 30-year amortization of the UAAL in order to comply with Actuarial Standard of Practice No. 4.

Bases established prior to the valuation date are adjusted proportionally to match the Expected Unfunded Actuarial Accrued Liability as of the valuation date, in order to align prior year bases with the portion of the current year UAAL associated with prior year sources.

Funding Method

Entry Age Normal Actuarial Cost Method. The following loads are applied for determining the minimum required contribution:

Interest - 1/4th of a year, based on current 7.25% assumption.

Salary - None.

Low-Default-Risk Obligation Measure

Based on the Entry Age Normal Actuarial Cost Method and an interest rate of 4.87% per year compounded annually, net of investment related expenses. This rate is consistent with the Yield to Maturity of the S&P Municipal Bond 20-Year High Grade Rate Index as of September 30, 2023. All other assumptions for the Low-Default-Risk Obligation Measure are consistent with the assumptions shown in this section unless otherwise noted.

Normal Retirement

A 25% probability for each year of Normal Retirement eligibility between ages 62-69, followed by a 100% probability for ages 70 and older.

This assumption was adopted by the Board, based on results of the November 16, 2021 Experience Study.

Early Retirement

Commencing with the earliest Early Retirement Age (52), Members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.

This assumption was reviewed and maintained by the Board, based on results of the November 16, 2021 Experience Study.

Disability Rate

See table later in this section. These rates are similar to those utilized by other municipal General Employee programs.

Termination Rate

See table later in this section. This assumption was adopted by the Board, based on results of the November 16, 2021 Experience Study.

Asset Valuation Method

The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). Over time, this may result in a de minimis bias that is above or below the Market Value of Assets.

Assumption Tables

<u>% Terminating During the Year</u>		<u>% Becoming Disabled During the Year</u>		<u>Salary Scale</u>	
<u>Service</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Service</u>	<u>Rate</u>
0	15.0%	20	0.05%	0	8.00%
1-4	12.0%	25	0.05%	1-4	6.50%
5-9	6.0%	30	0.06%	5-9	4.00%
10+	2.0%	35	0.07%	10-19	3.25%
		40	0.12%	20+	3.00%
		45	0.22%		
		50	0.43%		
		55	0.89%		
		60	1.61%		
		65	2.80%		

## GLOSSARY

Actuarial Value of Assets is the asset value used in the valuation to determine contribution requirements. It represents the plan's Market Value of Assets (see below), with adjustments according to the plan's Actuarial Asset Method. These adjustments produce a "smoothed" value that is likely to be less volatile from year to year than the Market Value of Assets.

Entry Age Normal Cost Method - Under this method, the normal cost is the sum of the individual normal costs for all active participants. For an active participant, the normal cost is the participant's normal cost accrual rate, multiplied by the participant's current compensation.

(a) The normal cost accrual rate equals:

(i) the present value of future benefits for the participant, determined as of the participant's entry age, divided by

(ii) the present value of the compensation expected to be paid to the participant for each year of the participant's anticipated future service, determined as of the participant's entry age.

(b) In calculating the present value of future compensation, the salary scale is applied both retrospectively and prospectively to estimate compensation in years prior to and subsequent to the valuation year based on the compensation used for the valuation.

(c) The accrued liability is the sum of the individual accrued liabilities for all participants and beneficiaries. A participant's accrued liability equals the present value, at the participant's attained age, of future benefits less the present value at the participant's attained age of the individual normal costs payable in the future. A beneficiary's accrued liability equals the present value, at the beneficiary's attained age, of future benefits. The unfunded accrued liability equals the total accrued liability less the actuarial value of assets.

(d) Under this method, the entry age used for each active participant is the participant's age at the time he or she would have commenced participation if the plan had always been in existence under current terms, or the age as of which he or she first earns service credits for purposes of benefit accrual under the current terms of the plan.

Market Value of Assets is the fair market value of plan assets as of the valuation date. This amount may be adjusted to produce an Actuarial Value of Assets for plan funding purposes.

Normal (Current Year's) Cost is the current year's cost for benefits yet to be funded. Under the Entry Age Normal cost method, it is determined for each participant as the present value of future benefits, determined as of the Member's entry age, amortized as a level percentage of compensation over the anticipated number of years of participation, determined as of the entry age.

Payroll Under Assumed Ret. Age is the projected annual rate of pay for the fiscal year beginning on the valuation date of all covered Members, excluding any Members who are assumed to retire with 100% probability on the valuation date.

Projected Annual Payroll is the projected annual rate of pay for the fiscal year following the fiscal year beginning on the valuation date of all covered Members.

Present Value of Benefits is the single sum value on the valuation date of all future benefits to be paid to current plan participants.

Total Annual Payroll is the projected annual rate of pay for the fiscal year beginning on the valuation date of all covered Members.

Total Required Contribution is equal to the Normal Cost plus an amount sufficient to amortize the Unfunded Accrued Liability over no more than 30 years. The required amount is adjusted for interest according to the timing of contributions during the year.

Unfunded Actuarial Accrued Liability (UAAL) is the difference between the actuarial accrued liability (described above) and the Actuarial Value of Assets. Under the Entry Age Normal Actuarial Cost Method, an actuarial gain or loss, based on actual versus expected UAAL, is determined in conjunction with each valuation of the plan.

## DISCUSSION OF RISK

ASOP No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, states that the actuary should identify risks that, in the actuary's professional judgment, may reasonably be anticipated to significantly affect the plan's future financial condition.

Throughout this report, actuarial results are determined using various actuarial assumptions. These results are based on the premise that all future plan experience will align with the plan's actuarial assumptions; however, there is no guarantee that actual plan experience will align with the plan's assumptions. It is possible that actual plan experience will differ from anticipated experience in an unfavorable manner that will negatively impact the plan's funded position.

Below are examples of ways in which plan experience can deviate from assumptions and the potential impact of that deviation. Typically, this results in an actuarial gain or loss representing the current-year financial impact on the plan's unfunded liability of the experience differing from assumptions; this gain or loss is amortized over a period of time determined by the plan's amortization method. When assumptions are selected that adequately reflect plan experience, gains and losses typically offset one another in the long term, resulting in a relatively low impact on the plan's contribution requirements associated with plan experience. When assumptions are too optimistic, losses can accumulate over time and the plan's amortization payment could potentially grow to an unmanageable level.

- Investment Return: When the rate of return on the Actuarial Value of Assets falls short of the assumption, this produces a loss representing assumed investment earnings that were not realized. Further, it is unlikely that the plan will experience a scenario that matches the assumed return in each year as capital markets can be volatile from year to year. Therefore, contribution amounts can vary in the future.
- Salary Increases: When a plan participant experiences a salary increase that was greater than assumed, this produces a loss representing the cost of an increase in anticipated plan benefits for the participant as compared to the previous year. The total gain or loss associated with salary increases for the plan is the sum of salary gains and losses for all active participants.
- Demographic Assumptions: Actuarial results take into account various potential events that could happen to a plan participant, such as retirement, termination, disability, and death. Each of these potential events is assigned a liability based on the likelihood of the event and the financial consequence of the event for the plan. Accordingly, actuarial liabilities reflect a blend of financial consequences associated with various possible outcomes (such as retirement at one of various possible ages). Once the outcome is known (e.g. the participant retires) the liability is adjusted to reflect the known outcome. This adjustment produces a gain or loss depending on whether the outcome was more or less favorable than other outcomes that could have occurred.

### Impact of Plan Maturity on Risk

For newer pension plans, most of the participants and associated liabilities are related to active members who have not yet reached retirement age. As pension plans continue in operation and active members reach retirement ages, liabilities begin to shift from being primarily related to active members to being shared amongst active and retired members. Plan maturity is a measure of the extent to which this shift has occurred. It is important to understand that plan maturity can have an impact on risk tolerance and the overall risk characteristics of the plan. For example, closed plans with a large amount of retired liability do not have as long of a time horizon to recover from losses (such as losses on investments due to lower than expected investment returns) as plans where the majority of the liability is attributable to active members. For this reason, less tolerance for investment risk may be warranted for highly mature closed plans with a substantial inactive liability. Similarly, mature closed plans paying substantial retirement benefits resulting in a small positive or net negative cash flow can be more sensitive to near term investment volatility, particularly if the size of the fund is shrinking, which can result in less assets being available for investment in the market.

To assist with determining the maturity of the plan, we have provided some relevant metrics in the table following titled “Plan Maturity Measures and Other Risk Metrics”. Highlights of this information are discussed below:

- The Support Ratio, determined as the ratio of active to inactive members, has decreased from 150.0% on October 1, 2013 to 91.8% on October 1, 2023, indicating that the plan has been maturing during the period.
- The Accrued Liability Ratio, determined as the ratio of the Inactive Accrued Liability, which is the liability associated with members who are no longer employed but are due a benefit from the plan, to the Total Accrued Liability, is 60.3%. With a plan of this maturity, losses due to lower than expected investment returns or demographic factors may result in larger increases in contribution requirements than would be needed for a less mature plan. Please note Chapter 112, Florida Statutes, requires that the plan sponsor contributes the minimum required contribution; thus, there is minimal solvency risk to the plan.
- The Funded Ratio, determined as the ratio of the Actuarial Value of Assets to the Total Accrued Liability, has increased from 89.0% on October 1, 2013 to 90.2% on October 1, 2023.
- The Net Cash Flow Ratio, determined as the ratio of the Net Cash Flow (contributions minus benefit payments and administrative expenses) to the Market Value of Assets, decreased from 1.2% on October 1, 2013 to -3.7% on October 1, 2023. The current Net Cash Flow Ratio of -3.7% indicates that contributions are not currently covering the plan's benefit payments and administrative expenses.

### Low Default-Risk Obligation Measure

ASOP No. 4, Measuring Pension Obligations and Determining Pension Plan Costs or Contributions, was revised as of December 2021 to include a “low-default-risk obligation measure” (LDROM). This liability measure is consistent with the determination of the actuarial accrued liability shown on page 8 in terms of member data, plan provisions, and assumptions/methods, under the Entry Age Normal Cost Method, except that the interest rate is tied to low-default-risk fixed income securities. The S&P Municipal Bond 20 Year High Grade Rate Index (daily rate closest to, but not later than, the measurement date) was selected to represent a current market rate of low risk but longer-term investments that could be included in a low-risk asset portfolio. The interest rate used in this valuation was 4.87%, resulting in an LDROM of \$45,253,861. The LDROM should not be considered the “correct” liability measurement; it simply shows a possible outcome if the Board elected to hold a very low risk asset portfolio. The Board actually invests the pension plan’s contributions in a diversified portfolio of stocks and bonds and other investments with the objective of maximizing investment returns at a reasonable level of risk. Consequently, the difference between the plan’s Actuarial Accrued Liability disclosed earlier in this section and the LDROM can be thought of as representing the expected taxpayer savings from investing in the plan’s diversified portfolio compared to investing only in high quality bonds.

The actuarial valuation reports the funded status and develops contributions based on the expected return of the plan’s investment portfolio. If instead, the plan switched to investing exclusively in high quality bonds, the LDROM illustrates that reported funded status would be lower (which also implies that the Actuarially Determined Contributions would be higher), perhaps significantly. Unnecessarily high contribution requirements in the near term may not be affordable and could imperil plan sustainability and benefit security.

It is important to note that the actuary has identified the risks above as the most significant risks based on the characteristics of the plan and the nature of the project, however, it is not an exhaustive list of potential risks that could be considered. Additional advanced modeling, as well as the identification of additional risks, can be provided at the request of the audience addressed on page 2 of this report.

## PLAN MATURITY MEASURES AND OTHER RISK METRICS

	<u>10/1/2023</u>	<u>10/1/2022</u>	<u>10/1/2018</u>	<u>10/1/2013</u>
<u>Support Ratio</u>				
Total Actives	134	135	131	123
Total Inactives <sup>1</sup>	146	135	111	82
Actives / Inactives <sup>1</sup>	91.8%	100.0%	118.0%	150.0%
 <u>Asset Volatility Ratio</u>				
Market Value of Assets (MVA)	28,953,585	27,226,970	26,856,137	20,087,052
Total Annual Payroll	7,670,279	6,858,262	5,958,158	4,830,141
MVA / Total Annual Payroll	377.5%	397.0%	450.7%	415.9%
 <u>Accrued Liability (AL) Ratio</u>				
Inactive Accrued Liability	21,108,701	19,299,529	14,510,396	9,755,056
Total Accrued Liability (EAN)	35,010,693	32,712,192	26,842,745	21,285,743
Inactive AL / Total AL	60.3%	59.0%	54.1%	45.8%
 <u>Funded Ratio</u>				
Actuarial Value of Assets (AVA)	31,595,092	31,198,756	26,067,118	18,936,723
Total Accrued Liability (EAN)	35,010,693	32,712,192	26,842,745	21,285,743
AVA / Total Accrued Liability (EAN)	90.2%	95.4%	97.1%	89.0%
 <u>Net Cash Flow Ratio</u>				
Net Cash Flow <sup>2</sup>	(1,059,053)	(1,044,959)	(542,316)	243,509
Market Value of Assets (MVA)	28,953,585	27,226,970	26,856,137	20,087,052
Ratio	-3.7%	-3.8%	-2.0%	1.2%

<sup>1</sup> Excludes terminated participants awaiting a refund of member contributions.

<sup>2</sup> Determined as total contributions minus benefit payments and administrative expenses.

STATEMENT OF FIDUCIARY NET POSITION  
SEPTEMBER 30, 2023

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Money Market	857,378.40	857,378.40
Cash	332.51	332.51
Total Cash and Equivalents	857,710.91	857,710.91
Total Receivable	0.00	0.00
Investments:		
U. S. Bonds and Bills	1,915,325.67	1,663,507.46
Federal Agency Guaranteed Securities	117,646.35	102,691.96
Corporate Bonds	2,958,115.75	2,577,612.91
Municipal Obligations	1,155,563.50	1,094,500.85
Equities	3,047,641.09	3,302,199.13
Mutual Funds:		
Fixed Income	5,281,817.59	5,758,621.09
Equity	13,437,443.17	13,816,247.54
Total Investments	27,913,553.12	28,315,380.94
Total Assets	28,771,264.03	29,173,091.85
 <u>LIABILITIES</u>		
Payables:		
Refunds of Member Contributions	8,528.74	8,528.74
Investment Expenses	15,476.67	15,476.67
Prepaid Member Contribution	30.62	30.62
Prepaid City Contribution	194,270.83	194,270.83
Total Liabilities	219,506.86	219,506.86
 NET POSITION RESTRICTED FOR PENSIONS	 28,551,757.17	 28,953,584.99

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2023  
Market Value Basis

ADDITIONS

Contributions:

Member	370,479.33	
City		475,695.46

Total Contributions		846,174.79
---------------------	--	------------

Investment Income:

Net Realized Gain (Loss)	(210,142.89)	
Unrealized Gain (Loss)	2,328,834.58	
Net Increase in Fair Value of Investments		2,118,691.69
Interest & Dividends		795,829.12
Less Investment Expense <sup>1</sup>		(128,852.20)

Net Investment Income		2,785,668.61
-----------------------	--	--------------

Total Additions		3,631,843.40
-----------------	--	--------------

DEDUCTIONS

Distributions to Members:

Benefit Payments	1,824,256.44	
Refunds of Member Contributions		34,835.70

Total Distributions		1,859,092.14
---------------------	--	--------------

Administrative Expense		46,136.00
------------------------	--	-----------

Total Deductions		1,905,228.14
------------------	--	--------------

Net Increase in Net Position		1,726,615.26
------------------------------	--	--------------

NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year		27,226,969.73
-----------------------	--	---------------

End of the Year		28,953,584.99
-----------------	--	---------------

<sup>1</sup>Investment related expenses include investment advisory, custodial and performance monitoring fees.

ACTUARIAL ASSET VALUATION  
SEPTEMBER 30, 2023

Actuarial Assets for funding purposes are developed by increasing the Actuarial Assets used in the most recent actuarial valuation of the Fund by the average annual market value rate of return (net of investment related expenses) for the past four years. Actuarial Assets shall not be less than 80% nor greater than 120% of Market Value of Assets.

Details of the derivation are set forth as follows:

Plan Year End	Rate of Return <sup>1</sup>
09/30/2020	11.35%
09/30/2021	20.86%
09/30/2022	-18.96%
09/30/2023	10.28%

Annualized Rate of Return for prior four (4) years: 4.72%

(A) 10/01/2022 Actuarial Assets, including Prepaid Contributions: \$31,295,324.39

(I) Net Investment Income:

1. Interest and Dividends	795,829.12	
2. Realized Gain (Loss)	(210,142.89)	
3. Unrealized Gain (Loss)	2,328,834.58	
4. Change in Actuarial Value	(1,330,278.99)	
5. Investment Related Expenses	(128,852.20)	
Total		1,455,389.62

(B) 10/01/2023 Actuarial Assets, including Prepaid Contributions: \$31,789,393.82

Actuarial Asset Rate of Return =  $2I/(A+B-I)$ , based on Unlimited Actuarial Assets: 4.72%

10/01/2023 Limited Actuarial Assets \$31,595,092.37

10/01/2023 Market Value of Assets \$28,953,584.99

Actuarial Asset Rate of Return, based on Limited Actuarial Assets: 4.72%

Actuarial Gain/(Loss) due to Investment Return (Limited Actuarial Asset Basis) (\$780,113.50)

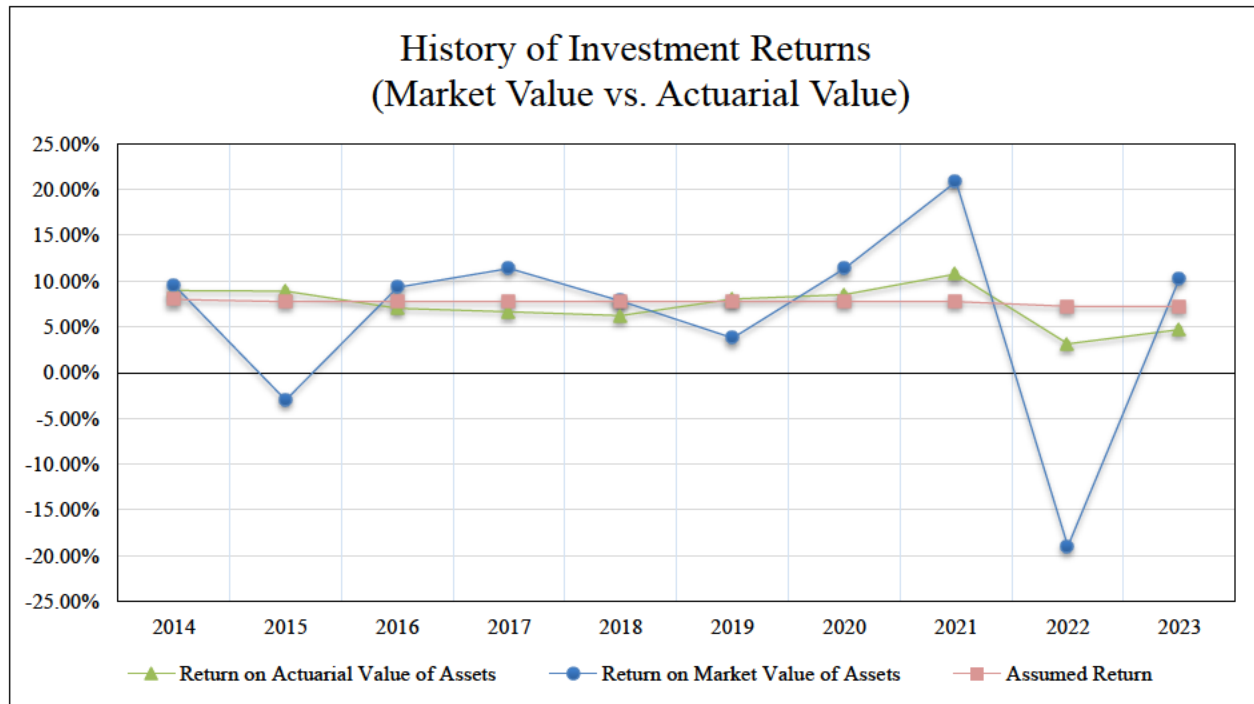
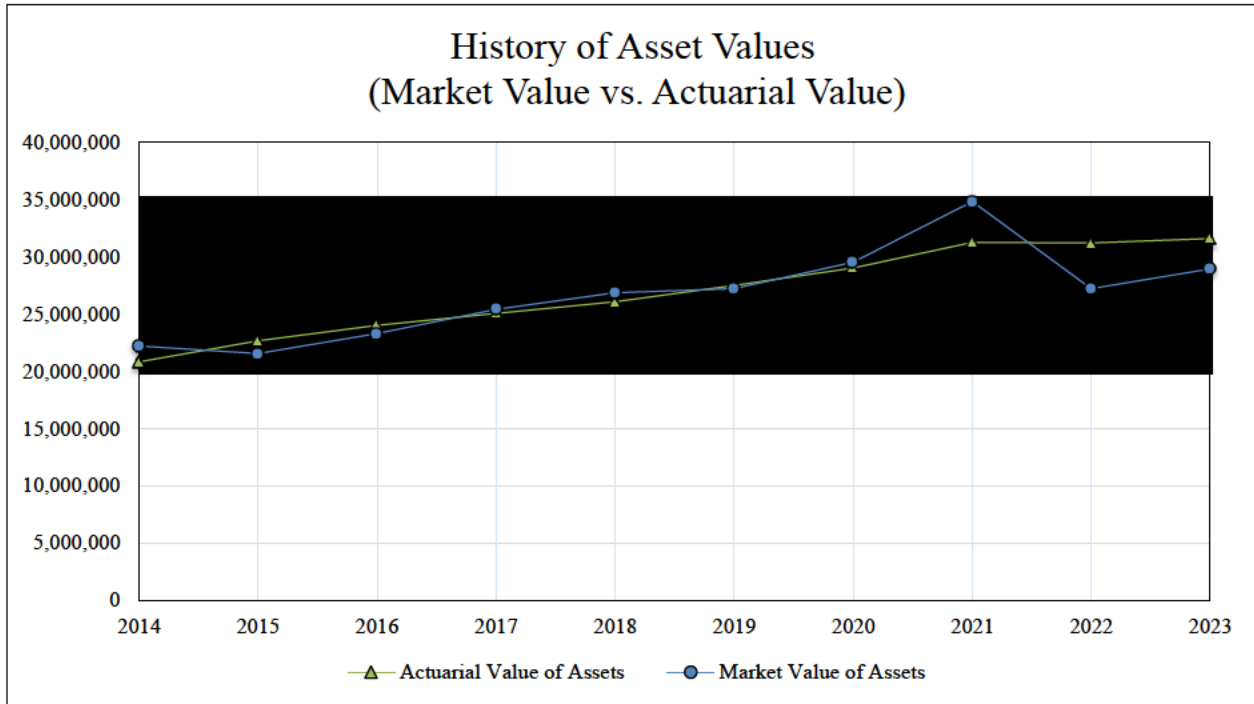
<sup>1</sup>Market Value Basis, net of investment related expenses.



RECONCILIATION OF CITY SHORTFALL/(PREPAID) CONTRIBUTION  
FOR THE FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2023

(1)	City Required Contribution Rate	6.42%
(2)	Pensionable Payroll Derived from Member Contributions	\$7,409,586.60
(3)	City Required Contribution (1) x (2)	475,695.46
(4)	Equals Required City Contribution for Fiscal 2023	475,695.46
(5)	Less 2022 Prepaid Contribution	(96,568.29)
(6)	Less Actual City Contributions	<u>(573,398.00)</u>
(7)	Equals City's Shortfall/(Prepaid) Contribution as of September 30, 2023	(\$194,270.83)

# HISTORY OF ASSET VALUES AND INVESTMENT RETURNS



STATISTICAL DATA

	<u>10/1/2023</u>	<u>10/1/2022</u>	<u>10/1/2021</u>	<u>10/1/2020</u>
<u>Actives</u>				
Number	134	135	128	133
Average Current Age	47.5	47.4	48.5	47.8
Average Age at Employment	39.1	38.6	39.2	38.8
Average Past Service	8.4	8.8	9.3	9.0
Average Annual Salary	\$57,241	\$50,802	\$47,113	\$46,486
<u>Service Retirees</u>				
Number	104	98	95	93
Average Current Age	70.0	69.5	69.1	68.4
Average Annual Benefit	\$16,230	\$15,738	\$15,177	\$14,929
<u>Beneficiaries</u>				
Number	17	16	15	11
Average Current Age	66.3	66.3	66.0	62.2
Average Annual Benefit	\$16,030	\$16,271	\$13,998	\$13,816
<u>Disability Retirees</u>				
Number	1	1	1	1
Average Current Age	66.3	65.3	64.3	63.3
Average Annual Benefit	\$32,002	\$32,002	\$32,002	\$32,002
<u>Terminated Vested</u>				
Number	45	34	32	26
Average Current Age <sup>1</sup>	47.7	49.1	50.3	51.4
Average Annual Benefit <sup>1</sup>	\$8,687	\$7,547	\$9,448	\$9,591

<sup>1</sup> The Average Current Age and Average Annual Benefit exclude participants awaiting a refund of contributions.







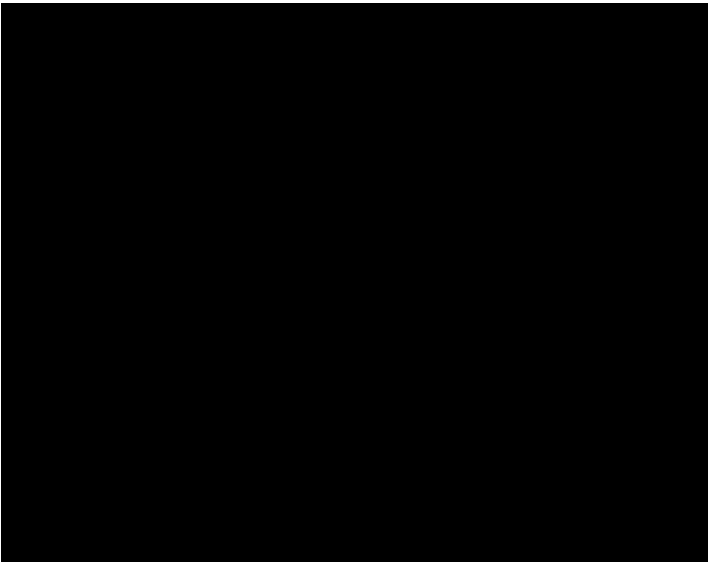
VESTED TERMINATED MEMBERS

A. As of the date of this valuation, the following list of Vested Terminated Members are eligible for:

<u>Normal Retirement</u>	<u>Early Retirement</u>
██████████	██████████ ██████████
	██████████ ██████████
	██████████ ██████████
	██████████ ██████████
	██████████ ██████████

B. As of the date of this valuation, the following Vested Terminated Members are not yet eligible for Normal or Early Retirement:

<u>Member</u>	<u>Present Value of Benefit <sup>1</sup></u>
---------------	--



<sup>1</sup> Present value estimated as of the valuation date, deferred to the Normal Retirement Date using the valuation assumptions for mortality and interest. A formal present value calculation is recommended prior to any disbursements.



## AGE AND SERVICE DISTRIBUTION

### PAST SERVICE

AGE	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Total
15 - 19												0
20 - 24	2	2										4
25 - 29	5	3		1		3						12
30 - 34	1	1	1		1	4						8
35 - 39	1	4	1	2	2	6	2					18
40 - 44	1	2	2	2	2	3			1			13
45 - 49	5	2	1	1		1	3			1		14
50 - 54	2	5	2			3	4	2				18
55 - 59	3		1	1	1	8	2	2			2	20
60 - 64		2		1	1	4	1	3	4	4	4	24
65+								2		1		3
Total	20	21	8	8	7	32	12	9	5	6	6	134

## VALUATION PARTICIPANT RECONCILIATION

### 1. Active lives

a. Number in prior valuation 10/1/2022	135
b. Terminations	
i. Vested (partial or full) with deferred annuity	(5)
ii. Vested in refund of member contributions only	(4)
iii. Refund of member contributions or full lump sum distribution	(5)
c. Deaths	
i. Beneficiary receiving benefits	(1)
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(7)
f. Continuing participants	113
g. New entrants / Rehires	<u>21</u>
h. Total active life participants in valuation	134

### 2. Non-Active lives (including beneficiaries receiving benefits)

	Service Retirees, Vested Receiving <u>Benefits</u>	Receiving Death <u>Benefits</u>	Receiving Disability <u>Benefits</u>	Vested (Deferred Annuity) <u>          </u>	Vested (Due Refund) <u>          </u>	<u>Total</u>
a. Number prior valuation	98	16	1	20	14	149
Retired	7					7
Vested (Deferred Annuity)				5		5
Vested (Due Refund)					4	4
Hired/Terminated in Same Year					4	4
Death, With Survivor		1				1
Death, No Survivor	(1)					(1)
Disabled						0
Refund of Contributions				(1)	(1)	(2)
Rehires						0
Expired Annuities						0
Data Corrections						0
b. Number current valuation	104	17	1	24	21	167

SUMMARY OF CURRENT PLAN  
(Through Ordinance No. 1628)

<u>Effective Date of Amended Plan</u>	November 22, 2018
<u>Eligibility</u>	Full-time employees (excluding sworn police officers, or certified firefighters).
<u>Compensation</u>	Base wages and overtime payments, excluding lump sum payments of accrued unused sick, vacation, paid time off or other leave.
<u>Average Final Compensation</u>	1/12 <sup>th</sup> of the average of the annual Compensation for the 5 years immediately preceding retirement or termination.
<u>Credited Service</u>	Total years and completed months of service as a General Employee with the City.
<u>Normal Retirement</u>	
Date	Age 62 and 5 years of Credited Service.
Benefit Amount	If employed on or after 11/18/99, 2.5% of Average Final Compensation <u>times</u> Credited Service. If employed before 11/18/99, 3.0% of Average Final Compensation <u>times</u> Credited Service.
Benefit Caps	If the Member had 25 or more years of Credited Service on 12/31/98, the maximum benefit payable is 90% of Average Final Compensation. Otherwise, the maximum benefit payable is 80% of Average Final Compensation.
Form of Benefit	Life Annuity (options available).
<u>Early Retirement</u>	
Eligibility	Age 52 and 5 years of Credited Service.
Benefit	Accrued benefit, reduced 2.5% for each year that Early Retirement precedes Normal Retirement.
Form of Benefit	Life Annuity (options available).

Disability Benefit

Eligibility	Total and permanent (as determined by the Board), Member must have at least 10 years of Credited Service to be eligible.
Benefit	Benefit accrued to date of disability, reduced as for Early Retirement from date of disability to Normal Retirement Date.

Death Benefit

Pre-Retirement

Vested	Accrued benefit paid to beneficiary for life at the Member's Normal Retirement Date (unreduced) or on a reduced basis at the otherwise Early Retirement Date.
Not Vested	Refund of accumulated Member Contributions.
Post-Retirement	According to optional form of benefit selected.

Vesting

Schedule	If employed on or before 11/18/99, 10% after 1 year, plus 10% per year thereafter to 100% after 5 years of Credited Service. If employed after 11/18/99, 100% vested upon the completion of 5 years of Credited Service.
Benefit	Member will receive the vested portion of his (her) accrued benefit at the otherwise Early (reduced) or Normal Retirement Date.

Contributions

Members	5.0% of Salary.
City	Balance required to fund the Normal Cost and amortize the Unfunded Actuarial Accrued Liability over not more than 30 years.

**For Media Inquiries Please Contact**

John W. McAuley, CIMA  
Head of Intermediary Distribution & Marketing  
Sterling Capital Management LLC  
704.927.4109 | mcauley@sterlingcapital.com



**FOR IMMEDIATE RELEASE**

**February 1, 2024**

**Sterling Capital Management LLC to be acquired by Guardian Capital Group Limited**

CHARLOTTE, N.C., February 1, 2024 – Guardian Capital Group Limited (Guardian) (TSX:GCG) (TSX:GCG.A) announced today that it has reached an agreement under which Guardian’s wholly-owned subsidiary Guardian Capital LLC will acquire Sterling Capital Management LLC (Sterling) from Truist Financial Corporation (Truist) (NYSE: TFC).

Headquartered in Charlotte, North Carolina, Sterling traces its origins as an independent investment manager to 1970. Sterling’s rich pedigree has allowed it to expand a successful business that today has approximately \$76B in assets under management and advisement. Sterling invests on behalf of a broad range of institutional and individual investors through separate accounts, model portfolios, and commingled vehicles, including mutual funds.

The financial terms of the transaction include a payment of \$70MM on closing to purchase 100% of the equity capital of Sterling, subject to customary purchase price adjustments, and future earn-out incentives.

“We are thrilled for this new chapter for Sterling Capital and the opportunities for growth that this transition provides,” said Scott Haenni, CEO of Sterling Capital. “This path forward is a win-win-win for Sterling Capital, Guardian, and Truist, as it allows Sterling Capital to grow as an independently-managed investment management firm poised for continued long-term growth under Guardian’s strategic oversight while continuing to partner with Truist on shared relationships and opportunities. We are thankful to have found a like-minded organization in Guardian that shares our culture and values, and we are excited for our future success together.”

“We are very excited to have Sterling join the Guardian group of companies as the acquisition significantly enhances our overall scale as a global asset manager and expands our platform for future growth. Sterling’s pursuit of excellence aligns perfectly with Guardian’s commitment to investment quality and innovation. Sterling shares and complements our approach and values in addition to adding new capabilities and investment strategies that enhance our offering in the United States,” said George Mavroudis, President and Chief Executive Officer of Guardian. “We are extremely grateful that both Sterling and Truist have entrusted Guardian as their partner of choice to build on the rich traditions of both institutions. Our combined organizations share a strong common culture that prioritizes the interest of our clients and strives towards enriching lives together.”

Following the anticipated closing of the transaction in Q2, 2024 (subject to normal consents and approvals for transactions of this nature) Guardian plans to operate Sterling as a standalone entity, led by the current team of management and senior professionals, providing continuity, stability and continued excellence for Sterling clients.

Cambridge International Partners LLC served as Guardian’s financial advisors, Pryor Cashman LLP provided legal counsel to Guardian, and Cherry Bekaert LLP provide tax advice to Guardian. BofA Securities acted as exclusive financial advisor, and Davis Polk & Wardell LLP provided legal advice to Truist.

**For Media Inquiries Please Contact**

John W. McAuley, CIMA  
Head of Intermediary Distribution & Marketing  
Sterling Capital Management LLC  
704.927.4109 [jmcauley@sterlingcapital.com](mailto:jmcauley@sterlingcapital.com)

**About Sterling Capital Management LLC**

Sterling Capital Management LLC, founded in 1970, is an independently-operated subsidiary of Truist Financial Corporation. As of December 31, 2023, Sterling Capital had over \$76B in assets under management and advisement. Headquartered in Charlotte, Sterling Capital provides investment advisory services through mutual funds, separately managed accounts, model portfolios, and other commingled vehicles offered through a variety of intermediary and managed account platforms. Sterling Capital's six distinct investment teams provide a full complement of fixed income, concentrated active equity, and multi-asset solutions. Learn more at [sterlingcapital.com](https://sterlingcapital.com).

**About Guardian Capital Group Limited**

Guardian is a global investment management company servicing institutional, retail and private clients through its subsidiaries. As of September 30, 2023, Guardian had \$42B (\$56.2B CAD) of total client assets while managing a proprietary investment portfolio with a fair market value of \$1B (\$1.28B CAD). Founded in 1962, Guardian's reputation for steady growth, long-term relationships and its core values of authenticity, integrity, stability and trustworthiness have been key to its success over six decades. Its Common and Class A shares are listed on the TSX as GCG and GCG.A, respectively. To learn more about Guardian, visit [www.guardiancapital.com](https://www.guardiancapital.com).

**About Truist Financial Corporation**

Truist Financial Corporation is a purpose-driven financial services company committed to inspiring and building better lives and communities. As a leading U.S. commercial bank, Truist has leading market share in many of the high-growth markets across the country. Truist offers a wide range of products and services through our wholesale and consumer businesses, including consumer and small business banking, commercial banking, corporate and investment banking, insurance, wealth management, payments, and specialized lending businesses. Headquartered in Charlotte, North Carolina, Truist is a top-10 commercial bank with total assets of \$535B as of December 31, 2023. Truist Bank, Member FDIC. Learn more at [Truist.com](https://Truist.com).

**Important Information & Disclosures**

Investment advisory services are available through Sterling Capital Management LLC (SCM) an investment adviser registered with the U.S. Securities & Exchange Commission and an independently-operated subsidiary of Truist Financial Corporation. SCM manages customized investment portfolios, provides asset allocation analysis and offers other investment-related services to affluent individuals and businesses. Securities and other investments held in investment management or investment advisory accounts at SCM are not deposits or other obligations of Truist Financial Corporation, Truist Bank or any affiliate, are not guaranteed by Truist Bank or any other bank, are not insured by the FDIC or any other federal government agency, and are subject to investment risk, including possible loss of principal invested. SCM's preliminary assets under advisement (AUA) differs from our regulatory assets under management for which we provide continuous and regular investment management services as disclosed in our ADV. AUA generally refers to non-discretionary assets for which SCM provides advice or consultation for which SCM does not have authority to effectuate transactions. Such services include model portfolios and assets SCM advises as an outsourced Chief Investment Officer on a non-discretionary basis.

# SUGARMAN, SUSSKIND, BRASWELL & HERRERA

PROFESSIONAL ASSOCIATION  
ATTORNEYS AT LAW

Robert A. Sugarman ♦  
Howard S. Susskind  
D. Marcus Braswell, Jr.  
Pedro A. Herrera  
Kenneth R. Harrison, Sr.  
Madison J. Levine

Jose Javier Rodriguez  
David E. Robinson  
Of Counsel

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Suite 725  
Coral Gables, Florida 33134  
(305) 529-2801  
Toll Free (800) 329-2122  
Facsimile (305) 447-8115

♦ Board Certified Labor &  
Employment Lawyer

## MEMORANDUM

To: Boards of Trustees

From: Sugarman Susskind Braswell & Herrera

Date: January 29, 2024

Re: *Annual financial disclosure (Form 1) now filed only electronically*

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The 2023 Florida Legislature amended Chapter 112.3145, requiring that the annual financial disclosure Form 1 – Statement of Financial Interests be filed electronically using the Florida Ethics Commission’s Electronic Financial Disclosure Management System (EFDMS). <https://disclosure.floridaethics.gov/Account/Login>.

Form 1 is still due by July 1, 2024, and, for new trustees, within thirty days of appointment. Form 1s will no longer be filed with the County Supervisor of Elections office. The online portal is a direct filing with the Florida Commission on Ethics (“Commission”).

Information submitted through the electronic filing system is available for public inspection and copying. You are NOT required to disclose in the Form 1 any social security number; bank, mortgage, or brokerage account number; debit, charge, or credit card number; personal identification number; or taxpayer identification number.

Instructions, FAQs, and tutorials for filing are available on the EFDMS website. Additional assistance can be obtained Monday-Friday from 8:00 a.m. until 5:00 p.m. by contacting the Commission at (850)488-7864.

A sample of the 2023 e-file Form 1 due July 1, 2024, is attached.

Pension fund trustees who are not elected public officials are NOT subject to the new expanded requirement for mayors and elected members of governing bodies of municipalities to file Form 6. If you are also an elected public official, you should confer with your city attorney about any new requirements.

2023 Form 1 - Statement of Financial Interests

**General Information**

Name: DISCLOSURE FILER

Address: SAMPLE ADDRESS

County: SAMPLE COUNTY

PID SAMPLE

**AGENCY INFORMATION**

Organization	Suborganization	Title
SAMPLE	SAMPLE	SAMPLE

**Disclosure Period**

THIS STATEMENT REFLECTS YOUR FINANCIAL INTERESTS FOR CALENDAR YEAR ENDING DECEMBER 31, 2023 .

**Primary Sources of Income**

PRIMARY SOURCE OF INCOME (Over \$2,500). (Major sources of income to the reporting person)  
(If you have nothing to report, write "none" or "n/a")

Name of Source of Income	Source's Address	Description of the Source's Principal Business Activity

**Secondary Sources of Income**

SECONDARY SOURCES OF INCOME (Major customers, clients, and other sources of income to businesses owned by the reporting person) (If you have nothing to report, write "none" or "n/a")

Name of Business Entity	Name of Major Sources of Business' Income	Address of Source	Principal Business Activity of Source

**Real Property**

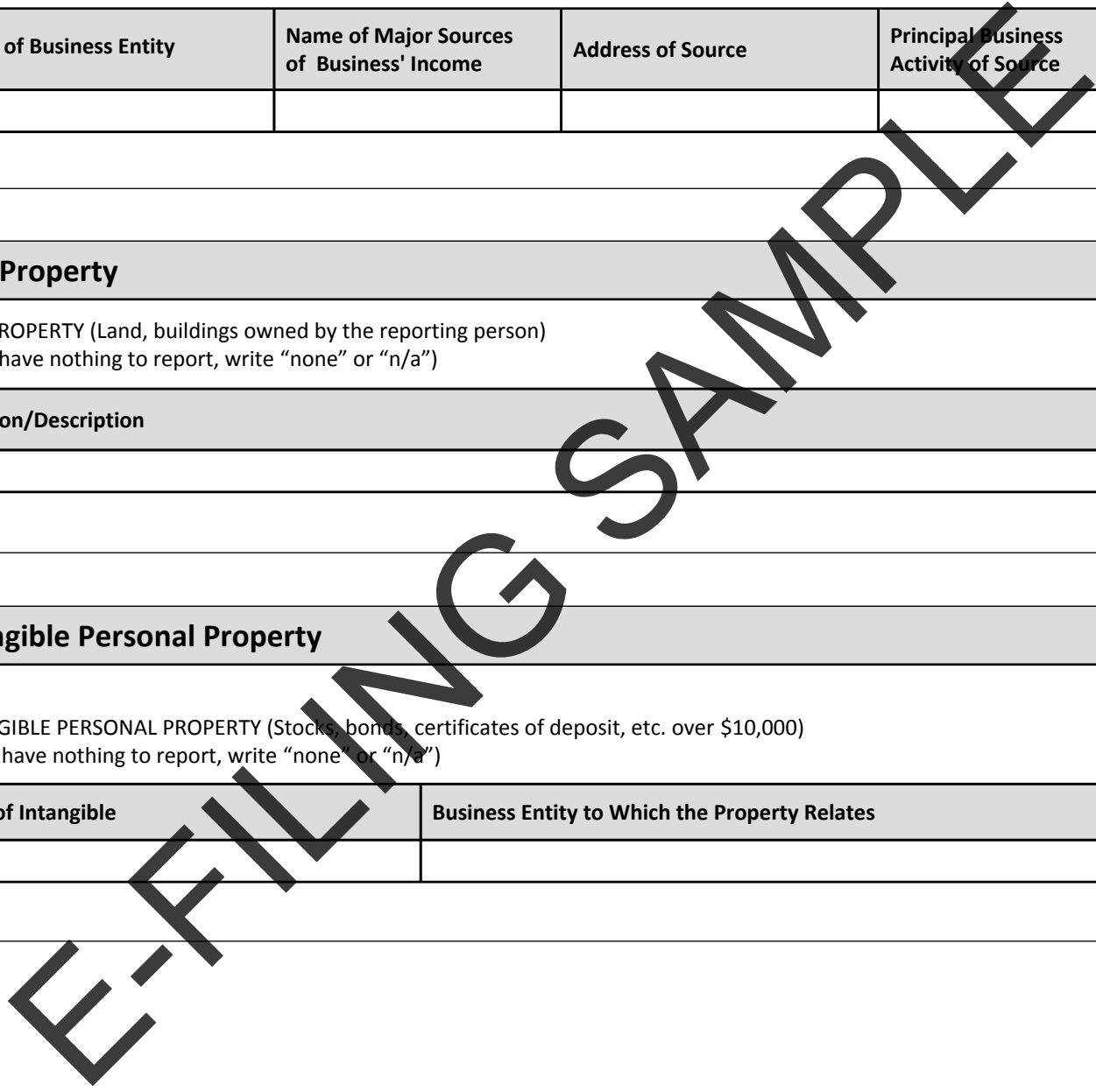
REAL PROPERTY (Land, buildings owned by the reporting person) (If you have nothing to report, write "none" or "n/a")

Location/Description

**Intangible Personal Property**

INTANGIBLE PERSONAL PROPERTY (Stocks, bonds, certificates of deposit, etc. over \$10,000) (If you have nothing to report, write "none" or "n/a")

Type of Intangible	Business Entity to Which the Property Relates



2023 Form 1 - Statement of Financial Interests

**Liabilities**

LIABILITIES (Major debts valued over \$10,000):  
(If you have nothing to report, write "none" or "n/a")

Name of Creditor	Address of Creditor

**Interests in Specified Businesses**

INTERESTS IN SPECIFIED BUSINESSES (Ownership or positions in certain types of businesses)  
(If you have nothing to report, write "none" or "n/a")

Business Entity # 1

**Training**

Based on the office or position you hold, the certification of training required under Section 112.3142, F.S., is not applicable to you for this form year.

E-FILED SAMPLE

**Signature of Filer**

Digitally signed:

**Filed with COE:**

**E-FILING SAMPLE**