



# MAULDIN & JENKINS

CPAs & ADVISORS

**CITY OF SARASOTA  
GENERAL EMPLOYEES' DEFINED BENEFIT PENSION PLAN**

**FINANCIAL STATEMENTS**

**FOR THE FISCAL YEARS ENDED  
SEPTEMBER 30, 2023 AND 2022**

**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN**

**FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

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## INDEPENDENT AUDITOR'S REPORT

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Board of Trustees  
City of Sarasota  
General Employees' Defined Benefit Pension Plan  
Sarasota, Florida

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of the City of Sarasota General Employees' Defined Benefit Pension Plan (the "Plan"), as of and for the years ended September 30, 2023 and 2022, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Plan, as of September 30, 2023 and 2022, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

***Emphasis of Matter***

As discussed in Note 1, the financial statements present only the General Employees' Defined Benefit Pension Plan and do not purport to, and do not present fairly, the financial position of the City of Sarasota, as of September 30, 2023 and 2022, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 9 and the schedule of changes in the net pension liability and related ratios, schedule of contributions and schedule of investment returns on pages 24 through 26 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by Government Auditing Standards**

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

*Mauldin & Jenkins, LLC*

Bradenton, Florida  
February 15, 2024

**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023 AND 2022  
(Unaudited)**

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The following pages represent Management's Discussion and Analysis (MD&A) of the City of Sarasota General Employees' Defined Benefit Pension Plan (the "Plan"). It depicts and reviews the financial picture and activities of the Plan as of and for the years ended September 30, 2023 and 2022.

The intent of this MD&A is to present an assessment of the Plan's financial performance to demonstrate to readers the results of financial operations more clearly. Readers should also review the financial statements, notes to the financial statements, and required supplementary information, which follows this discussion, to further enhance their understanding of the Plan's financial performance.

### **Financial Highlights**

- Plan assets exceeded its liabilities as of September 30, 2023 and 2022, by \$161.2 million and \$151.0 million, respectively, reported as net position restricted for pensions.
- The annual money-weighted rate of return on investments net of expenses per the Plan's investment manager was 11.2% and (13.6)% for the years ended September 30, 2023 and 2022, respectively.
- The Plan's objective is to meet long-term benefit obligations through contributions and investment income. As of Actuarial Valuation reports dated September 30, 2023 and 2022, the fiduciary net position as a percentage of the total pension liability using the market value of assets was 73.4% and 68.3%.
- Additions to the Plan's net position for the year ended September 30, 2023, were \$23.6 million and is comprised of contributions of approximately \$7.3 million and net investment gain of approximately \$16.3 million. Additions to the Plan's net position for the year ended September 30, 2022, were (\$17.2) million and were comprised of contributions of \$7.4 million and net investment income of approximately (\$24.6) million.
- Deductions to the Plan's net position for the years ended September 30, 2023 and 2022, were approximately \$13.5 million and \$15.6 million, respectively, and is comprised primarily of benefit payments of approximately \$13.2 million and \$15.3 million, respectively.

### **Overview of the Financial Statements**

The following discussion and analysis is intended to serve as an introduction to the Plan's financial statements. The financial statements are the: (1) Statements of Fiduciary Net Position, (2) Statements of Changes in Fiduciary Net Position, and (3) Notes to Financial Statements.

This report also contains the following "Required Supplementary Information" in addition to the financial statements: (1) Schedule of Changes in Net Pension Liability and Related Ratios, (2) Schedule of Contributions, and (3) Schedule of Investment Return.

**CITY OF SARASOTA GENERAL EMPLOYEES’  
DEFINED BENEFIT PENSION PLAN  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023 AND 2022  
(Unaudited)**

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**Financial Statements**

The financial statements contained in this report are described below.

The Statements of Fiduciary Net Position (page 10) present information on the assets and liabilities and the resulting net position restricted for pensions as of September 30, 2023 and 2022. The statements reflect the Plan’s investments, at fair value, along with cash and cash equivalents, receivables and other assets and liabilities.

The Statements of Changes in Fiduciary Net Position (page 11) present information showing the change in the Plan’s net position restricted for pensions during the years ended September 30, 2023 and 2022. These statements reflect contributions by members, the City and the County, and investment earnings along with deductions for retirement benefits, refunds and administrative expenses.

The notes to financial statements are an integral part of the financial statements and provide additional information that is essential to the comprehensive understanding of the data provided in the financial statements. These notes describe the accounting and administrative policies under which the Plan operates and provides additional levels of detail for select financial statement items (see notes to financial statements on pages 12-23 of this report).

Because of the long-term nature of a defined benefit pension plan, financial statements alone cannot provide sufficient information to properly reflect the ongoing plan perspective. Therefore, in addition to the financial statements explained above, this financial report includes three additional “Required Supplementary Information” schedules with historical trend information. The required schedules are: (1) the Schedule of Changes in Net Pension Liability and Related Ratios, (2) the Schedule of Contributions, and (3) the Schedule of Investment Returns.

**Statements of Fiduciary Net Position**

The following condensed comparative Statements of Fiduciary Net Position demonstrates the financial position of the Plan at September 30:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total assets	\$ 161,378,525	\$ 151,203,045	\$ 183,954,743
Total liabilities	<u>186,774</u>	<u>178,421</u>	<u>191,723</u>
Net position	<u>\$ 161,191,751</u>	<u>\$ 151,024,624</u>	<u>\$ 183,763,020</u>

The Plan’s total assets as of September 30, 2023 and 2022, were approximately \$161.4 million and \$151.2 million, respectively, and were mostly comprised of cash, cash equivalents and investments. The 2023 total assets increased approximately \$10.2 million from 2022, primarily due to favorable returns on the Plan’s investments. The 2022 total assets decreased approximately \$32.8 million from 2021 due primarily to unfavorable returns on the Plan’s investments.

**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023 AND 2022  
(Unaudited)**

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The Plan's total liabilities as of September 30, 2023 and 2022, were \$186,774 and \$178,421, respectively, and were mostly comprised of accounts payable. The 2023 total liabilities increased approximately \$8,353 or from 2022, due to an increase in accounts payable. The 2022 total liabilities decreased approximately \$13,302 from 2021, due to a decrease in accounts payable.

Plan assets exceed its liabilities as of September 30, 2023, by \$161.2 million. Total net position restricted for pensions increased by \$10.2 million or 6.7%. The increase was due to gains in the Plan's investment portfolio. Plan assets exceed its liabilities as of September 30, 2022, by \$151.0 million. Total net position restricted for pensions decreased \$32.7 million or 21.6%, due to losses in the Plan's investment portfolio.

**Statements of Changes in Fiduciary Net Position**

The Statements of Changes in Fiduciary Net Position displays the effect of pension Plan transactions that occurred during the year, where Additions – Deductions = Increase (Decrease) in Plan net position. The table below reflects a condensed comparative summary of the changes in net position and reflects the activities of the Plan for the years ended September 30:

	<b>2023</b>	2022
Additions		
Contributions	\$ 7,291,716	\$ 7,440,622
Net investment income (expense)	<b>16,340,057</b>	(24,579,340)
Total additions, net	<b>23,631,773</b>	(17,138,718)
Deductions		
Benefit payments	<b>13,207,320</b>	15,347,907
Administration expenses	<b>257,326</b>	251,771
Total deductions	<b>13,464,646</b>	15,599,678
Increase (decrease) in Plan net position	<b>10,167,127</b>	(32,738,396)
Net position restricted for pensions		
Beginning of year	<b>151,024,624</b>	183,763,020
End of year	<b>\$ 161,191,751</b>	\$ 151,024,624



**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023 AND 2022  
(Unaudited)**

	2022	2021
<b>Additions</b>		
Contributions	\$ 7,440,622	\$ 7,579,808
Net investment income (expense)	(24,579,340)	34,434,727
Total additions, net	<u>(17,138,718)</u>	<u>42,014,535</u>
<b>Deductions</b>		
Benefit payments	15,347,907	14,326,524
Administration expenses	251,771	260,718
Refunds of participant contributions	-	-
Total deductions	<u>15,599,678</u>	<u>14,587,242</u>
Increase (decrease) in Plan net position	(32,738,396)	27,427,293
<b>Net position restricted for pensions</b>		
Beginning of year	183,763,020	156,335,727
End of year	<u>\$ 151,024,624</u>	<u>\$ 183,763,020</u>

**Additions to Fiduciary Net Position**

The following condensed comparative summary demonstrates the additions to the Plan for the years ended September 30:

	2023	2022	Change	% Change
<b>Contributions</b>				
Plan members	\$ 465,108	\$ 462,478	\$ 2,630	0.57
City of Sarasota	6,826,608	6,930,061	(103,453)	(1.49)
Sarasota County	-	48,083	(48,083)	(100.00)
Net investment income (expense)	<u>16,340,057</u>	<u>(24,579,340)</u>	<u>40,919,397</u>	<u>(166.48)</u>
Total additions, net	<u>\$ 23,631,773</u>	<u>\$ (17,138,718)</u>	<u>\$ 40,770,491</u>	<u>(237.89)</u>

The revenues needed to finance retirement benefits are accumulated through the collection of contributions from plan members, contributions from the City and through earnings on investments (total additions). Additions for the years ended September 30, 2023 and 2022, totaled approximately \$23.6 million and (\$17.1) million, respectively.

Total additions for 2023 increased by approximately \$40.8 million or 237.89%. The increase for 2023 was due primarily to investment gains of approximately \$16.3 million, as compared to investment losses of approximately \$24.6 million in 2022. Fund performance increased to 11.2% as compared to (13.6) % in 2022. General employees hired on or after September 7, 2011, through December 1, 2021, were enrolled in a 401(a) Defined Contribution Plan. As of December 1, 2021, new general employees are members of the Florida Retirement System.

**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023 AND 2022  
(Unaudited)**

The \$151,536 net decrease in contributions from the City and County is primarily due to the change in the actuarial calculation of the employers' contribution and to no longer receiving County contributions. The City contribution was a dollar-based contribution in the amount of \$6,826,608 for 2023.

	2022	2021	Change	% Change
Contributions				
Plan members	\$ 462,478	\$ 526,151	\$ (63,673)	(12.10)
City of Sarasota	6,930,061	6,994,858	(64,797)	(0.93)
Sarasota County	48,083	58,799	(10,716)	(18.22)
Net investment income (expense)	<u>(24,579,340)</u>	<u>34,434,727</u>	<u>(59,014,067)</u>	(171.38)
Total additions, net	<u>\$ (17,138,718)</u>	<u>\$ 42,014,535</u>	<u>\$ (59,153,253)</u>	(140.79)

Total additions for 2022 decreased by \$59.1 million or 140.79%. The decrease for 2022 was due primarily to investment losses of approximately \$24.6 million, as compared to investment gains of approximately \$34.4 million in 2021. Fund performance decreased to (13.6)% as compared to 22.6% in 2021. Plan Member contributions decreased in 2022, primarily due to active Plan members retiring. General employees hired on or after September 7, 2011 through December 1, 2021 were enrolled in a 401(a) Defined Contribution Plan. As of December 1, 2021, new general employees are members of the Florida Retirement System.

The \$75,513 net decrease in contributions from the City and County is primarily due to the change in the actuarial calculation of the employers' contribution & the retirement of the one County employee who had been a member. While the City contribution was a dollar-based contribution in the amount of \$6,978,144 for 2022, the County contribution was a percentage-based contribution. For 2022, the County contribution rate was 69.84% of member payroll.

**Deductions from Fiduciary Plan Net Position**

The table below reflects a condensed comparative summary of the deductions of the Plan for the years ended September 30:

	2023	2022	Change	% Change
Benefit payments	\$ 13,207,320	\$ 15,347,907	\$ (2,140,587)	(13.95)
Administrative expenses	<u>257,326</u>	<u>251,771</u>	<u>5,555</u>	2.21
Total deductions	<u>\$ 13,464,646</u>	<u>\$ 15,599,678</u>	<u>\$ (2,135,032)</u>	(13.69)

**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023 AND 2022  
(Unaudited)**

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During 2023, the Plan distributed \$13.2 million to retired employees, beneficiaries, and DROP participants, compared to \$15.3 million in 2022. For 2023, DROP distributions were \$499,665 compared to \$1.0M in 2022. Additionally, there were no new retirees in 2023 who selected the lump sum payment option, while there were two retirees in 2022 who selected this form of payment.

	2022	2021	Change	% Change
Benefit payments	\$ 15,347,907	\$ 14,326,524	\$ 1,021,383	7.13
Administrative expenses	251,771	260,718	(8,947)	(3.43)
 Total deductions	 \$ 15,599,678	 \$ 14,587,242	 \$ 1,012,436	 6.94

During 2022, the Plan distributed \$15.3 million to retired employees, beneficiaries, and DROP participants, compared to \$14.3 million in 2021. For 2022, DROP distributions were \$1.0M compared to \$494,964 in 2021.

**Retirement System as a Whole**

During 2023, the Plan's net position experienced an increase due to investment returns. We believe the assets of the Plan will increase over the intermediate and long-term investment horizon.

During 2022, the Plan's net position experienced a decrease due to investment losses. We believe the assets of the Plan will increase over the intermediate and long-term investment horizon.

**Requests for Information**

This financial report is designed to provide a general overview of the City of Sarasota General Employees' Defined Benefit Plan's finances for those with an interest in the Plan's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Sarasota General Employees' Defined Benefit Pension Plan at 1565 1<sup>st</sup> Street, Sarasota, Florida 34236.

**CITY OF SARASOTA**  
**GENERAL EMPLOYEES' DEFINED BENEFIT PENSION PLAN**  
**STATEMENTS OF FIDUCIARY NET POSITION**  
**SEPTEMBER 30, 2023 AND 2022**

	2023	2022
<b>Assets</b>		
Cash and equivalents	\$ 540,881	\$ 452,926
Receivables		
Contributions	721,710	1,803,378
Interest and dividends	257,798	214,002
Total receivables	979,508	2,017,380
Prepaid expenses	14,976	14,976
Investments, at fair market value		
Money market funds	5,889,407	4,452,607
U.S. government securities	13,504,324	11,451,724
Mortgage-backed securities	4,114,131	7,505,441
Collateralized mortgage obligations	661,287	1,570,609
Common and preferred stock	73,558,789	67,128,765
Corporate bonds and notes	8,387,912	5,474,845
Real estate funds	17,229,818	21,085,248
Foreign stocks	28,422,778	22,190,836
Foreign bonds and notes	263,894	-
Other equities	7,810,820	7,857,688
Total investments	159,843,160	148,717,763
Total assets	\$ 161,378,525	\$ 151,203,045
<b>Liabilities</b>		
Accounts payable	\$ 186,774	\$ 178,421
Total liabilities	186,774	178,421
<b>Net position restricted for pension benefits</b>	161,191,751	151,024,624
Total liabilities and net position	\$ 161,378,525	\$ 151,203,045

See accompanying notes to financial statements.

**CITY OF SARASOTA**  
**GENERAL EMPLOYEES' DEFINED BENEFIT PENSION PLAN**  
**STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>Additions</b>		
Contributions		
Plan members	\$ 465,108	\$ 462,478
City of Sarasota	6,826,608	6,930,061
Sarasota County	-	48,083
Total contributions	<u>7,291,716</u>	<u>7,440,622</u>
Investment income		
Net increase (decrease) in fair value of investments	12,855,877	(27,976,998)
Interest and dividends	4,510,103	4,372,575
Other	22,040	37,471
Total investment income, net	<u>17,388,020</u>	<u>(23,566,952)</u>
Less investment expenses	<u>1,047,963</u>	1,012,388
Net investment income (expense)	<u>16,340,057</u>	<u>(24,579,340)</u>
Total additions, net	<u>23,631,773</u>	<u>(17,138,718)</u>
<b>Deductions</b>		
Benefits	13,207,320	15,347,907
Administrative expenses	257,326	251,771
Total deductions	<u>13,464,646</u>	<u>15,599,678</u>
<b>Net increase (decrease) in net position</b>	<b>10,167,127</b>	<b>(32,738,396)</b>
Net position restricted for pension benefits		
Beginning of year	<u>151,024,624</u>	<u>183,763,020</u>
End of year	<u>\$ 161,191,751</u>	<u>\$ 151,024,624</u>

See accompanying notes to financial statements.

**CITY OF SARASOTA GENERAL EMPLOYEES’  
DEFINED BENEFIT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The City of Sarasota General Employees’ Defined Benefit Pension Plan’s (the “Plan”) financial statements are prepared using the accrual basis of accounting. Contributions from the Plan’s members are recognized as revenues in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

**Reporting Entity**

The financial statements presented are only for the General Employees’ Defined Benefit Pension Plan of the City of Sarasota, Florida, and are not intended to present the basic financial statements of the City of Sarasota, Florida (the “City”).

The Plan is included in the City’s Annual Comprehensive Financial Report (ACFR) for the years ended September 30, 2023 and 2022. Anyone wishing further information about the City is referred to the City’s ACFR.

The Plan is a fiduciary component unit of the City which accounts for the single employer defined benefit pension plan for general employees. The provisions of the Plan provide for retirement, disability and survivor benefits.

**Financial Statement Presentation**

The Plan adopted Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans*, for the fiscal year ended September 30, 2014. In addition to other disclosures, GASB Statement No. 67 requires the following schedules be included in the Required Supplementary Information section of this report:

- A ten-year schedule of changes in the net pension liability.
- A ten-year schedule of contributions.
- A ten-year schedule of the annual money-weighted rate of return on pension plan investments.

**Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, the disclosure of contingent assets and liabilities, and the accrued actuarial liability at the date of the financial statements. Accordingly, actual results may differ from those estimates.

**CITY OF SARASOTA GENERAL EMPLOYEES’  
DEFINED BENEFIT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Method Used to Value Investments**

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Fair value of other securities is determined by the mean of the most recent bid and asked prices obtained from dealers that make markets in such securities. Investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the Plan’s Board of Trustees, with the assistance of a valuation service.

**NOTE 2. PLAN DESCRIPTION AND CONTRIBUTION INFORMATION**

**Plan Administration**

The Plan, a defined benefit single employer public employee retirement plan, is administered by the Plan’s Board of Trustees (the “Board”) in accordance with Chapter 24, Article II, of the Sarasota City Code 1986, as restated or amended. The Plan’s Board of Trustees consists of the City Auditor and Clerk, the Finance Director, four members of the Plan, and a trustee who is a legal resident of the City and appointed by the City Commission. The City Commission approves all Plan provisions and amendments.

**Plan Membership**

At September 30, 2023 and 2022, Plan membership consisted of the following:

	<b>2023</b>	2022
Inactive Plan members or beneficiaries currently receiving benefits	<b>412</b>	422
Inactive Plan members entitled to but not yet receiving benefits	<b>16</b>	16
Active Plan members	<b>88</b>	95
Total	<b>516</b>	533

**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS**

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**NOTE 2. PLAN DESCRIPTION AND CONTRIBUTION INFORMATION (CONTINUED)**

**Benefits Provided**

The Plan covers permanent, probationary, and full-time City of Sarasota employees who are not members of the Police Officers' or Firefighters' Pension Plans and were hired prior to September 7, 2011. The Plan also covers some previous City employees that became Sarasota County employees through consolidation. Members may retire as early as age 55 with ten years of service. Such a retiree would receive a retirement benefit based upon a percentage of average annual earnings during the highest four years of the last ten years of employment prior to the date of retirement multiplied by the years of service. The retirement benefit percentage increases based upon the retiree's age up to a maximum of 2.5% at age 65, or after 30 years of service regardless of age. The Plan provides disability benefits as if the participant retired at age 65, provided that ten years of credited service has been attained. If an employee separates service from the City before achieving ten years of credited service, the employee will receive their contributions plus 4.5% interest compounded annually.

**Contributions**

Plan members are required to contribute 6% of their annual pay to the Plan and the City and County contributions must be at least 8% of annual payroll. The Plan's Board has elected to use a dollar-based contribution determination method, therefore \$6,826,608 and \$6,978,144 is required to be contributed in total by the City and County for the fiscal years ended September 30, 2023 and 2022, respectively. The actuarially determined City and County contribution is the estimated amount necessary to finance the costs of benefits earned by Plan members during the year, with an additional amount to finance any unfunded accrued liability.

During the year ended September 30, 2023, contributions were made in accordance with contribution requirements determined by an actuarial valuation of the Plan as of September 30, 2021. Contributions totaling \$7,291,716 were from the following sources: the City contributed \$6,826,608, and Plan members contributed \$465,108. There were no required contributions from the County.

For the year ended September 30, 2022, contributions were made in accordance with contribution requirements determined by an actuarial valuation of the Plan as of September 30, 2020. Contributions totaling \$7,440,622 were from the following sources: the City and County contributed \$6,978,144, and Plan members contributed \$462,478.



**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS**

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**NOTE 3. DEFERRED RETIREMENT OPTION PLAN**

Effective November 20, 2000, the City approved an ordinance creating a deferred retirement option plan (DROP). In lieu of terminating employment, any member may elect to defer receipt of such service retirement pension and to participate in the DROP. A member's participation in the DROP may not exceed 60 months beginning at the time the election becomes effective. A member may participate only once. An account is established for each member participating in the DROP. The member's DROP account consists of the monthly retirement benefit the member would have received had they terminated their employment and the earnings on those amounts. The member's DROP account is credited at a rate equal to 2% per year and compounded quarterly. The accrued benefit at September 30, 2023 and 2022 was \$1,733,768 and \$1,498,994, respectively, and is included in net position restricted for pension benefits.

**NOTE 4. CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash and cash equivalents include cash on hand, amounts in demand and time deposits and short-term investments with original maturity dates within three months to the date acquired by the Plan. All of the Plan's deposits are held in qualified public depositories pursuant to Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*. Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledging level. The pledging level may range from 50% to 125% depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositor are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof.

**Investment Policy**

All investments of the Plan must be consistent with the investment policy adopted by the Plan's Board of Trustees. The policy is structured to maximize the financial return to the Plan consistent with the risks incumbent in each investment and is structured to establish and maintain an appropriate diversification of the Plan's assets. Investments of the Plan are comprised of money market funds, U.S. Government securities, U.S. Government agency securities, common and preferred stocks, corporate bonds and notes, real estate funds, and foreign stocks as authorized by Plan policies. During 2023, the investment policy was updated to comply with applicable requirements of Chapter 2023-28, Laws of Florida, including Section 112.662, along with the regulations adopted by the Department of Management Services.

**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Investment Policy (Continued)**

The following was the Plan's adopted asset allocation policy as of September 30:

Asset Class	Target Allocation	
	2023	2022
Fixed income	20.00%	20.00%
Domestic equity	50.00%	50.00%
International equity	15.00%	15.00%
Real estate	10.00%	10.00%
Infrastructure	5.00%	5.00%
	100.00%	100.00%

**Rate of Return**

For the years ended September 30, 2023 and 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 11.62% and -13.37%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. As of September 30, 2023 and 2022, the Plan had the following investments:

Portfolio/Investments	2023	
	Fair Value	Duration (Years)
Money market funds	\$ 5,889,407	Not Applicable
U.S. government securities	13,504,324	2.79
Mortgage backed securities	4,114,131	21.58
Collateralized mortgage obligations	661,287	18.34
Common and preferred stock	73,558,789	Not Applicable
Corporate bonds and notes	8,387,912	1.78
Real estate funds	17,229,818	Not Applicable
Foreign stocks	28,422,778	Not Applicable
Foreign bonds and notes	263,894	Not Applicable
Other equities	7,810,820	Not Applicable
Total cash and investments	\$ 159,843,160	

**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Rate of Return (Continued)**

Portfolio/Investments	2022 Fair Value	Duration (Years)
Money market funds	\$ 4,452,607	Not Applicable
U.S. government securities	11,451,724	5.19
Mortgage backed securities	7,505,441	25.49
Collateralized mortgage obligations	1,570,609	24.53
Common and preferred stock	67,128,765	Not Applicable
Corporate bonds and notes	5,474,845	4.36
Real estate funds	21,085,248	Not Applicable
Foreign stocks	22,190,836	Not Applicable
Other equities	7,857,688	Not Applicable
Total cash and investments	<u>\$ 148,717,763</u>	

**Interest Rate Risk**

The Plan manages exposure to declines in fair values through other methods such as evaluating the credit rating, diversifying the investments in the portfolio, and outside portfolio consulting. The Plan does not limit the weighted average maturity of its investment portfolio.

**Custodial Credit Risk**

For an investment, this is the risk that in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Plan does not believe that they have a custodial risk exposure as all their securities are insured, registered and held by an outside custodian.

**Concentration of Credit Risk**

The Plan does not allow for any investment of more than 10% (at market) of an investment manager's equity portfolio to be invested in the shares of a single corporate issuer. Investments in equity securities shall not exceed 75% of the market value of the total Plan assets. With the exception of Treasury and agency obligations, no more than 10% (at cost) of any investment manager's total fixed income portfolio shall be invested in the securities of a single issuer. No more than 17.5% (at market) of the Plan's assets may be invested in securities issued by corporations domiciled outside the United States.

**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Credit Risk**

The Plan must operate in compliance with all applicable state and federal laws concerning the investment of pension assets. All equity investments are limited to those issues that are traded on a major stock exchanges or in over-the-counter securities for which there is an active market maker regulated by the NASD. Investments in corporate fixed income securities must hold a rating in one of the three highest classifications by a major rating service. If commercial paper is used, it must be rated A-1 or P-1. Ratings for the Plan's applicable securities are as follows:

	Credit Ratings			
	September 30, 2023		September 30, 2022	
	S&P	Moody's	S&P	Moody's
U.S. government securities	AA+	Aaa	AA+	Aaa
U.S. government agency securities	AAA	Aaa...NR	AAA	Aaa...NR
Corporate bonds	AA...BBB	Aaa...Baa1	AA...BBB	Aa1...Baa2

**Foreign Currency Risk**

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Plan does not have a policy that addresses the risks associated with investments in foreign currency. As of September 30, 2023 and 2022, the Plan held \$28,686,672 and \$22,190,836 in international investments, representing approximately 17.9% and 15%, respectively of total Plan investments. The aggregate investment in Foreign Stocks exceeded the Plan's asset allocation policy of 10%; however, the largest concentration of investments in Foreign Stocks with one manager was \$12,169,315 and \$9,571,987 as of September 30, 2023 and 2022, respectively. Most of the international investments are denominated in U.S. dollars, therefore minimizing the foreign currency risk.

**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Fair Value Measurements**

The Plan has the following recurring fair value measurements, broken into the fair value hierarchy, as of September 30, 2023 and 2022:

Investment	2023 Level 1	Level 2	Level 3	Fair Value
<b>Investments by Fair Value Level</b>				
Debt securities				
U.S. government securities	\$ 3,990,749	\$ 9,513,575	\$ -	\$ 13,504,324
Mortgage backed securities	-	4,114,131	-	4,114,131
Collateralized mortgage obligations	-	661,287	-	661,287
Corporate bonds and notes	-	8,387,912	-	8,387,912
Foreign bonds and notes	-	263,894	-	263,894
Total debt securities	<u>3,990,749</u>	<u>22,940,799</u>	<u>-</u>	<u>26,931,548</u>
Common and preferred stock	73,558,789	-	-	73,558,789
Real estate funds	-	-	8,614,757	8,614,757
Foreign stocks	15,006,795	13,415,983	-	28,422,778
Other equities	7,810,820	-	-	7,810,820
Total investments by fair value level	<u>\$ 100,367,153</u>	<u>\$ 36,356,782</u>	<u>\$ 8,614,757</u>	<u>145,338,692</u>
<b>Investments Measured at Net Asset Value (NAV)</b>				
Real estate funds				<u>8,615,061</u>
Total investments measured at NAV				<u>8,615,061</u>
<b>Investments Not Subject to Level Disclosure</b>				
Money market funds				<u>5,889,407</u>
Total investments				<u>\$ 159,843,160</u>
Investment	2022 Level 1	Level 2	Level 3	Fair Value
<b>Investments by Fair Value Level</b>				
Debt securities				
U.S. government securities	\$ 1,799,267	\$ 9,652,457	\$ -	\$ 11,451,724
Mortgage backed securities	-	7,505,441	-	7,505,441
Collateralized mortgage obligations	-	1,570,609	-	1,570,609
Corporate bonds and notes	-	5,474,845	-	5,474,845
Total debt securities	<u>1,799,267</u>	<u>24,203,352</u>	<u>-</u>	<u>26,002,619</u>
Common and preferred stock	67,128,765	-	-	67,128,765
Real estate funds	-	-	10,521,599	10,521,599
Foreign stocks	11,192,299	10,998,537	-	22,190,836
Other equities	7,857,688	-	-	7,857,688
Total investments by fair value level	<u>\$ 87,978,019</u>	<u>\$ 35,201,889</u>	<u>\$ 10,521,599</u>	<u>133,701,507</u>
<b>Investments Measured at Net Asset Value (NAV)</b>				
Real estate funds				<u>10,563,649</u>
Total investments measured at NAV				<u>10,563,649</u>
<b>Investments Not Subject to Level Disclosure</b>				
Money market funds				<u>4,452,607</u>
Total investments				<u>\$ 148,717,763</u>

**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Fair Value Measurements (Continued)**

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique for similar securities. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Real estate funds classified in Level 3 are valued using independent appraisers to determine the market value of the investments in the fund.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following tables:

Investment	2023			
	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
<b>Investments Measured at Net Asset Value (NAV)</b>				
Real estate funds <sup>(1)</sup>	\$ 8,615,061	-	Quarterly	45 days
<b>Total investments measured at NAV</b>	<b>\$ 8,615,061</b>			
Investment	2022			
	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
<b>Investments Measured at Net Asset Value (NAV)</b>				
Real estate funds <sup>(1)</sup>	\$ 10,563,649	-	Quarterly	45 days
<b>Total investments measured at NAV</b>	<b>\$ 10,563,649</b>			

<sup>(1)</sup>*Real estate funds.* This type includes real estate funds that invest primarily in U.S. commercial real estate. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. Capital commitments are accepted by the fund quarterly and are generally called from investors pro rata in the order of the quarter in which they are received. Shares are generally issued quarterly 45 days after quarter-end when that quarter's price per share is published. Redemption requests must be received by the fund 45 days prior to quarter-end, and to the extent the fund has liquid assets, redemption requests will be redeemed after quarter-end when that quarter's per share price is published. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital.

**CITY OF SARASOTA GENERAL EMPLOYEES’  
DEFINED BENEFIT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5. NET PENSION LIABILITY**

The net pension liability is measured as the total pension liability, less the amount of the pension Plan’s fiduciary net position. In actuarial terms, this will be the accrued liability less the market value of assets (not the smoother actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer’s contribution requirement).

The components of the net pension liability at September 30, 2023 and 2022 were as follows:

	<b>2023</b>	<b>2022</b>
Total pension liability	<b>\$ 222,235,995</b>	\$ 219,776,143
Plan fiduciary net position	<b>161,191,751</b>	151,024,624
Net pension liability	<b>\$ 61,044,244</b>	\$ 68,751,519
Plan fiduciary net position as a percentage of the total pension liability	<b>72.53%</b>	<b>68.72%</b>

Actuarial Assumptions: The total pension liability, net pension liability and certain sensitivity information are based on an actuarial valuation performed as of September 30, 2022. The total pension liability was rolled forward from the valuation date to the Plan year ending September 30, 2023 using the following actuarial assumptions applied to all measurement periods:

Inflation	2.3%
Salary increases	4.7 to 6.3% depending on age, including inflation
Investment rate of return	6.20%

Retirement age assumptions use an experience-based table of rates that are specific to the type of eligibility condition.

As of September 30, 2023, mortality tables, as required by Florida Statutes Chapter 112.63(1)(f) were the same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) in their July 1, 2021 actuarial valuation (with mortality improvements projected to all future years after 2010 using Scale MP-2018). Florida Statutes mandate the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS**

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**NOTE 5. NET PENSION LIABILITY (CONTINUED)**

The long-term expected rate of return on Plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense) are developed for each major asset class. These ranges are combined to produce long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension Plan's target asset allocation as of September 30, 2023 (see the discussion of the Plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Fixed income	1.47%
Domestic equity	6.64%
International equity	5.39%
Real estate	5.63%
Other (Infrastructure)	3.47%

**Discount Rate**

A single discount rate of 6.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on Plan investments of 6.20%. The projection of cash flows used to determine this single discount rate assumed that Plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate.

Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments (6.20%) was applied to all periods of projected benefit payments to determine the total pension liability. The single discount rate was developed as follows:

Single discount rate	6.20%
Long-term expected rate of return	6.20%



**CITY OF SARASOTA GENERAL EMPLOYEES’  
DEFINED BENEFIT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS**

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**NOTE 5. NET PENSION LIABILITY (CONTINUED)**

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the Plan’s net pension liability, calculated using a single discount rate of 6.20%, as well as what the Plan’s net pension liability would be if it were calculated using a single discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease	Current Discount Rate	1% Increase
	5.20%	6.20%	7.20%
Net pension liability	\$ 85,073,125	\$ 61,044,244	\$ 40,728,943

**NOTE 6. RISK AND UNCERTAINTIES**

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, credit, and foreign currency risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statement of Plan net position.

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

**NOTE 7. SUBSEQUENT EVENTS**

The Plan has evaluated all events subsequent to the statements of Plan net position date of September 30, 2023 through February 15, 2024, the date these financial statements were available for issuance, and have determined that there are no subsequent events that require disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
SCHEDULE OF CHANGES IN THE PLAN'S NET PENSION LIABILITY  
AND RELATED RATIOS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total pension liability</b>										
Service cost	\$ 1,609,372	\$ 1,600,391	\$ 1,852,970	\$ 1,935,748	\$ 1,891,835	\$ 1,982,553	\$ 1,969,896	\$ 2,064,530	\$ 2,119,194	\$ 2,036,380
Interest	13,265,834	13,658,674	14,119,645	14,065,492	14,033,221	13,825,709	13,083,008	12,828,501	12,562,816	12,150,963
Benefit changes	-	(604,885)	-	-	-	-	-	-	-	-
Difference between actual and expected experience	(367,885)	(2,539,596)	(352,785)	(71,561)	(1,575,160)	961,138	(1,091,459)	269,488	101,089	(19,854)
Assumption changes	1,159,851	7,593,649	228,662	2,167,268	300,936	2,163,282	8,307,176	-	-	1,949,249
Benefit payments	(13,207,320)	(15,347,907)	(14,326,524)	(14,198,169)	(14,211,262)	(11,825,587)	(11,504,081)	(11,456,287)	(10,452,370)	(9,957,849)
Refunds	-	-	-	-	-	-	-	-	(12,822)	(124,586)
<b>Net change in total pension liability</b>	<b>2,459,852</b>	<b>4,360,326</b>	1,521,968	3,898,778	439,570	7,107,095	10,764,540	3,706,232	4,317,907	6,034,303
<b>Total pension liability, beginning</b>	<b>219,776,143</b>	<b>215,415,817</b>	213,893,849	209,995,071	209,555,501	202,448,406	191,683,866	187,977,634	183,659,727	177,625,424
<b>Total pension liability, ending (a)</b>	<b>\$ 222,235,995</b>	<b>\$ 219,776,143</b>	\$ 215,415,817	\$ 213,893,849	\$ 209,995,071	\$ 209,555,501	\$ 202,448,406	\$ 191,683,866	\$ 187,977,634	\$ 183,659,727
<b>Plan fiduciary net position</b>										
Contributions, employer	\$ 6,826,608	\$ 6,978,144	\$ 7,053,657	\$ 6,794,635	\$ 6,844,845	\$ 6,726,147	\$ 6,387,239	\$ 6,422,747	\$ 6,249,607	\$ 6,011,590
Contributions, member	465,108	462,478	526,151	601,108	640,783	691,469	717,631	748,107	767,707	791,009
Net investment income	16,340,057	(24,579,340)	34,434,727	8,773,181	(837,189)	13,334,308	18,226,619	10,327,046	(3,099,197)	13,236,828
Benefit payments	(13,207,320)	(15,347,907)	(14,326,524)	(14,198,169)	(14,211,262)	(11,825,587)	(11,504,081)	(11,193,972)	(10,452,370)	(9,957,849)
Refunds	-	-	-	-	-	-	-	(50,634)	(12,822)	(124,586)
Administrative expenses	(257,326)	(251,771)	(260,718)	(217,407)	(240,566)	(226,911)	(191,836)	(183,110)	(157,689)	(166,043)
Other	-	-	-	-	-	17,629	-	9,429	3,488	2,621
<b>Net change in plan fiduciary net position</b>	<b>10,167,127</b>	<b>(32,738,396)</b>	27,427,293	1,753,348	(7,803,389)	8,717,055	13,635,572	6,079,613	(6,701,276)	9,793,570
<b>Plan fiduciary net position, beginning</b>	<b>151,024,624</b>	<b>183,763,020</b>	156,335,727	154,582,379	162,385,768	153,668,713	140,033,141	133,953,528	140,654,804	130,861,234
<b>Plan fiduciary net position, ending (b)</b>	<b>\$ 161,191,751</b>	<b>\$ 151,024,624</b>	\$ 183,763,020	\$ 156,335,727	\$ 154,582,379	\$ 162,385,768	\$ 153,668,713	\$ 140,033,141	\$ 133,953,528	\$ 140,654,804
<b>Net pension liability, ending (a) - (b)</b>	<b>\$ 61,044,244</b>	<b>\$ 68,751,519</b>	\$ 31,652,797	\$ 57,558,122	\$ 55,412,692	\$ 47,169,733	\$ 48,779,693	\$ 51,650,725	\$ 54,024,106	\$ 43,004,923
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>72.53%</b>	<b>68.72%</b>	85.31%	73.09%	73.61%	77.49%	75.91%	73.05%	71.26%	76.58%
<b>Covered payroll</b>	<b>\$ 7,780,322</b>	<b>\$ 7,955,225</b>	\$ 8,826,557	\$ 10,001,259	\$ 10,663,586	\$ 11,504,110	\$ 11,960,517	\$ 12,206,056	\$ 12,528,532	\$ 13,183,483
<b>Net pension liability as a percentage of covered payroll</b>	<b>784.60%</b>	<b>864.23%</b>	358.61%	575.51%	519.64%	410.03%	407.84%	423.16%	431.21%	326.20%

**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
SCHEDULE OF CONTRIBUTIONS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 6,826,608	\$ 6,978,144	\$ 7,053,657	\$ 6,766,262	\$ 6,813,954	\$ 6,726,147	\$ 6,387,239	\$ 6,422,747	\$ 6,249,607	\$ 6,011,590
Actual contribution	6,826,608	6,978,144	7,053,657	6,794,635	6,844,845	6,726,147	6,387,239	6,422,747	6,249,607	6,011,590
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ (28,373)	\$ (30,891)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 7,780,322	\$ 7,955,225	\$ 8,826,557	\$ 10,001,259	\$ 10,663,586	\$ 11,504,110	\$ 11,960,517	\$ 12,206,056	\$ 12,528,532	\$ 13,183,483
Actual contribution as a percent of covered payroll	87.74%	87.72%	79.91%	67.94%	64.19%	58.47%	53.40%	52.62%	49.88%	45.60%

Valuation date: September 30, 2021

Notes: Actuarially determined contribution rates are calculated as of the September 30 which is two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	15 years (single equivalent period)
Asset valuation method	5-year smoothed market
Inflation	2.3%
Salary increases	4.7% to 6.3% depending on age, including inflation.
Investment rate of return	6.20%
Retirement age	Experience based table of rates are specific to the type of eligibility condition.
Mortality	The same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) in their July 1, 2020 actuarial valuation (with mortality improvements projected to all future years after 2010 using Scale MP-2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

Other information:

Notes See Discussion of Valuation Results in the September 30, 2021, Actuarial Valuation Report.

**CITY OF SARASOTA GENERAL EMPLOYEES'  
DEFINED BENEFIT PENSION PLAN  
SCHEDULE OF INVESTMENT RETURNS**

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Year Ended September 30,	Annual Money-Weighted Rate of Return, Net of Investment Expense
<b>2023</b>	<b>11.62%</b>
2022	-13.37%
2021	22.97%
2020	5.90%
2019	-0.50%
2018	8.90%
2017	13.41%
2016	7.89%
2015	2.33%
2014	10.41%

**OTHER AUDITOR'S REPORT**

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

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Board of Trustees  
City of Sarasota  
General Employees' Defined Benefit Pension Plan  
Sarasota, Florida

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

**Report on Internal Control Over Financial Reporting**

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

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

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

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**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

other purpose.

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is written in a cursive, flowing style.

Bradenton, Florida  
February 15, 2024