

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND

FINANCIAL STATEMENTS

SEPTEMBER 30, 2025 AND 2024



CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND

FINANCIAL STATEMENTS

SEPTEMBER 30, 2025 AND 2024

CONTENTS

	PAGE
Independent Auditor's Report	1
Basic Financial Statements:	
Statements of Fiduciary Net Position	4
Statements of Changes in Fiduciary Net Position	5
Notes to Financial Statements	6
Required Supplementary Information:	
Schedule of Changes in the City's Net Pension Liability	22
Schedule of Ratios	23
Schedule of Contributions	24
Notes to Schedule of Contributions	25
Schedule of Investment Returns	26
Additional Information:	
Schedule of Investment and Administrative Expenses	27



INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
City of Boynton Beach Police Officers' Pension Fund
Boynton Beach, Florida

Opinion

We have audited the financial statements of the City of Boynton Beach Police Officers' Pension Fund (the "Plan"), which comprise the statements of fiduciary net position as of September 30, 2025 and 2024, and the related statements of changes in fiduciary net position for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, information regarding the fiduciary net position of the Plan as of September 30, 2025 and 2024, and the changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.

The Board of Trustees
City of Boynton Beach Police Officers' Pension Fund
Boynton Beach, Florida

Management is also responsible for maintaining a current Plan instrument, including all Plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibility

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

In performing an audit in accordance with GAAS, we:

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

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

The Board of Trustees
City of Boynton Beach Police Officers' Pension Fund
Boynton Beach, Florida

Emphasis of Matter

As discussed in Note 1, these financial statements present only the City of Boynton Beach Police Officers' Pension Fund, a pension trust fund of the City of Boynton Beach, Florida (the "City") and are not intended to present fairly the financial position and changes in financial position of the City in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information on pages 22 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 Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Information

The additional information on page 27 is presented for the purpose of additional analysis and is also not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the above information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Tampa, Florida
February 3, 2026

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
STATEMENTS OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2025 AND 2024

	2025	2024
Assets:		
Cash	\$ 75,546	\$ 50,640
Receivables:		
Employer	38,996	-
DROP loans	197,857	169,035
Broker-dealers	3,100,164	1,753,286
Total receivables	3,337,017	1,922,321
Prepaid expenses	15,407	15,223
Investments:		
Domestic equity investment funds	89,544,562	73,596,175
International equity investment fund	35,636,642	33,270,677
Fixed income investment funds	52,560,589	48,434,948
Real estate investment funds	4,485,961	3,408,256
Temporary investment funds	29,241	158
Total investments	182,256,995	158,710,214
Total Assets	185,684,965	160,698,398
Liabilities:		
Accounts payable	93,603	87,146
Due to broker-dealers	2,454,095	48,266
Total Liabilities	2,547,698	135,412
Net Position Restricted for Pensions	\$ 183,137,267	\$ 160,562,986

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

BOYNTON BEACH POLICE OFFICERS' PENSION FUND
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
YEARS ENDED SEPTEMBER 30, 2025 AND 2024

	2025	2024
Additions:		
Contributions:		
Employer	\$ 8,555,476	\$ 7,863,802
Plan members	1,611,782	1,444,751
Buy back	213,974	182,734
Rollover to DROP	175,289	100,125
Total contributions	10,556,521	9,591,412
Intergovernmental revenue:		
Chapter 185 state excise tax rebate	1,271,069	1,187,462
Investment income:		
Net appreciation in fair value of investments	19,618,898	32,372,962
Interest	26,414	4,562
Dividends	1,419,104	792,981
Total investment income	21,064,416	33,170,505
Less investment expenses	381,995	391,903
Net investment income	20,682,421	32,778,602
Total additions	32,510,011	43,557,476
Deductions:		
Benefits:		
Age and service	8,541,735	8,233,006
Disability	406,174	380,051
DROP payments	650,734	481,049
Refunds	145,673	108,810
Administrative expenses	191,414	180,606
Total deductions	9,935,730	9,383,522
Net Increase in Net Position	22,574,281	34,173,954
Net Position Restrictd for Pensions:		
Beginning of year	160,562,986	126,389,032
End of year	\$ 183,137,267	\$ 160,562,986

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

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 1 - DESCRIPTION OF PLAN

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

General - The Plan was created in 1981 by Section 18 of an Ordinance adopted by the city of Boynton Beach, Florida (the "City"), as amended.

The Plan is a single-employer defined benefit pension plan covering all full-time police officers of the City. Participation in the Plan is required as a condition of employment. The Plan provides for retirement, death, and disability benefits. In addition, the Plan is a local law plan subject to provisions of Chapter 185 of the state of Florida Statutes.

The Plan, in accordance with the above statutes, is governed by a five-member pension board. Two police officers, two City residents and a fifth member elected by the other four members constitute the Board of Trustees (the "Board"). The City and the Plan participants are obligated to fund all Plan costs based upon actuarial valuations. The City establishes benefit levels and the Board establishes the actuarial methods followed by the Plan.

At October 1, 2024, the date of the most recent actuarial valuation, the Plan's membership consisted of:

Retirees and beneficiaries:	
Currently receiving benefits	161
DROP Retirees	28
Terminated employees entitled to but not yet receiving them	<u>18</u>
Total	<u><u>207</u></u>
Current employees:	
Vested	42
Nonvested	<u>81</u>
Total	<u><u>123</u></u>

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 1 - DESCRIPTION OF PLAN (Continued)

Pension Benefits - A member hired before October 1, 2019, may retire with normal benefits after reaching age 55 with 10 years of credited service, with 20 years of credited service regardless of age, or at age 50 with 15 years of credited service. Those hired on or after October 1, 2019, may retire with 20 years of credited service regardless of age, or at age 55 with 10 years of service. Normal retirement benefits are 3% (3.5% if hired before October 1, 2015) of the member's average final compensation ("AFC") times the number of his or her credited years of service, with a maximum of 85% of AFC, provided that the benefit is at least 2.75% of AFC for each year of service. The AFC for the purpose of calculating benefits is the member's average salary during the 5 highest years of the last 10 years of service.

A member age 50 with 10 or more years of credited service is eligible for early retirement. Benefits are calculated in the same manner as for normal retirement and are reduced by 1.5% for each year by which the early retirement date precedes the member's normal retirement date.

The vesting period for members hired on or after October 1, 2016, is 10 years. The vesting period for members hired before October 1, 2016, is 5 years.

Supplemental Retirement Benefits - Any retiree or beneficiary receiving pension benefits is entitled to supplemental pension benefits. One benefit pool is funded by 100% of the annual earnings and 10% of the principal created by the contributions received. These supplemental benefits are funded by a 1% contribution from the members and a 1% contribution from the Chapter 185 monies. Employees will contribute to this benefit through 20 years of service. The benefit is payable as a lump sum on October 1st each year. Another benefit pool consists of the Chapter 185 monies received in excess of the base amount of \$465,087, plus 1% of payroll. The benefit is payable as a lump sum on June 1st each year. The benefit pools are divided according to the total number of years of service rendered by all retirees, with a cap of 20 years per retiree. The benefits are divided on a pro-rata basis as defined in the ordinances.

Deferred Retirement Option Plan ("DROP") - Any member who is eligible for normal retirement may elect to participate in the DROP while continuing his or her active employment as a police officer. Upon participation in the DROP, the member becomes a retiree for all Plan purposes so that he or she ceases to accrue any further benefits under the Plan. Normal retirement payments that would have been payable to the member as a result of retirement are accumulated and invested in the DROP to be distributed to the member upon his or her termination of employment. For a member hired before October 1, 2019, participation in the DROP ceases after the earlier of 5 years or the attainment of 30 years of service. For those hired on or after October 1, 2019, participation in the DROP ceases after the earlier of 8 years or the attainment of 33 years of service. Members who remain in the DROP longer than 5 years are required to contribute 3% of their annual earnings to the Plan, beginning with the 61st month of DROP participation.

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 1 - DESCRIPTION OF PLAN (Continued)

Deferred Retirement Option Plan ("DROP") (Continued) – Members (after separation from service) may borrow from their DROP accounts a minimum of \$5,000 up to a maximum equal to the lesser of \$50,000 or 50% of their DROP account balance. The loans are secured by the balance in the members' DROP account and bear interest at the prime rate at the issue date for the loan. Principal and interest is paid ratably over 5 years through monthly payments.

Disability Benefits - Benefits for service-related disabilities are 66 2/3% of the member's salary at the time of disability, but not less than 42% of AFC. Benefits for non-service-related disabilities for members with at least 10 years of service are equal to the member's accrued normal retirement benefit, with a minimum of 25% of AFC and a maximum of 60% of AFC.

Death Benefits - Benefits for service-related deaths are the accrued normal retirement benefit at the time of death, with a minimum of 30% of AFC. Benefits for non-service related deaths of members with at least 10 years of service are the accrued normal retirement benefit. If a member dies prior to vesting, the beneficiary shall receive a refund of 100% of the member's accumulated contributions, without interest.

Refund of Participant Contributions - If a nonvested member retires, dies, becomes disabled, or terminates employment with the City, accumulated contributions may be refunded to the member or the designated beneficiary, without interest.

Buy-Back Additional Years of Credited Service - Certain members may buy-back credited service by paying into the Plan the amount of contributions that the member would otherwise have paid for such service, plus amounts actuarially determined such that the crediting of service does not result in any cost to the Plan.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting:

The financial statements of the Plan are prepared on the accrual basis of accounting.

Basis of Presentation:

The accompanying financial statements are presented in accordance with Governmental Accounting Standards Board ("GASB") Statement 67, *Financial Reporting for Defined Benefit Pension Plans*, and the Codification of Governmental Accounting and Financial Reporting Standards which covers the reporting requirements for defined benefit pensions established by a governmental employer.

Cash and Temporary Investment Funds:

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

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Valuation of Investments:

The Plan's investments are stated at fair value. See Note 12 for discussion of fair value measurements.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year. The net realized and unrealized investment appreciation (depreciation) for the year is reflected in the statements of changes in fiduciary net position.

The calculation of realized gains and losses is independent of the calculation of the net change in the fair value of Plan investments. Realized gains and losses on investments that had been held in more than one reporting period and sold in the current period were included as a change in the fair value reported in the prior period(s) and the current period.

Custody of Assets:

Custodial and investment services are provided to the Plan under contracts with national trust companies.

Authorized Plan Investments:

The Board recognizes that the obligations of the Plan are long-term and that its investment policy should be made with a view toward performance and return over a number of years. The general investment objective is to obtain a reasonable total rate of return defined as interest and dividend income plus realized and unrealized capital gains or losses commensurate with the prudent investor rule and Chapter 185 of the Florida Statutes. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, high capitalization common or preferred stocks, pooled equity funds, high quality bonds or notes, foreign securities, and fixed income funds. The Plan's investment policies are governed by Florida Statutes and ordinances of the City.

Actuarial Cost Method:

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

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity:

The financial statements presented are only for the Plan and are not intended to present the basic financial statements of the City.

The Plan is included in the City's Annual Comprehensive Financial Report ("ACFR") for the years ended September 30, 2025 and 2024, which are separately issued documents. Anyone wishing further information about the City is referred to the City's ACFR.

The Plan is a pension trust fund (fiduciary fund type) of the City which accounts for the single-employer defined benefit pension plan for all City police officers.

Funding Policy:

Members are required to contribute 8.5% of their compensation to the Plan. Members are required to contribute an additional 1% of their compensation to the Plan through 20 years of service to fund the Plan's supplemental benefits. The City's funding policy is to make actuarially computed contributions to the Plan in amounts, such that when combined with members' contributions and the state insurance excise tax rebate, all members' benefits will be fully provided for by the time that they retire.

Payment of Benefits:

Benefit payments to members are recorded upon distribution.

Administrative Expenses:

Plan expenses, including fees and expenses connected with providing administrative services by external service providers, are paid from Plan assets.

Federal Income Taxes:

A favorable determination letter indicating that the Plan is qualified and exempt from federal income taxes has not been requested from the Internal Revenue Service. The Board believes that the Plan is designed and continues to operate in compliance with the applicable requirements of the Internal Revenue Code.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassifications:

Certain amounts in the financial statements for the year ended September 30, 2024 have been reclassified to conform to the presentation used in the financial statements for the year ended September 30, 2025.

Subsequent Events:

Management has considered subsequent events through February 3, 2026, which is the date the financial statements were available to be issued.

NOTE 3 - PLAN TERMINATION

Although it has not expressed an intention to do so, the City may terminate the Plan at any time by a written ordinance of the City Commission of Boynton Beach, duly certified by an official of the City. In the event that the Plan is terminated or contributions to the Plan are permanently discontinued, the benefits of each police officer in the Plan at such termination date would be non-forfeitable.

NOTE 4 - NET REALIZED AND UNREALIZED APPRECIATION OF INVESTMENTS

The Plan's investments appreciated in value during the years ended September 30, 2025 and 2024, as follows:

	2025	2024
Realized appreciation	\$ 11,902,914	\$ 7,370,995
Unrealized appreciation	7,715,984	25,001,967
	\$ 19,618,898	\$ 32,372,962

NOTE 5 - DEPOSITS AND INVESTMENTS

Deposits:

Russell Trust Company and Salem Trust Company periodically hold uninvested cash in their respective capacity as custodians for the Plan. These funds exist temporarily as cash in the process of collection from the sale of securities.

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

Asset Allocation:

The Plan's adopted asset allocation policy as of September 30, 2025 is as follows:

<u>Asset Class</u>	<u>Target</u>
Global equity	30%
Domestic equity	25%
International equity	5%
Fixed income	25%
Private credit	5%
REITS	5%
Infrastructure	5%
Cash	0%
	<u>100%</u>

The Plan's investments are segregated into separate accounts and managed under separate investment agreements. These accounts give Russell Trust Company and Salem Trust Company custodianship, but give the investment managers the authority to manage the investments.

The investment managers are monitored by the Board and an investment consultant.

Concentrations:

The Plan held the following investments in individual organizations that represented 5% or more of the Plan's fiduciary net position as of September 30, 2025 and 2024:

<u>Investment Organization</u>	<u>2025</u>		<u>2024</u>	
	<u>Fair Value</u>	<u>% of Fiduciary Net Position</u>	<u>Fair Value</u>	<u>% of Fiduciary Net Position</u>
RITC World Equity Fund	\$ 26,604,239	14.5%	\$ 33,270,677	20.7%
RITC Russell 1000 Index Fund	18,079,187	9.9%	29,246,303	18.2%
RITC Multi Manager Bond Fund	23,334,541	12.7%	26,671,162	16.6%

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

Foreign Tax Withholdings and Reclaims:

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

Rate of Return:

The annual money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the years ended September 30, 2025 and 2024, the annual money-weighted rate of return was 12.88% and 25.58%, respectively.

NOTE 6 - INVESTMENTS

The Plan's investments at both fair value and cost or adjusted cost as of September 30, 2025 and 2024 are summarized as follows:

Investment Type	2025		2024	
	Cost	Fair Value	Cost	Fair Value
Domestic equity investment funds	\$ 64,342,163	\$ 89,544,562	\$ 56,389,129	\$ 73,596,175
International equity investment funds	28,481,490	35,636,642	27,166,830	33,270,677
Fixed income investment funds	48,702,545	52,560,589	44,547,283	48,434,948
Real estate investment funds	4,448,261	4,485,961	1,872,537	3,408,256
Temporary investment funds	29,241	29,241	158	158
Total investments	<u>\$ 146,003,700</u>	<u>\$ 182,256,995</u>	<u>\$ 129,975,937</u>	<u>\$ 158,710,214</u>

The Plan held the following fixed income investments as of September 30, 2025 and 2024:

Investment Type	Fair Value		Standard & Poor's Credit Rating	Range of Effective Duration (Years)
	2025	2024		
Fixed income investment funds	\$ 52,560,589	\$ 48,434,948	N/A	N/A
Temporary investment funds	29,241	158	N/A	N/A
Total	<u>\$ 52,589,830</u>	<u>\$ 48,435,106</u>		

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 7 - RESTRICTIONS

A portion of the Plan’s net position restricted for pensions is designated for benefits that accrue in relation to the DROP accounts and the supplemental benefit reserve. Allocations to the DROP accounts and the supplemental benefits as of September 30, 2025 and 2024 are as follows:

	2025	2024
Restricted for DROP accounts (fully funded)	\$ 30,345,414	\$ 26,164,797
Restricted for the supplemental benefit reserve	3,476,662	3,122,463
	33,822,076	29,287,260
Restricted for defined benefits	149,315,191	131,275,726
 Total net position restricted for pensions	 \$ 183,137,267	 \$ 160,562,986

NOTE 8 - PLAN AMENDMENTS

The Plan was amended during the fiscal year ended September 30, 2025 as follows:

Effective October 1, 2024, members hired on or after October 1, 2019, may retire with normal benefits with 20 years of service regardless of age, instead of 25 years of service regardless of age.

As a result, the actuarially determined employer contribution for the fiscal year ended September 30, 2025, increased by \$38,996 and the unfunded actuarial liability increased by \$56,629.

There were no amendments during the fiscal year ended September 30, 2024.

NOTE 9 - ACTUARIAL ASSUMPTION CHANGES

There were no actuarial assumption changes for the fiscal years ended September 30, 2025 and 2024.

NOTE 10 - ACTUARIAL METHOD CHANGES

There were no actuarial method changes for the fiscal years ended September 30, 2025 and 2024.

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 11 - RISK AND UNCERTAINTIES

The Plan invests in a variety of investment funds. Investments in general are exposed to various risks such as interest rate, market, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of fiduciary net position.

Plan contributions are made and the actuarial present value of the net pension liability is 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 12 - INVESTMENT MEASUREMENT AT FAIR VALUE

Fair Value Hierarchy:

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

The three levels of inputs used to measure fair value are as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities in active markets, quoted prices in inactive markets, and other inputs that are observable or corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a plan's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 12 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)

Fair Value Hierarchy (Continued):

The Plan has the following recurring fair value measurements as of September 30, 2025 and 2024:

- *Domestic equity investment funds, fixed income investment fund, temporary investment funds* - Valued at the quoted net asset value (“NAV”) of shares held by the Plan at year end.
- *Domestic equity investment funds, international equity investment funds, fixed income investment funds, real estate investment funds* - Valued at the NAV per unit of the Plan’s ownership interest. The NAV is used as a practical expedient to estimate fair value. These funds are excluded from the fair value hierarchy.

Investment Type	Level 1	Level 2	Level 3	2025
Domestic equity investment funds	\$ 66,979,414	\$ -	\$ -	\$ 66,979,414
Fixed income investment fund	24,436,063	-	-	24,436,063
Temporary investment funds	29,241	-	-	29,241
Total investments by fair value level	<u>\$ 91,444,718</u>	<u>\$ -</u>	<u>\$ -</u>	<u>91,444,718</u>

Investments Measured at NAV:

Domestic equity investment funds	22,565,148
International equity investment funds	31,150,681
Fixed income investment funds	28,124,526
Real estate investment funds	8,971,922
Total investments measured at NAV	<u>90,812,277</u>
Total, September 30, 2025	<u>\$ 182,256,995</u>

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 12 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)

Fair Value Hierarchy (Continued):

<u>Investments Measured at NAV</u>	<u>2025 Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if Currently Eligible)</u>	<u>Redemption Notice Period</u>
Domestic equity investment funds:				
RITC Russell 1000 Index Fund	\$ 18,079,187	\$ -	N/A	N/A
RITC Small Cap Fund	4,485,961	-	N/A	N/A
Total domestic equity investment funds	<u>22,565,148</u>	<u>-</u>		
International equity investment funds:				
RITC International Index Fund	4,546,442	-	N/A	N/A
RITC World Equity Fund	26,604,239	-	N/A	N/A
Total international equity investment funds	<u>31,150,681</u>	<u>-</u>		
Fixed income investment funds:				
RITC Multi Manager Bond Fund	23,334,541	-	N/A	N/A
Private Credit Fund I LLC	4,789,985	-	N/A	N/A
Total fixed income investment funds	<u>28,124,526</u>	<u>-</u>		
Real estate investment funds:				
RITC Global Listed Infrastructure Fund	4,485,961	-	N/A	N/A
RITC Global Real Estate Securities Fund	4,485,961	-	N/A	N/A
Total real estate investment funds	<u>8,971,922</u>	<u>-</u>		
Total investments measured at NAV	<u>\$ 90,812,277</u>	<u>\$ -</u>		

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 12 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)

Fair Value Hierarchy (Continued):

Investment Type	Level 1	Level 2	Level 3	2024
Domestic equity investment funds	\$ 43,080,807	\$ -	\$ -	\$ 43,080,807
Fixed income investment funds	17,740,920	-	-	17,740,920
Temporary investment funds	158	-	-	158
Total investments by fair value level	<u>\$ 60,821,885</u>	<u>\$ -</u>	<u>\$ -</u>	<u>60,821,885</u>
<i>Investments Measured at NAV:</i>				
Domestic equity investment funds				30,515,368
International equity investment fund				33,270,677
Fixed income investment funds				30,694,028
Real estate investment fund				<u>3,408,256</u>
Total investments measured at NAV				<u>97,888,329</u>
Total, September 30, 2024				<u>\$ 158,710,214</u>

Investments Measured at NAV	2024 Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Domestic equity investment funds:				
RITC Russell 1000 Index Fund	\$ 29,246,303	\$ -	N/A	N/A
RITC Small Cap Fund	1,269,065	-	N/A	N/A
Total domestic equity investment funds	<u>30,515,368</u>	<u>-</u>		
International equity investment fund:				
RITC World Equity Fund	<u>33,270,677</u>	<u>-</u>	N/A	N/A
Fixed income investment funds:				
RITC Multi Manager Bond Fund	26,671,162	-	N/A	N/A
Private Credit Fund I LLC	4,022,866	-	N/A	N/A
Total fixed income investment funds	<u>30,694,028</u>	<u>-</u>		
Real estate investment fund:				
RITC Global Real Estate Securities Fund	<u>3,408,256</u>	<u>-</u>	N/A	N/A
Total investments measured at NAV	<u>\$ 97,888,329</u>	<u>\$ -</u>		

**CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024**

NOTE 13 - NET PENSION LIABILITY OF THE CITY

The components of net position liability of the City as of September 30, 2025 and 2024, were as follows:

	2025	2024
Total pension liability	\$ 223,021,425	\$ 209,770,651
Plan fiduciary net position	(183,137,267)	(160,562,986)
City's net pension liability	\$ 39,884,158	\$ 49,207,665
Plan fiduciary net position as a percentage of total pension liability	82.12%	76.54%

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of October 1, 2024, updated to September 30, 2025, using the following actuarial assumptions applied to all measurement periods.

Inflation	2.25%
Salary increase	4.5% to 11.75% depending on age, including inflation
Investment rate of return	6.9%
Mortality	PUB-2010 Headcount Weighted Safety Healthy Employee Mortality Table (for pre-retirement mortality) and the PUB-2010 Headcount Weighted Safety Healthy Retiree Mortality Table (for postretirement mortality, with a separate rate for males and females and age set forward one year, with mortality improvements projected to all future years after 2010 using Scale MP-2018. For males, the base mortality rates for both pre-retirement and postretirement mortality are based on the Below Median Healthy Tables. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System ("FRS"), in their July 1, 2023 actuarial valuation as mandated by Chapter 112.63, Florida Statutes.

The most recent actuarial experience study used to review the other significant assumptions was dated November 2, 2020.

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

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

Actuarial Assumptions (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 expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing 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 Plan's target asset allocation as of September 30, 2025 are as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global equity	30%	9.08%
Domestic equity	25%	9.21%
Fixed income	27%	4.96%
Private real estate	5%	8.89%
Private credit	5%	12.84%
REITS	2%	9.74%
MLP's	2%	N/A
Commodities	2%	5.03%
Cash	2%	3.77%

Discount Rate:

The discount rate used to measure the total pension liability was 6.9%. 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 these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024**

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

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

The following presents the net pension liability of the City, calculated using a discount rate of 6.9%, as well as what the City's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower (5.9%) or 1-percentage point higher (7.9%) than the current rate.

	1% Decrease 5.9%	Current Single Discount Rate 6.9%	1% Increase 7.9%
City's net pension liability	\$ 62,009,934	\$ 39,884,158	\$ 21,615,712

NOTE 14 - COMMITMENTS AND CONTINGENCIES

Certain members of the Plan are entitled to refunds of their accumulated contributions, without interest, upon termination of employment with the City prior to being eligible for pension benefits. The portion of these contributions which are refundable to members who are not vested has not been determined.

REQUIRED SUPPLEMENTAL SCHEDULES

This page was intentionally left blank.

BOYNTON BEACH POLICE OFFICERS' PENSION FUND
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY
LAST TEN FISCAL YEARS

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Total pension liability:				
Service cost	\$ 4,076,407	\$ 3,663,661	\$ 3,587,627	\$ 3,452,837
Interest	14,457,129	13,638,560	12,817,142	12,089,377
Benefit changes	-	96,979	-	-
Difference between actual and expected experience	3,364,149	2,516,640	3,620,044	3,186,572
Assumption changes	-	-	-	2,100,783
Benefit payments	(9,598,643)	(9,094,106)	(9,040,409)	(8,485,009)
Refunds	(145,673)	(108,810)	(60,104)	(54,927)
Other (adjustments to excess state reserve)	1,097,405	919,289	991,649	820,682
Net change in total pension liability	<u>13,250,774</u>	<u>11,632,213</u>	<u>11,915,949</u>	<u>13,110,315</u>
 Total pension liability, beginning	 <u>209,770,651</u>	 <u>198,138,438</u>	 <u>186,222,489</u>	 <u>173,112,174</u>
 Total pension liability, ending (a)	 <u><u>\$ 223,021,425</u></u>	 <u><u>\$ 209,770,651</u></u>	 <u><u>\$ 198,138,438</u></u>	 <u><u>\$ 186,222,489</u></u>
 Plan fiduciary net position:				
Contributions - employer	\$ 8,555,476	\$ 7,863,802	\$ 7,136,079	\$ 6,689,463
Contributions - state	1,271,069	1,187,462	1,143,969	969,097
Contributions - members	1,825,756	1,627,485	1,311,731	1,437,092
Net investment income (loss)	20,682,421	32,778,602	12,075,804	(19,699,101)
Benefit payments	(9,598,643)	(9,094,106)	(9,040,409)	(8,485,009)
Refunds	(145,673)	(108,810)	(60,104)	(54,927)
Administrative expenses	(191,414)	(180,606)	(174,987)	(194,461)
Other (rollovers into DROP)	175,289	100,125	235,163	205,063
Net change in plan fiduciary net position	<u>22,574,281</u>	<u>34,173,954</u>	<u>12,627,246</u>	<u>(19,132,783)</u>
 Plan fiduciary net position - beginning	 <u>160,562,986</u>	 <u>126,389,032</u>	 <u>113,761,786</u>	 <u>132,894,569</u>
 Plan fiduciary net position - ending (b)	 <u><u>\$ 183,137,267</u></u>	 <u><u>\$ 160,562,986</u></u>	 <u><u>\$ 126,389,032</u></u>	 <u><u>\$ 113,761,786</u></u>
 Net pension liability - ending (a) - (b)	 <u><u>\$ 39,884,158</u></u>	 <u><u>\$ 49,207,665</u></u>	 <u><u>\$ 71,749,406</u></u>	 <u><u>\$ 72,460,703</u></u>

2021	2020	2019	2018	2017	2016
\$ 3,553,623	\$ 3,151,301	\$ 3,138,898	\$ 3,199,467	\$ 2,886,162	\$ 3,047,445
11,567,515	10,983,024	10,487,401	10,007,776	9,654,424	9,076,479
-	16,771	-	-	-	-
3,435,967	708,903	455,046	1,355,270	(1,118,136)	1,820,086
2,129,859	-	-	3,525,859	3,177,559	(565,994)
(7,810,999)	(7,755,642)	(7,828,430)	(6,817,205)	(6,259,474)	(6,169,099)
(13,824)	(97,633)	(19,613)	(122,701)	(11,413)	(93,339)
678,639	598,703	587,472	578,453	533,304	481,282
13,540,780	7,605,427	6,820,774	11,726,919	8,862,426	7,596,860
159,571,394	151,965,967	145,145,193	133,418,274	124,555,848	116,958,988
<u>\$ 173,112,174</u>	<u>\$ 159,571,394</u>	<u>\$ 151,965,967</u>	<u>\$ 145,145,193</u>	<u>\$ 133,418,274</u>	<u>\$ 124,555,848</u>
\$ 5,999,430	\$ 5,815,515	\$ 5,809,713	\$ 5,355,058	\$ 4,791,528	\$ 4,391,305
895,165	907,957	861,862	825,507	781,307	735,945
1,260,835	1,166,999	983,971	1,214,260	976,688	928,153
20,788,895	4,736,754	5,426,455	6,379,064	8,797,727	8,254,453
(7,810,999)	(7,755,642)	(7,828,430)	(6,817,205)	(6,259,474)	(6,169,099)
(13,824)	(97,633)	(19,613)	(122,701)	(11,413)	(93,339)
(187,230)	(165,414)	(178,668)	(163,266)	(167,698)	(164,398)
148,639	59,006	108,110	102,504	98,740	109,362
21,080,911	4,667,542	5,163,400	6,773,221	9,007,405	7,992,382
111,813,658	107,146,116	101,982,716	95,209,495	86,202,090	78,209,708
<u>\$ 132,894,569</u>	<u>\$ 111,813,658</u>	<u>\$ 107,146,116</u>	<u>\$ 101,982,716</u>	<u>\$ 95,209,495</u>	<u>\$ 86,202,090</u>
<u>\$ 40,217,605</u>	<u>\$ 47,757,736</u>	<u>\$ 44,819,851</u>	<u>\$ 43,162,477</u>	<u>\$ 38,208,779</u>	<u>\$ 38,353,758</u>

**CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
SCHEDULE OF RATIOS
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll
2016	69.21%	\$ 11,279,375	340.03%
2017	71.36%	11,834,364	322.86%
2018	70.26%	11,552,888	373.61%
2019	70.51%	11,268,875	397.73%
2020	70.07%	12,682,527	376.56%
2021	76.77%	13,006,567	309.21%
2022	61.09%	14,000,725	517.55%
2023	63.79%	13,326,649	538.39%
2024	76.54%	15,085,030	326.20%
2025	82.12%	16,767,308	237.87%

**CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Actuarially Determined Contribution	Actual*	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2016	\$ 4,856,392	\$ 4,856,392	\$ -	\$ 11,279,375	43.06%
2017	5,256,615	5,256,615	-	11,834,364	44.42%
2018	5,820,145	5,820,145	-	11,552,888	50.38%
2019	6,272,374	6,274,800	(2,426)	11,268,875	55.68%
2020	6,280,602	6,280,602	-	12,682,527	49.52%
2021	6,464,517	6,464,517	-	13,006,567	49.70%
2022	7,154,550	7,154,550	-	14,000,725	51.10%
2023	7,601,166	7,601,166	-	13,326,649	57.04%
2024	8,328,889	8,328,889	-	15,085,030	55.21%
2025	9,020,563	9,020,563	-	16,767,308	53.80%

* Actual contribution as shown in the actuarial report

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
NOTES TO SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2025

Valuation Date:

October 1, 2023

Actuarially determined contribution rates are calculated as of October 1st, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates can be found in the October 1, 2023 actuarial valuation prepared by GRS Consulting.

CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
SCHEDULE OF INVESTMENT RETURNS
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Annual Money-Weighted Rate of Return Net of Investment Expense
2016	10.72%
2017	11.04%
2018	7.30%
2019	5.86%
2020	8.67%
2021	18.10%
2022	-14.28%
2023	10.65%
2024	25.58%
2025	12.88%

ADDITIONAL INFORMATION

**CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
SCHEDULE OF INVESTMENT AND ADMINISTRATIVE EXPENSES
YEARS ENDED SEPTEMBER 30, 2025 AND 2024**

	2025		2024	
	Investment*	Administrative	Investment*	Administrative
Actuary fees	\$ -	\$ 42,662	\$ -	\$ 50,502
Administrator fees	-	54,269	-	52,689
Audit fees	-	27,250	-	24,300
Bookkeeping fees	-	6,100	-	4,950
Education and dues	-	3,402	-	7,067
Fiduciary insurance	-	22,877	-	22,567
Investment expenses	381,995	-	391,903	-
Legal fees	-	29,489	-	10,752
Office expenses	-	3,143	-	3,084
Seminar and travel expenses	-	2,222	-	4,695
Total investment and administrative expenses	\$ 381,995	\$ 191,414	\$ 391,903	\$ 180,606
 Percentage of Plan net position	 <u>0.21%</u>	 <u>0.10%</u>	 <u>0.24%</u>	 <u>0.11%</u>

* Investment expenses do not include management fees withheld from investment fund revenues.