Prilago. · PDF p.81 Excerpt

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

The Plans' investments are categorized as follows according to the GASB 72 fair value level hierarchy as of September 30, 2024:

	Police Plan Fair Value Measurements Using		
	Balance	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by Fair Value Level			
Fixed income securities:			
U.S. government obligations	$ 6,148,961	$ 3,933,204	$ 2,215,757
Corporate bonds	2,739,616	-	2,739,616
Total Fixed Income Securities	8,888,577	3,933,204	4,955,373
Equity securities:			
Large cap domestic stock	12,180,228	12,180,228	-
Foreign stocks	3,675,435	3,675,435	-
Mutual Funds	8,644,042	8,644,042	-
Total Equity securities	24,499,705	24,499,705	-
Total Investments at Fair Value	33,388,282	28,432,909	4,955,373
Investments not at Fair Value			
Real estate investments (measured at NAV)	2,334,284		
Money market funds (measured at amortized cost)	734,530		
Total Investments	$ 36,457,096		

Custodial Risk

Custodial credit risk is defined as the risk that the Plan may not recover cash and investments held by another party in the event of financial failure. The Plan maintains a master custodian agreement, whereby the investment securities are held by a financial institution acting as the Plan's agent. Custodial credit risk is limited since investments are held in independent custodial safekeeping accounts and in the name of the Plan.

Interest Rate Risk

Interest rate risk refers to the portfolio's exposure to fair value losses arising from increasing interest rates. Interest rate risk disclosures are required for all debt investments, as well as investments bond in mutual funds, external investment pools and other pooled investments that do not meet the definition of a 2a7-like pool. The Plan's investment policy does not currently set a parameter on the duration of its fixed income securities. As of September 30, 2024, the Police Officer's Pension Plan had the following fixed income investments and maturities:

		Investment Maturities (In Years)			
	Fair Value	Less Than 1	1-5	6-10	More than 10 years
U.S. government obligations	$ 6,148,961	$ 124,376	$ 3,113,609	$ 695,219	$ 2,215,757
Corporate bonds	2,739,616	-	1,218,950	1,197,156	323,510
Total	$ 8,888,577	$ 124,376	$ 4,332,559	$ 1,892,375	$ 2,539,267