

**CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN**

**FISCAL YEAR ENDED  
SEPTEMBER 30, 2025**

# City of Coral Springs Police Officers' Pension Plan

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees  
City of Coral Springs Police Officers' Pension Plan  
Coral Springs, Florida

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

***Opinions***

We have audited the accompanying financial statements of the City of Coral Springs Police Officers' Pension Plan ("Plan"), which are comprised of the statement of fiduciary net position as of September 30, 2025, and the related statement of changes in fiduciary net position for the fiscal year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the City of Coral Springs Police Officers' Pension Plan as of September 30, 2025 and the changes in its fiduciary net position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

The Plan's 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***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 opinions. 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.

### ***Required Supplementary Information***

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

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Plan's basic financial statements. The schedule of administrative expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of administrative expenses is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of administrative expenses is fairly stated in all material respects in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated March 16, 2026, 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, 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 and compliance.

March 16, 2026

CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN

Statement of Fiduciary Net Position  
As of September 30, 2025

ASSETS	
Cash and cash equivalents	\$ 7,660,188
Other assets	
Accrued investment income	362,399
Pending trades receivable	271,477
Total other assets	<u>633,876</u>
Investments, at fair value:	
Common stocks	122,095,127
U.S. government securities	20,159,888
Mortgage backed securities	3,510,367
U.S. corporate bonds and other debt securities	12,599,524
Municipal Bonds	208,526
Real estate commingled funds	33,383,615
Limited partnership	46,483,040
Multi-asset mutual funds	8,534,205
Common stock mutual funds	114,708,770
Fixed income mutual funds	5,920,619
Total investments, at fair value	<u>367,603,681</u>
 TOTAL ASSETS	 <u>375,897,745</u>
LIABILITIES	
Accounts payable	398,882
Pending trades payable	211,161
TOTAL LIABILITIES	<u>610,043</u>
NET POSITION RESTRICTED FOR PENSIONS:	
Net position restricted for Deferred Retirement Option Plan (DROP) Benefits	24,576,059
Net position restricted for Defined Benefits	350,711,643
TOTAL NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 375,287,702</u>

See Notes to the Financial Statements

CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN

Statement of Changes in Fiduciary Net Position  
For the Fiscal Year Ended September 30, 2025

ADDITIONS	
Contributions:	
Employer	\$ 10,257,268
Plan member	2,465,270
State - Chapter 185	1,874,408
Employer DROP contributions	2,963,594
Total contributions	<u>17,560,540</u>
Investment income:	
Net increase/(decrease) in fair value of investments	24,292,895
Interest and dividends	8,585,161
Less: investment expenses	<u>(1,199,114)</u>
Net investment income	<u>31,678,942</u>
Other income	<u>2,325,369</u>
TOTAL ADDITIONS	<u>51,564,851</u>
DEDUCTIONS	
Pension benefits remitted	24,546,437
Refunds of contributions	89,959
Administrative expenses	<u>377,206</u>
TOTAL DEDUCTIONS	<u>25,013,602</u>
NET INCREASE (DECREASE)	26,551,249
NET POSITION RESTRICTED FOR PENSIONS	
Beginning of fiscal year	<u>348,736,453</u>
End of fiscal year	<u>\$ 375,287,702</u>

See notes to the financial statements

CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

**Note 1. Description of Plan**

The following description of the City of Coral Springs Police Officers' Pension Plan (the Plan) provides only general information. Participants should refer to the City of Coral Springs, Florida (the City), ordinance for more complete information.

**General:** The Plan is a single-employer defined benefit plan, established on June 1, 1973 pursuant to the City ordinance, covering all full-time certified police officers of the City. The Plan is also governed by certain provisions of the Florida Statutes Chapters 112 and 185. Since the Plan is sponsored by the City, the Plan is included as a fiduciary component unit in the City's annual comprehensive financial report as part of the City's financial reporting entity.

Management of the Plan is vested in the Board, which consists of 5 members—2 legal residents of the City, to be selected by the City commission, 2 police officers, who are actively employed as full-time law enforcement officers, including Deferred Retirement Option Plan (DROP) participants, to be elected by a majority of the actively employed full-time law enforcement officers at times and places designated by the Board and the fifth member shall be chosen by a majority of the previous 4 members.

Plan participation:

Plan participation consisted of the following as of September 30, 2025:

Inactive plan members or beneficiaries currently receiving benefits	228
Inactive plan members entitled to benefits but not yet receiving them	25
Active Plan participants	183
	<u>436</u>

**Eligibility:** All full-time certified police officers are eligible to participate in the Plan.

**Benefits:** The Plan provides normal retirement, early retirement, delayed retirement, termination, death and disability benefits. The benefit provisions are established and may be amended under the authority of City ordinance. Effective October 1, 2012, Ordinance 2012-112 was adopted, which made numerous changes to the Plan's benefits. The benefit changes in Ordinance 2012-112 do not apply to participants who had obtained 20 years of service as of September 30, 2012. Effective March 5, 2025, Ordinance 2025-105 was adopted, which made additional changes to the Plan's benefits.

**Normal retirement:** The earlier of: 1) age 55 with at least 10 years of credited service, or 2) If hired before October 1, 2012: completion of 20 years of continuous service, regardless of age. If hired on or after October 1, 2012: completion of 22 years (previously 23 years) of continuous service, regardless of age.

Upon retirement, a participant will receive a monthly benefit determined based on 3.5% of the "Average Monthly Earnings Plus" for each year of credited service earned before October 1, 2012 plus 3.50% of Average Monthly Earnings for each year of continuous service earned on and after October 1, 2012.

The benefit is subject to a maximum of 87.5% of Average Monthly Earnings (if hired before October 1, 2012, 87.5% cap is prorated based on credited service before October 1, 2012 for Average Monthly Earnings Plus and credited service on or after October 1, 2012 for Average Monthly Earnings). The Chapter 185 minimum benefit is a 10-year certain and life annuity.

# CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN

## NOTES TO FINANCIAL STATEMENTS

### **Note 1. Description of Plan (Continued)**

Pensionable earnings include total cash remuneration, but exclude overtime, off-duty details, annual sick leave conversion payments, vacation payment incentives, and all end-of-career payouts (such as sick, vacation/annual, and compensatory time). Total cash remuneration other than base salary is limited to 7.5% of base salary. Effective March 5, 2025, "total cash remuneration other than base salary" includes any cash bonus paid to topped out Sergeants and Lieutenants as provided for in the Collective Bargaining Agreement. (For active plan members at October 1, 2012, old pensionable earnings include total compensation other than leave payouts at separation and compensation for off-duty detail. However, only the first 300 hours of overtime are considered during each calendar year, or a pro-rated portion of 300 hours for periods less than a full year, and total cash remuneration other than base salary is limited to 14.5% of base salary).

Average Monthly Earnings is equal to 1/12th of the average annual earnings for the highest four consecutive years (three years prior to October 1, 2012) out of the ten full years immediately preceding the determination. Members who were hired prior to 1980 and who joined the Plan within one year of becoming eligible have been given continuous service credit from their date of employment.

**Early retirement:** A participant who has attained age 50 and completed 10 continuous years of credited service may retire with an early retirement benefit.

The normal retirement benefit reduced by 6 2/3% for each year by which the participant's early retirement date precedes his normal retirement date for an immediate retirement benefit. The Chapter 185 minimum benefit is a 3% reduction each year. A deferred payment shall be equal to a normal retirement benefit and commence on the normal retirement date.

**Deferred retirement option plan (DROP):** The Plan provides for a DROP. A participant shall become eligible for participation in the DROP on the first day of the month coincident with or next following the completion of twenty years of continuous service. Upon entry into the DROP, an amount equal to the participant's monthly retirement benefit plus any cost-of living adjustments granted to retirees shall be transferred to an account designated by the participant for investment. Participants may direct their DROP money to any of the investment options available. The election to participate in the DROP is irrevocable and allows participants to continue employment with the City for up to seven years. There is no guaranteed rate of investment return on DROP deposits.

DROP accounts are separately invested from the assets of the Plan and are participant-directed. The DROP investment balance on September 30, 2025, of \$24,576,059 is included in the Plan's financial statements.

**Disability retirement:** Any participant who, after ten years of credited service, becomes totally and permanently disabled, as certified by medical examination, may retire on a non-service incurred disability retirement benefit. A participant may retire on a service incurred disability retirement benefit if disabled as a result of the performance of duty, without regard to credited service at the time of disability.

The monthly non-service incurred disability retirement benefit is the greater of the accrued pension benefit or 25% of Average Monthly Earnings. The monthly service incurred disability retirement benefit is the greater of the accrued pension benefit, 42% of Average Monthly Earnings or the difference between 70.00% of Average Monthly Earnings and the workers' compensation income received as a result of the disability.

**Termination benefit:** Any participant whose employment is terminated at any age with at least 5 years of continuous service is eligible for a termination benefit equal to the monthly accrued benefit multiplied by the participant's vested interest, payable at age 55.

# CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN

## NOTES TO FINANCIAL STATEMENTS

### Note 1. Description of Plan (Continued)

**Death benefit:** Upon the death of any participant prior to retirement, his or her beneficiary will receive a 10-year certain annuity determined as if the participant had retired on the day before his death and elected a 10-year certain and life annuity. In any event, the participant's beneficiary will receive an amount that is at least equal to the participant's accumulated contributions.

**Cost-of-living adjustment:** All retirement benefits are increased by 1% (2.5% prior to October 1, 2012) per year except during the first five years after retirement.

Pursuant to Chapter 185, Florida Statutes, the City imposes a 0.85% tax on casualty insurance premiums paid to insure property within its corporate limits. The proceeds of this tax are contributed to the Plan as part of the City's contribution.

**Funding:** Effective December 16, 2015, all participants who do not have 20 years of service are required to contribute 9.8% of earnings on a pick-up basis, 9.785% if the participant has over 20 years, and each participant's actual contributions are individually accumulated. If a participant terminates their employment before they become eligible to receive benefits, the accumulated contributions plus 3% interest will be returned to the participant. Beginning on January 1, 2022, employees are required to contribute 11.50% of pensionable earnings (previously 9.8% of pensionable earnings) and such contributions are accumulated with interest at the rate of 3.00% per annum.

Pursuant to Florida law, the City is ultimately responsible for making sure the Plan remains actuarially sound. Therefore, each year, the City must contribute an amount determined by the Board in conjunction with their actuary to be sufficient, along with the employee's contribution and the State contribution, to fund the benefits under the Plan. Contribution will vary from year to year.

**Buybacks:** An ordinance was adopted July 17, 2001, adding a provision whereby active participants as of April 1, 2001, could purchase up to 2 years of additional service credit for non-covered military or sworn law enforcement service once the participant has earned at least 10 years of continuous service by paying the full actuarial costs as determined by the Plan's actuary.

### Note 2. Summary of Significant Accounting Policies

**Basis of accounting:** The accompanying financial statements of the Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due pursuant to legal requirements. Benefits and refunds are recognized when due in accordance with the terms of the Plan, pursuant to legal requirements. Interest and dividends are recorded as earned. Investments are reported at fair value.

**Use of estimates:** The preparation of financial statements in conformity with GAAP, requires the Plan's 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 revenue/additions and expenses/deductions during the reported period. Actual results could differ from those estimates.

**Risks and uncertainties:** The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit 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 that such changes could materially affect the amounts reported in the statement of fiduciary net position available for benefits.

# CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN

## NOTES TO FINANCIAL STATEMENTS

### **Note 2. Summary of Significant Accounting Policies (Continued)**

Plan contributions are made and the actuarial present value of projected benefit payments (total pension liability) are reported based on certain assumptions pertaining to investment and discount 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.

**Investment valuation and income recognition:** Investments are reported at fair value. 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. Purchase and sales of securities 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.

Common stock mutual funds and multi-asset mutual funds are valued based on the underlying fair value of the investments (mutual funds, stocks, debt obligations, etc.) held by the funds.

Partnerships and real-estate commingled funds fair values are established by using the net asset value (NAV) per share of each investment, as provided by the investment fund manager. The Plan is permitted to establish the fair value of an investment in a nongovernmental entity that does not have a readily determinable fair value by using the NAV per share (or its equivalent), such as member units or an ownership interest in partners' capital to which a proportionate share of net assets is attributed. This method of determining fair value is permitted if the NAV per share (or its equivalent) of the investment is calculated as of the Plan's measurement date.

Partnerships are valued based on the fair value of investments held by the partnership which are measured using inputs which represents unadjusted quoted prices in active markets that the General Partner has the ability to access at the Plan's net position date.

Money market funds are measured at amortized cost. The Plan is allowed to report money market investments at amortized cost if the investment has a remaining maturity at time of purchase of one year or less and the fair value of those investments are not significantly affected by the impairment of the credit standing of the issuer or by other factors.

**Income taxes:** The Plan is exempt from federal income taxes under the Internal Revenue Code and, accordingly, no provision for federal income taxes have been made.

**Payment of benefits:** Benefit payments to participant are recognized upon distribution.

**Actuarial present value of projected benefit payments:** The actuarial present value of projected benefit payments also known as the total pension liability, are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated Plan benefits include benefits expected to be paid to: (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' compensation and years of credited service. Benefits payable under all circumstances – retirement, death, disability and termination of employment – are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts excluded from Plan assets are excluded from accumulated Plan benefits.

CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

**Note 2. Summary of Significant Accounting Policies (Continued)**

The total pension liability is determined by an actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated Plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment. The total pension liability, less the amount of the Plan's fiduciary net position at year-end is reported as the net pension liability or asset. See Note 4 for actuarial assumptions used for valuation of the net pension liability or asset as of year-end.

**Note 3. Investments**

**Investment policy:** The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the Plan. The investment policy statement was amended in August 2024.

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

Type of Investment	Target Allocation
Domestic equities	50%
Fixed income	10%
International equities	15%
Infrastructure	5%
Real estate	10%
Private equity	5%
Senior direct lending	5%
Global asset allocation	0%

**Interest rate risk:** The Plan's investment policy does not use limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Plan's investments in debt securities had maturities as follows:

Investment Type	Fair Value	Less than 1	1 to 5	6 to 10	More than 10
U.S. government Securities	\$ 20,159,888	\$ -	\$ 2,810,340	\$ 3,045,303	\$ 14,304,245
Mortgage backed securities	3,510,367	-	2,193,249	512,340	804,778
Money market mutual funds	7,660,188	7,660,188	-	-	-
Corporate bonds	12,599,524	266,845	8,892,465	3,184,573	255,641
Bond mutual funds	5,920,619	-	4,212,873	1,707,746	-
Municipal bonds	208,526	-	-	-	208,526
<b>Totals</b>	<b>\$ 50,059,112</b>	<b>\$ 7,927,033</b>	<b>\$ 18,108,927</b>	<b>\$ 8,449,962</b>	<b>\$ 15,573,190</b>

**Concentration of credit risk:** The Plan limits investment in the securities of any one issuer, other than the U.S. Government and its agencies, to no more than 5% of the Plan's assets. Investments in the American Core Realty Fund represent approximately 5.4% of the Plan's assets at year-end.

**Credit risk:** Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization (NRSRO). U.S. government and U.S. government guaranteed securities are not considered to have credit risk.

CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

**Note 3. Investments (Continued)**

The Plan limits corporate fixed income securities to the top four ratings classification by a NRSRO and limits money market funds to a rating of "A1" or higher by Standard & Poor's or "P1" by Moody's. At September 30, 2025, the portfolio met the credit rating limitations of the investment policy.

Rating	Fair Value
<b>Government securities</b>	
AAA	\$ 5,468,745
<b>Mortgage backed securities</b>	
AAA	2,160,849
<b>Corporate bonds</b>	
AA-	63,177
A	1,525,096
A-	2,509,210
BBB+	5,384,398
BBB	2,640,806
BBB-	331,499
<b>Municipal bonds</b>	
AA-	208,526
<b>Unrated</b>	
Unrated corporate bonds	145,338
Unrated mortgage backed securities	1,349,518
Unrated bond mutual funds	5,920,619
Unrated government securities	14,691,143
Unrated money market mutual funds	7,660,188
<b>Total</b>	<u><u>\$ 50,059,112</u></u>

**Foreign investments:** The investment policy limits the foreign investments to no more than 25% of the total Plan portfolio. At September 30, 2025, the portfolio met the limitations of the investment policy.

The Plan categorizes its investments according to the fair value hierarchy levels established by Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets or liabilities; Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted market prices for similar assets or liabilities in active markets; Level 3 inputs are significant unobservable inputs used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations where there is little, if any, market activity for the asset or liability at the measurement date. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flows methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment.

CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

**Note 3. Investments (Continued)**

At September 30, 2025, the Plan's investments were categorized as follows:

	Total	Level 1	Level 2
Investments by fair value level			
Common stocks	\$ 122,095,127	\$ 122,095,127	\$ -
Fixed income mutual funds	5,920,619	5,920,619	-
Equity mutual funds	114,708,770	18,655,440	96,053,330
U.S. government securities	20,159,888	-	20,159,888
Mortgage backed securities	3,510,367	-	3,510,367
Corporate bonds	12,599,524	-	12,599,524
Municipal Bonds	208,526	-	208,526
Multi-asset mutual funds	8,534,205	-	8,534,205
Total investments by fair value level	<u>287,737,026</u>	<u>146,671,186</u>	<u>141,065,840</u>
Investments measured at Net Asset Value (NAV)			
Real estate funds			
American Core Realty Fund	19,341,498		
JPMCB Special Situations Property Fund	14,042,117		
Total real estate	<u>33,383,615</u>		
Limited Partnerships:			
ABS Emerging Markets Strategic Portfolio	15,527,977		
Affiliated Housing Impact Fund	4,481,672		
Bloomfield Capital Income Fund V	3,113,397		
Capital Dynamics Global Second VI	3,242,128		
Churchill Mid Mrkt SR LN FD	5,051,719		
IFM Global Infrastructure	15,066,147		
Total limited partnership	<u>46,483,040</u>		
Total investments measured at NAV	<u>79,866,655</u>		
Total investments	<u>\$ 367,603,681</u>		

The American Core Realty Fund is a real-estate fund whose purpose is to actively manage a core portfolio of primarily equity real-estate investments located in the United States. The fund is a diversified open-end commingled fund invested in high-quality core office, industrial, retail and multi-family properties nationwide emphasizing strong income and the potential for long-term appreciation. The fund targets major metropolitan markets that are innovation hubs, have a concentration of globally competitive industries, and highly educated populations. Requests for redemptions may be made at any time with 10 business days notification, by submitting a redemption notice form signed by a representative of the Plan, and it will be effective at the end of the calendar quarter in which the request is received.

JPMCB Special Situation Property Fund is a real-estate fund whose purpose is to actively manage a core and value-added portfolio of primarily equity real-estate investments located in the United States. The fund targets real estate investments that seek to provide a moderate level of current income and high residual property appreciation. The fund's investment portfolio spans major markets and property types and includes a balanced mix of stabilized properties and value-added properties with appreciation potential. Requests for redemptions may be made at any time with 60 business days notification, by submitting a redemption notice form signed by a representative of the Plan, and it will be effective at the end of the calendar quarter in which the request is received.

CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

**Note 3. Investments (Continued)**

Affiliated Housing Impact Fund is a close-ended real estate fund focused on building workforce housing in South Florida. The fund is managed by Affiliated Development. The fund is located in Fort Lauderdale, Florida and invests in Florida. The fund invests in multi-family properties and seeks real estate related impact investment. As of September 30, 2025, the Plan has an unfunded commitment of \$3,836,536 for this investment.

ABS Global Investments was founded in 2002 specializing in equity investing. ABS Global Emerging Markets Long/Short strategy aims to deliver results in line with emerging markets equities with less risk over a full market cycle. The strategy targets a net exposure of 50%-75% and comprises local specialists across a range of styles and exposure biases. Built from the bottom up, underlying managers are selected based on their ability to deliver stock specific alpha and flexibility to adapt to the market environment

Churchill Middle Market Senior Loan Fund V is a 2023 vintage direct lending fund managed by Churchill Asset Management. The fund is located in New York, New York and will invest in the United States. The fund seeks to generate current income by investing in moderately levered first lien senior secured loans to private equity-backed United States middle market companies with EBITDA between USD 10- USD100 million

Bloomfield Capital Income Fund V is a 2018-vintage private real estate debt fund from Bloomfield Capital Holdings, LLC, focusing on income generation through investments in various property types like multifamily, retail, and office, using both debt and equity, structured as a private fund with Series offerings (A, B, C, etc.) for sophisticated investors.

IFM Global Infrastructure is a partnership that operates as a feeder in a master-feeder structure. The partnership invests substantially all of its assets in IFM Global Infrastructure Fund (the Master Fund), which is a Cayman Islands unit trust registered under the Mutual Funds Law of the Cayman Islands. The Master Fund's investment objective, which is the same investment objective as the Partnership, is to acquire and maintain a diversified portfolio of global infrastructure investments (with strong market positions, predictable regulatory environments, high barriers to entry, limited demand elasticity and long lives) that realizes a 10% annual return over the long term (10+ years), which will range between 8%-12% per annum depending on the stage of the market cycle. All or a portion of the capital account balances may be redeemed, subject to prior written notice given to the partnership. Requests for redemptions may be made at any time with 90 business days notification, by submitting a redemption notice form signed by a representative of the Plan, and it will be effective at the end of the calendar quarter in which the request is received.

**Note 4. Net Pension Liability**

**Net pension liability:** The components of the net pension liability of the City as of September 30, 2025, were as follows:

**Net pension liability at 7.00% Discount Rate**

Total pension liability (TPL)	\$	413,045,228
Less fiduciary net position (FNP)		<u>(375,287,702)</u>
Net pension liability (NPL)	\$	<u><u>37,757,526</u></u>

Plan's fiduciary net position as a percentage of total pension liability 90.86%

CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

**Note 4. Net Pension Liability (Continued)**

**Actuarial assumptions:** The total pension liability was based on an actuarial valuation dated October 1, 2024 and rolled-forward to September 30, 2025, using certain actuarial assumptions. The most significant actuarial assumptions were:

Valuation date	October 1, 2024 and rolled forward to the September 30, 2025 measurement date.
Actuarial assumptions:	
Actuarial cost method	Entry Age Normal
Amortization method	New UAAL amortization bases are amortized over the following amortization periods: Experience: 23 Years; Assumption/Method Changes: 23 Years; Benefit Changes: 30 Years. Previously, all new UAAL amortization bases were amortized over 30 years
Salary increases	4.75% to 10.0% depending on years of service. This assumption was adopted as a result of an actuarial experience study dated November 22, 2023. Previously, the salary increase assumption was 4.75% per annum.
Inflation	2.50%
Investment rate of return	7.00%
Retirement age	There is no Early Retirement assumption. Participants are assumed to retire upon Normal Retirement eligibility. Experience-based table of rates depending on service
Mortality	Pub 2010 Mortality Tables with generational improvements in mortality using Scale MP 2018, with appropriate adjustments made based on plan demographics.

The most recent actuarial experience study was conducted and dated November 22, 2023.

**Long-term expected rate of return:** The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2025, are summarized in the following table:

Asset Class	Long-term expected real rate of return
Domestic equity	7.50%
Fixed income	2.50%
International equities	8.50%
Infrastructure	4.50%
Real estate	4.50%
Private equity	3.50%
Senior direct lending	2.50%

CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

**Note 4. Net Pension Liability (Continued)**

**Rate of return:** For the year ended September 30, 2025, the annual money-weighted rate of return on Plan investments, net of Plan investment expense, was 9.75%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Discount rate:** The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that plan participant contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the participant 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 participants. 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.

**Sensitivity of the net pension liability to changes in the discount rate:** The sensitivity of the net pension liability to changes in the discount rate was measured as follows. The net pension liability of the City was calculated using the discount rate of 7.0%. It was also calculated using a discount rate that was 1-percentage-point lower (6.0%) and 1-percentage-point higher (8.0%).

Discount Rate Minus 1%	7.00% Discount Rate	Discount Rate Plus 1%
\$ 88,614,133	\$ 37,757,526	\$ (3,998,416)

**CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN**

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF CORAL SPRINGS  
POLICE OFFICERS' PENSION PLAN**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Total pension liability:</b>										
Service cost	\$ 6,817,499	\$ 6,624,873	\$ 6,561,326	\$ 5,349,081	\$ 5,391,509	\$ 5,576,478	\$ 5,661,618	\$ 4,345,351	\$ 3,848,387	\$ 4,026,131
Interest	26,947,976	25,957,708	24,979,467	24,638,623	24,012,383	20,890,435	18,286,849	19,486,843	17,972,364	17,276,218
Demographic experience	-	-	-	-	2,826,277	10,883,337	3,882,200	2,993,912	612,903	(1,619,349)
Difference between actual and expected experience	8,180,081	4,887,788	1,296,153	(1,934,052)	-	-	-	-	-	-
Assumption changes	4,439,446	-	3,413,529	19,100,702	(7,167,314)	-	21,233,529	-	6,988,272	-
Change in benefit terms	669,378	-	-	-	-	1,498,101	-	235,180	-	-
Contribution - buy back	155,466	265,272	239,611	451,517	-	-	-	-	-	-
Benefit payments	(24,636,396)	(22,926,774)	(22,230,755)	(18,736,364)	(14,736,491)	(14,678,781)	(13,401,666)	(12,239,961)	(11,908,412)	(10,884,662)
<b>Net change in total pension liability</b>	<b>22,573,450</b>	<b>14,808,867</b>	<b>14,259,331</b>	<b>28,869,507</b>	<b>10,326,364</b>	<b>24,169,570</b>	<b>35,662,530</b>	<b>14,821,325</b>	<b>17,513,514</b>	<b>8,798,338</b>
Total pension liability – beginning	390,471,778	375,662,911	361,403,580	314,490,616	304,164,252	279,994,682	244,332,152	229,510,827	211,997,313	203,198,975
Prior period adjustment (a)	-	-	-	18,043,457	-	-	-	-	-	-
<b>Total pension liability – ending</b>	<b>413,045,228</b>	<b>390,471,778</b>	<b>375,662,911</b>	<b>361,403,580</b>	<b>314,490,616</b>	<b>304,164,252</b>	<b>279,994,682</b>	<b>244,332,152</b>	<b>229,510,827</b>	<b>211,997,313</b>
<b>Plan fiduciary net position:</b>										
Contributions – employer and state	15,095,270	14,282,538	13,589,949	11,238,201	11,735,573	11,194,923	11,518,268	10,330,313	8,766,068	9,533,875
Contributions – member	2,465,270	2,490,519	2,366,279	5,740,012	1,757,326	1,880,013	1,846,201	1,754,523	1,511,546	1,514,657
Net investment and other income (loss)	34,004,311	58,008,590	25,016,763	(43,413,521)	55,257,590	17,280,976	11,969,160	21,825,091	22,518,129	16,635,024
Benefit payments and refunds	(24,636,396)	(22,926,774)	(22,230,755)	(18,736,363)	(14,736,491)	(14,678,781)	(13,401,666)	(12,239,961)	(11,908,412)	(10,884,662)
Administrative and other expenses	(377,206)	(341,690)	(264,808)	(262,876)	(270,661)	(206,918)	(198,714)	(164,989)	(166,619)	(166,709)
<b>Net change in plan fiduciary net position</b>	<b>26,551,249</b>	<b>51,513,183</b>	<b>18,477,428</b>	<b>(45,434,547)</b>	<b>53,743,337</b>	<b>15,470,213</b>	<b>11,733,249</b>	<b>21,504,977</b>	<b>20,720,712</b>	<b>16,632,185</b>
Plan fiduciary net position – beginning	348,736,453	297,223,270	278,745,842	306,136,932	252,393,595	236,923,382	225,190,133	203,685,156	182,964,444	166,332,259
Prior period adjustment (a)	-	-	-	18,043,457	-	-	-	-	-	-
<b>Plan fiduciary net position – ending (a)</b>	<b>375,287,702</b>	<b>348,736,453</b>	<b>297,223,270</b>	<b>278,745,842</b>	<b>306,136,932</b>	<b>252,393,595</b>	<b>236,923,382</b>	<b>225,190,133</b>	<b>203,685,156</b>	<b>182,964,444</b>
<b>Net pension liability – ending</b>	<b>\$ 37,757,526</b>	<b>\$ 41,735,325</b>	<b>\$ 78,439,641</b>	<b>\$ 82,657,738</b>	<b>\$ 8,353,680</b>	<b>\$ 51,770,657</b>	<b>\$ 43,071,300</b>	<b>\$ 19,142,019</b>	<b>\$ 25,825,671</b>	<b>\$ 29,032,869</b>
Plan fiduciary net position as a percentage of total pension liability	91%	89%	79%	77%	97%	83%	85%	92%	89%	86%
Covered payroll	\$ 20,107,900	\$ 19,538,349	\$ 18,520,913	\$18,643,645	\$17,481,543	\$17,006,487	\$17,751,985	\$16,479,660	\$14,558,858	\$14,881,215
Net pension liability as a percentage of covered payroll	188%	214%	424%	443%	48%	304%	243%	116%	177%	195%

**Notes to Schedule:**

a. Beginning net position was restated with the implementation of GASB 84, Fiduciary Activities at October 1, 2021.

**CITY OF CORAL SPRINGS  
POLICE OFFICERS' PENSION PLAN**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Fiscal Year End	(1) Actuarially Determined Contribution (ADC)	(2) Contributions Recognized by the Plan	(3) Difference Between (1) and (2)	Covered Payroll	Column (2) as a Percentage of Covered Payroll
September 30, 2016	9,015,031	9,533,875	(518,844)	14,881,215	64.07%
September 30, 2017	9,194,365	9,533,875	(339,510)	14,558,858	65.49%
September 30, 2018	10,220,960	10,330,313	(109,353)	16,479,660	62.69%
September 30, 2019	11,310,398	11,518,268	(207,870)	17,751,985	64.88%
September 30, 2020	11,534,214	11,194,923	339,291	17,006,487	65.83%
September 30, 2021	11,697,770	11,735,573	(37,803)	17,481,543	67.13%
September 30, 2022	11,180,566	11,238,201	(57,635)	18,643,645	60.28%
September 30, 2023	10,406,927	13,589,949	(3,183,022)	18,520,913	73.38%
September 30, 2024	11,175,044	14,282,538	(3,107,494)	19,538,349	73.10%
September 30, 2025	12,211,230	15,095,270	(2,884,040)	20,107,900	75.07%

The methods and assumptions used to determine contribution rates are as follows:

Valuation date	October 1, 2023
Actuarial cost method	Entry Age Normal
Amortization method	Level dollar, Closed
Remaining amortization period	New UAAL amortization bases are amortized over the following amortization periods: Experience: 23 Years; Assumption/Method Changes: 23 Years; Benefit Changes: 30 Years. Previously, all new UAAL amortization bases were amortized over 30 years
Asset valuation method	The actuarial value of assets is equal to the market value of assets, adjusted to reflect a five-year phase-in of the net investment appreciation (depreciation)
Actuarial assumptions:	
Investment rate of return	7.00%
Salary increases	4.75% to 10.0% depending on years of service. This assumption was adopted as a result of an actuarial experience study dated November 22, 2023. Previously, the salary increase assumption was 4.75% per annum.
Inflation	2.50%
Retirement age	Participants are assumed to retire at their Normal Retirement age. Also, eligible participants are assumed to continue employment for one additional year.
Mortality	Pub 2010 Mortality Tables with generational improvements in mortality using Scale MP 2018, with appropriate adjustments made based on plan demographics.

**Note to Schedule:**

a) For years 2021 and previous, actual employer contribution only includes contributions towards current pension benefits and does not include DROP and other amounts restricted for future benefit enhancements

**CITY OF CORAL SPRINGS  
POLICE OFFICERS' PENSION PLAN**

**SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN ON PLAN INVESTMENTS**

Fiscal Year End	Money Weighted Rate of Return
September 30, 2016	9.58%
September 30, 2017	12.11%
September 30, 2018	10.54%
September 30, 2019	5.14%
September 30, 2020	7.42%
September 30, 2021	7.50%
September 30, 2022	-13.25%
September 30, 2023	8.95%
September 30, 2024	19.49%
September 30, 2025	9.75%

**CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN**

**SUPPLEMENTARY INFORMATION**

**CITY OF CORAL SPRINGS  
POLICE OFFICERS' PENSION PLAN**

**SCHEDULE OF ADMINISTRATIVE EXPENSES**

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	SEPTEMBER 30,	
	2024	2025
Auditing	\$ 25,000	\$ 24,800
Actuarial	71,541	45,125
Office supplies	-	904
Registration fees	6,007	6,556
Communications	-	129
Legal	63,717	54,878
Other professional fees	167,068	238,239
Travel	6,626	3,949
Miscellaneous	-	2,626
	<u>\$ 339,959</u>	<u>\$ 377,206</u>

**CITY OF CORAL SPRINGS POLICE OFFICERS' PENSION PLAN  
COMPLIANCE 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**

To the Board of Trustees of the  
City of Coral Springs Police Officers' Pension Plan  
Coral Springs, 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 Coral Springs Police Officers' Pension Plan ("Plan") as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements, and have issued our opinion thereon dated March 16, 2026.

**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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions 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.

**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 agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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

March 16, 2026