

# AUDIT REPORT

CITY OF MIAMI BEACH, FLORIDA

For the Fiscal Year Ended

September 30, 2021





# **City of Miami Beach, Florida**

# **AUDIT REPORT**

**FOR THE FISCAL YEAR ENDED**

**SEPTEMBER 30, 2021**

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Cover picture  
Miami Beach, Florida  
<http://www.miamibeachfl.gov/>

**ANNUAL  
COMPREHENSIVE  
FINANCIAL REPORT**

**City of Miami Beach, Florida**

**ANNUAL  
COMPREHENSIVE  
FINANCIAL  
REPORT**

**FOR THE FISCAL YEAR ENDED**

**SEPTEMBER 30, 2021**

**Alina T. Hudak**  
City Manager

**John Woodruff**  
Chief Financial Officer

Report prepared by: Finance Department

**City of Miami Beach, Florida  
Annual Comprehensive Financial Report  
For the Fiscal Year Ended September 30, 2021**

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# **INTRODUCTORY SECTION**

# MIAMIBEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, [www.miamibeachfl.gov](http://www.miamibeachfl.gov)

June 17th, 2022

Honorable Mayor and Members of the City Commission:

State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the City of Miami Beach, Florida (the "City"), for the fiscal year ended September 30, 2021.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the governmental activities, business-type activities, fiduciary activities, and discretely presented component units of the City. All disclosures necessary to enable the reader to gain an understanding of the financial activities of the City have been included.

Management of the City is responsible for establishing and maintaining an effective internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse, and to ensure that complete and accurate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

State statutes require an annual audit by independent certified public accountants and for the City Commission to appoint an audit committee to make the selection of the independent auditor. RSM US LLP was selected by the audit committee and then approved by the City Commission. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion and that the City's basic financial statements for the fiscal year ended September 30, 2021 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the federal requirements of Single Audit Act of 1996 as amended, the State of Florida Single Audit Act in accordance with the Uniform Guidance and Florida Rules of the Auditor General, Section 10.550. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with applicable laws and regulations and federal, state, and county programs. This internal control structure is subject to periodic evaluation by management and the Internal Audit Department of the City. These reports are available in the City's separately issued Single Audit Report.

GAAP requires that management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

## Profile of the Government

The City was incorporated as a municipal corporation on March 26, 1915 and was created by the Florida Legislature, Chapter 7672, Laws of Florida (1917). The City is governed by an elected Mayor and six Commissioners. The City operates under a Commission-Manager form of government. The term for the Mayor is two years, with a lifetime term limit of three two-year terms. The term for the Commissioners is four years, with a lifetime term limit of two four-year terms. The Commission is responsible, among other things, for passing ordinances, adopting the budget, approval of property tax levies, authorizing and approving debt secured by the full faith and credit of the City or any of its revenue streams, appointing committees, and hiring the City's manager, clerk, attorney, and inspector general. The City Manager is responsible for carrying out the policies and ordinances of the Commission, for overseeing the day-to-day operations of the City, and for appointing the heads of various departments with the consent of the City Commission.

The accompanying financial statements present the City and its component units, entities for which the City is considered financially responsible. Blended component units, although legally separate entities, are, in substance, part of the City's operations. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the City.

The City provides a full range of services. These services include police and fire protection, recreational activities, cultural events, sanitation services, water, sewer and storm water services, public transportation, neighborhood and community services, and the construction and maintenance of streets and infrastructure. This report includes activities of the Miami Beach Visitor and Convention Authority, Miami Beach Employee's Retirement Plan, the City Pension Fund for Firefighters and Police Officers, Firemen's and Policemen's Relief and Pension Funds, Other Post-Employment Benefits (OPEB) Trust, the Miami Beach Health Facilities Authority, and the Miami Beach Redevelopment Agency (the "Agency").

The annual budget serves as the foundation for the City's financial planning and control. Prior to the first public hearing required by state law, the City Commission is presented with a proposed budget. The proposed budget includes anticipated expenditures and the means for funding them. After Commission review and two public hearings, the budget is adopted. The budget is approved by fund and department. Management may transfer amounts between line items within a department as long as the transfer does not result in an increase in the department's budget. Increases to funds or a department budgets and transfers between departments require Commission approval. Annual budgets are adopted on a basis consistent with GAAP for all governmental funds except the capital projects fund, which adopts project-length budgets. Budget-to-actual comparisons are provided in the required supplementary information section of this report for the general fund, the resort tax special revenue fund, and the Miami Beach Redevelopment Agency special revenue fund. Funds and grants that have multi-year project budgets are not presented in the statements.

## Local Economy

Located on a seven 7-mile barrier island, the City of Miami Beach (the "City") is surrounded by the Atlantic Ocean to the east and Biscayne Bay to the west. An award-winning travel destination, the City is often parceled out by three (3) main districts: South Beach, Mid-Beach, and North Beach. Each of these districts has a distinct culture and identity, offering a dazzling array of amenities catering to residents and tourists. Overall, the City is internationally recognized as a distinctive tourist and cultural destination, a vibrant business and residential community with world-class art, culture, dining, nightlife, events, and shopping.

The population of Miami Beach is approximately 82,965 with a median household income of \$59,835 and a median age of 41. The City's labor force consists of 47,105 individuals; the primary industries are sales (15.9%), office and administrative services (14.2%), food preparation and serving (13.9%), and executive, managers, & administrators (13.7%). The City's tourism and hospitality industry provide a foundation for revenue generated through room nights and resort taxes. Simultaneously, the newly renovated Miami Beach Convention Center plays host to major conferences and shows worldwide.

While most U.S. and International Travel and Tourism markets have faced challenges bouncing back to pre-COVID-19 pandemic numbers, the City of Miami Beach has been a super-performer concerning the recovery of hotel occupancy and Average Daily Rate (ADR) in 2021. The City has maintained a consistent pace that was reflected a year ago, with being generally in the top five (5) significant markets in the U.S. with travel search engines. We

closed out in December 2021 with a 72.3% occupancy rate, up 45.1% from 2020, and RevPar at \$362.87, up 160.8% from 2020. The future trends look favorable, with March 2022 numbers displaying air travel up 16.5% from 2020 and hotel 9.9% from 2020. However, as in past years, the City continues to attract the interest of notable events, conventions, and conferences including, but not limited to, the Miami Boat Show, Orange Bowl, South Beach Wine, and Food Festival, Art Basel, Design Miami, Miami Beach Gay Pride Festival, Art Deco Weekend, Seatrade Cruise Global Annual Meeting, eMerge America's Technology Conference, Florida Super-Con, Air & Sea Show, Jeweler's International Showcase, and the Miami International Auto Show. A sneak peek into 2022, we will have the FTX Grand Prix Festival in May 2022, bringing international visitors and race car aficionados to the Art Deco Cultural District.

Miami Beach continued to be a strong brand with a solid reputation as a leading travel destination. In 2021 the City's recognition awards included the Northstar Meeting Group's Silver Stella Award for the Miami Beach Convention Center and a Gold Magellan Destination Marketing award from Travel Weekly for the *Stay Safe Wrap Your Face* campaign.

In recent years, the City has diversified beyond its traditional tourism-based economy to become a leading multi-industry business center to include arts and entertainment, healthcare, technology, and financial services industries. Miami Beach continues to see an increase in the growth of an entrepreneurial community as well. The city is the new host of the Bitcoin Conference, the world's largest Bitcoin gathering and continues to host the eMerge Americas Conference, the premier technology event connecting startups, venture capitalists, higher education institutions, governments, entrepreneurs and innovators from all over the Americas.

Various initiatives have helped establish, maintain, and grow the city's business community by promoting the City's image, supporting businesses, real estate development, and diversifying the economy. Through the Vacant Storefront Cover program, a conceptual streetscape project, and lighting enhancements among other projects, the City dedicated resources to ensure that commercial corridors reflect an appealing aesthetic and promote activity. In response to the COVID-19 pandemic, the City focused on helping the business community adapt by developing the MB Standard safety protocol, administering grant programs, creating a dedicated resource center, and modifying the business tax licensing payment process. To continue to strengthen the business community post-pandemic, the City is launching a technical assistance program to provide free training and services to vulnerable small businesses.

The City is prioritizing economic development in targeted areas by executing strategic projects and initiatives to maximize the positive economic impact on the City of Miami Beach. The City received final County authorization to establish the North Beach Community Redevelopment Agency (CRA). The North Beach CRA will now build on highly successful CRAs in South Beach and City Center to catalyze investment and accelerate development and quality of life improvements. The strategic initiative to transition South Beach's Mixed-Entertainment District into the Art Deco Cultural District (ADCD) has entered the next phase of implementation with the adoption of the ADCD Vision Plan which will have a lasting impact on the city's world-renowned leisure and tourism center.

Miami Beach continues to be home to some of the country's most sought after commercial real estate. Starwood Capital, a major private investment firm, has completed development of its headquarters and tenant spaces in the burgeoning Collins Park Arts District, creating a financial services hub. Lincoln Road continues to rank as one of Florida's most expensive retail leasing locations and is diversifying with new, well-established office and restaurant tenants. The City's lifeblood hospitality industry features the world's most recognizable restaurants and hotels, from innovative new development in the Faena district to the historic architecture along Ocean Drive. Miami Beach also features some of the nation's most expensive residential zip codes, increasingly supported by an influx of nationally known investors and CEOs seeking a business-friendly environment.

## **New Convention Center Hotel**

In November 2018, voters approved the leasing of City land for a new 800 room Convention Center Hotel. An adjacent connected hotel is essential to completing the state-of-the-art Miami Beach Convention Center campus, which will enable the City of Miami Beach to be more competitive in attracting world-class events and meetings.

The development of an adjacent convention center hotel has been contemplated for more than two decades. In that span, the City has solidified its brand as an international destination for tourism, arts and culture, shopping, dining, and entertainment. This privately funded hotel will help make Miami Beach a more competitive convention

destination and is anticipated to generate millions in annual revenue to benefit residents.

Per a status report from January 2022, the developer anticipates vertical construction of the new Grand Hyatt Convention Center Hotel to begin in April 2023 with project completion in November 2025.

## **General Obligation Improvement Program**

In November 2018, voters approved all three ballot items of the proposed \$439 million General Obligation Bond, which addresses critical infrastructure needs for the city's parks, recreation facilities and cultural facilities (\$169 million); neighborhood and infrastructure (\$198 million); and police, fire and public safety (\$72 million).

The bond program is comprised of 57 projects, including creating a new North Beach community center and funding for 41 Street revitalization, which are intended to create town centers that will allow residents to enjoy themselves closer to their homes; boosting lighting, adding more license plate readers and upgrading the public safety radio system to enhance safety; replacing two aging fire stations that have nearly reached their endpoints; refurbishing many of our parks and repairing cultural centers; neighborhood resiliency improvements and beautification to compliment the planned storm water and water/sewer projects; and much more. Twenty-five percent of this G.O. Bond directly addresses the effects of climate change, while many of the other projects address other resiliency challenges.

Implementation of the bond program will be transformative in enhancing the quality of life and property values of the City of Miami Beach. The first tranche of G.O. bonds were sold on April 16, 2019. The pricing of the G.O. bonds generated tremendous investor interest, with \$342 million in orders for \$162 million in tax-exempt bonds. This solid demand enabled the City to reduce yields in the final pricing resulting in lower than anticipated interest rates that resulted in a savings of \$28 million over the 30-year life of the bonds.

Of the total 57 projects, 42 start in Tranche 1 (some of which span multiple tranches). As of March 2022, 9 of the 42 projects are fully completed and 31 others are in some form of "Active" status (Planning, Design or Construction). Many Tranche 1 projects are sub-divided in to smaller "subprojects". Of the 84 total existing sub-projects, 36 have been completed and 44 others are considered "Active". Approximately \$47 million has been spent thus far and another \$20 million is encumbered.

To date, \$3.2 million in project funds have been saved, benefitting other projects with funding gaps. The City has also received nearly \$56 million in grant funding for projects with matching funds in the G.O. Bond Program. More than \$15 million of the grant funding has been awarded directly to G.O. Bond projects to subsidize their budgets.

## **Climate Resilience**

Miami Beach is at the forefront of climate resilience planning and action, tackling challenges head on with an integrated approach that improves quality of life today for the community. The City has been recognized by ratings agencies and Federal Emergency Management Agency (FEMA) having a robust program to reduce risk. One of the City's top resilience stresses is flooding and sea level rise, and the City has made a commitment to invest in aging infrastructure, incrementally adapt to sea level rise, and use the best available science and engineering.

The City has undertaken comprehensive planning that includes integrating climate resilience into the 2040 Comprehensive Plan, the Water and Sewer Master Plan, the Blue Green Infrastructure Plan, Road Elevation Strategy and Neighborhood Project Prioritization Plan; Buoyant City: Historic District Resiliency Adaptation Guidelines, and the Urban Forestry Master Plan. In addition, the City participates in longer term Army Corps of Engineers studies to reduce risks from storm surge and sea level rise. From a land use perspective, the City has updated the land development regulations to incorporate climate adaptation and resilience, such increasing sea wall height, increasing base flood elevation, establishing freeboard above FEMA base flood elevation, requiring sea level rise and resilience review criteria for Land Use Boards, introducing additional commercial height standards, and increasing set-backs and open space for single family homes. A thorough update of the City's Code is underway.

Construction projects are holistic and include elevating roads, increasing the level of service to provide flooding protection from a ten-year storm, upgrading the gravity-based stormwater infrastructure with tidal control valves, pump stations and water quality treatment systems and new pipes. The projects integrate aesthetic, pedestrian

and biking elements and the City has adopted a ten-year financial plan to fund public seawall upgrades. Nature-based infrastructure, including the coral reef tract, the beach and our mature sand dune system protect the island from wave energy and storm surge events. A \$40 million Army Corps of Engineers beach renourishment project is scheduled for 2022 to address erosional hot spots, and a \$1 million grant has been awarded for dune system enhancements. The City is also implementing living shorelines with seawalls where feasible to help enhance water quality and ecosystem benefits.

Regionally, the City works with the Southeast Florida Climate Change Compact and Resilient305, an intergovernmental resilience strategy that was co-produced by the City of Miami Beach, the City of Miami and Miami-Dade County and was launched officially July, 2019 by the Greater Miami and the Beaches. Greater Miami and the Beaches was organized first in 2016 when Miami Beach was selected by the Rockefeller Foundation's 100 Resilient Cities program (100RC), a global initiative to make urban cities more resilient to the physical, social, and economic challenges they face in the ever-changing 21st century. Urban resilience is the capacity of individuals, communities, institutions, businesses and systems within a city to survive, adapt and grown, no matter what kinds chronic stresses and acute shocks they experience. As part of this unique effort, 100RC brought expert consultants, community partnerships and other resources together to assist the three involved municipalities as they crafted Resilient305. The City adopted a Strategic Plan in July of 2019 that combines traditional strategic planning with resilience priorities. The City's annual operating budget and capital budgets establish priorities and funding for strategic priorities and service delivery.

## Budgeting

Although the development of our budget this year has been challenging, especially due to the impacts of COVID-19, through rigorous review and good leadership, the Adopted Work Plan and Budget for fiscal year ended September 30, 2021 was balanced and enables the City to continue delivering outstanding, enhanced services to our residents, businesses and visitors, and continuing structural enhancements to ensure the long-term sustainability of the City.

**Adopted tax rates:** The millage rate is the tax per dollar of assessed value of property. The rate is expressed in "mills", where one mill is one-tenth of a cent (\$0.001). The City Commission adopted a total combined millage rate for the City of 6.0515 mills. The total adopted operating millage is 5.7288 mills, including a general operating millage rate of 5.6298 mills, a general fund Pay-As-You Go capital rate of 0.0755 and a general fund capital renewal and replacement rate of 0.0235 mills. The adopted voted debt service millage rate increased from 0.2933 to 0.3227, an increase of 0.0294 mills.

**Property Values and Ad Valorem Taxes:** On July 1, 2020, the City received the "2020 Certification of Taxable Value" from the Property Appraiser's Office stating that the taxable value for the City of Miami Beach is \$41.7 billion, including \$1.3 billion in new construction. The preliminary 2020 value represents an increase of \$1.6 billion or 4.0 percent more than the July 1, 2019, Certification of Taxable Value of \$40.1 billion.

**Determining the Voted Debt Service Millage Levy:** The general obligation debt service payment for fiscal year 2021 was approximately \$12.8 million. Based on the July 1, 2020 Certified Taxable Value from the Property Appraiser, these bonds would require the levy of a voted debt service millage of 0.3227 mills. This represents an increase of 0.0294 mills.

**Efficiencies and Reductions:** As with the preparation of budgets for the last twelve years, departments continued to analyze and present their budgets from two perspectives: 1) reviewing for potential efficiencies, reorganizations to reduce cost, etc., without impacting services; and 2) performing a modified zero-based analysis of each department budget, identifying potential service reduction alternatives versus core functions. As part of the fiscal year 2021 budget adopted in September 2020, the Finance & Economic Resiliency Committee requested that departments submit lists of potential reductions and efficiencies totaling 10 percent of their 2020 budgets. Across all funds, a total of \$15.7 million of reductions were adopted including 50 full-time positions.



## Debt Administration

The general obligation debt rating of the City remained at Aa2 with Moody's and AA+ with Standard and Poor's. Under current state statutes, general obligation bonded debt issued by the City is subject to a legal limitation based on 15% of total assessed value of real and personal property. At September 30, 2021, the total net debt applicable to the limit as of percentage of debt limit is 2.91%.

The City continues to responsibly manage its debt financing. No new bonds were issued during the fiscal year. Outstanding general and special obligation debt was reduced by \$19 million. The City drew \$5.0 million from the equipment line to finance the purchase of fleet vehicles to facilitate the vehicle replacement program. In the coming year the City will continue to evaluate the source of funding for the replacement program. Net reduction in other outstanding debt including revenue bonds, was \$12.2 million for the fiscal year. In the coming year, the City will also refinance a portion of the outstanding water and sewer revenue bonds to take advantage of declining interest rates. For more details on debt, see Note 10. For details on the debt coverage ratio compliance, see statistical section beginning on pg. 152 of this report.

## Impact of COVID-19

The City of Miami Beach is highly dependent on the tourism and hospitality industry. Due to COVID-19, the City experienced dramatic impacts to revenues in FY 2020 and FY 2021. To navigate the financial impact of COVID-19, the City swiftly re-projected its revenues and created and implemented various budget balancing plans. Our budget balancing strategy was to (1) aggressively reduce costs as much as possible to mitigate the projected revenue loss and (2) judiciously use our reserves to make up the difference. In addition, between FY 2020 and FY 2021, the City received \$41.1 million in Coronavirus Aid Relief and Economic Security Act (CARES) funds and has been awarded \$23.6 million of American Rescue Plan Act funds. As a result, the City has been able to successfully address COVID-19 related budget shortfalls and maintain its credit ratings despite the significant impact to the City's revenues.

## Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2020. This was the thirty-fourth (34) consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to conform to the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City received the GFOA's Distinguished Budget Presentation Award for its annual budget for the fiscal year beginning October 1, 2020. In order, to qualify for the Distinguished Budget Presentation Award, the City's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of the annual comprehensive financial report was made possible by the dedicated work and tireless efforts of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, without the leadership and support of the Mayor and City Commission, preparation of this report would not have been possible.

Sincerely,



Alina T. Hudak  
City Manager



John Woodruff  
Chief Financial Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

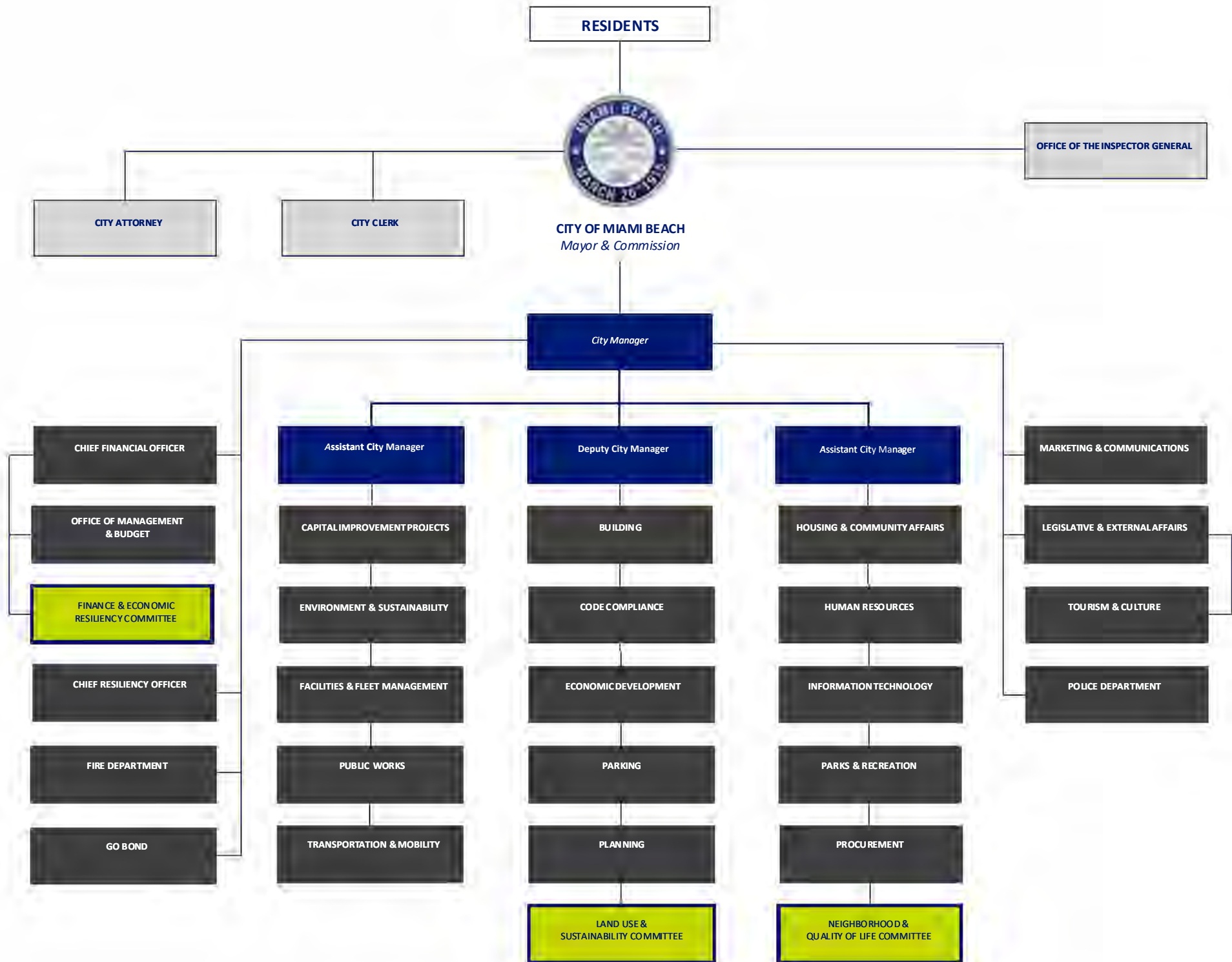
**City of Miami Beach  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2020

*Christopher P. Morrill*

Executive Director/CEO



**CITY OF MIAMI BEACH, FLORIDA**  
**List of Elected Officials and Administration**

**September 30, 2021**

**City Commission**

Dan Gelber, Mayor

Ricky Arriola, Commissioner  
Alex J. Fernandez, Commissioner  
Kristen Rosen Gonzalez, Commissioner  
Steven Meiner, Commissioner  
David Richardson, Commissioner  
Mark Samuelian, Commissioner

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**Administration**

Alina T. Hudak, City Manager  
Eric Carpenter, Deputy City Manager

John Woodruff, Chief Financial Officer

Lester Sola, Assistant City Manager  
John M. Taxis, Assistant City Manager

MIAMI BEACH

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# **FINANCIAL SECTION**





RSM US LLP

## Independent Auditor's Report

The Honorable Mayor and Members of the City Commissioners  
City of Miami Beach, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Miami Beach, Florida (the City), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Miami Beach Florida Employees' Retirement Plan, the City of Miami Beach Pension Fund for Firefighters and Police Officers, City of Miami Beach Policemen's Relief and Pension Fund and the City of Miami Beach Firefighters' Relief and Pension Fund which collectively represent 81% of total assets/deferred outflows, 86% of total net position/fund balance and 65% of total revenues/additions of the aggregate remaining fund information opinion unit. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Miami Beach Florida Employees' Retirement Plan, the City of Miami Beach Pension Fund for Firefighters and Police Officers, City of Miami Beach Policemen's Relief and Pension Fund and the City of Miami Beach Firefighters' Relief and Pension Fund, is based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the City of Miami Beach Policemen's Relief and Pension Fund and the City of Miami Beach Firefighters' Relief and Pension Fund were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Miami Beach, Florida, as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 1 to the financial statements, the City adopted the recognition and disclosure requirements of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. The beginning net position and fund balance of the governmental activities, the business-type activities and the aggregate remaining fund information as of October 1, 2020 have been restated. 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 management's discussion and analysis, the pension plans and other post-employment benefits fund schedules and the budgetary comparison information for the General Fund, Resort Tax Fund and Miami Beach Redevelopment Agency Fund, as listed in the table of contents, 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 and other auditors 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.

#### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying introductory section, the combining and individual nonmajor fund financial statements and schedules, and the statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated June 17, 2022, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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 City's internal control over financial reporting and compliance.

*RSM US LLP*

June 17, 2022  
Miami, Florida

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**

Our discussion and analysis of the City of Miami Beach's (the "City") financial performance provides an overview of the City's financial activities for the year ended September 30, 2021. We encourage readers to consider the information presented herein in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-6 of this report.

### **Financial Highlights**

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at September 30, 2021 by \$1.1 billion (net position). Of this amount, \$1.5 billion was in net investments in capital assets. Additionally, \$250.5 million was restricted by laws, agreements, or debt covenants. The City has a negative unrestricted net position of \$666.7 million.
- During fiscal year 2021, the City's net position increased by \$42.1 million. Of this amount, there was an increase in governmental activities of approximately \$22.2 million in governmental activities and an increase of \$20 million in business-type activities. For governmental activities, revenues for charges for services increased \$9 million or 12%, operating grants and contributions increased by \$43.9 million or 200% over prior year, and capital grants and contributions increased \$73 thousand or 1%. Additionally, transfers out decreased \$456 million which primarily related to transfers to the Convention Center in prior year. For business-type activities, charges for services increased by \$8 million or 4.3%. Parking revenues increased by approximately \$5.7 million or 18%, investment returns decreased by \$4.5 million or 69% and tax incremental income decreased \$14 million or 100% from prior year. Transfers of \$35.1 million relate mainly to Convention Center renovations.
- Overall, the City's assets and deferred outflows had a net increase of \$30.5 million. Major changes were attributed to an increase of \$88.6 million in total assets balances offset by a \$58.1 million decrease in deferred outflow which included decreases of \$20 million for Miami Beach Employee Pension Plan, \$24.1 million for Police and Fire Pension and \$12.9 million in the City's OPEB actuarial estimates.
- The City's overall liabilities and deferred inflows decreased from \$2.5 billion to \$2.4 billion. Major changes are attributed to decreases in long term liabilities of 102.1 million dollars offset with \$35.7 million increase in other liabilities and a \$32.4 million increase in deferred inflows.
- At September 30, 2021, the City's governmental funds had fund balances totaling \$571.6 million an increase of \$27.8 million or 5.1% compared to prior year.
- At September 30, 2021, the General Fund had a fund balance of \$105.6 million. This is an increase of \$10.2 million or 10.7% compared to prior year.
- For the year ended September 30, 2021, the City implemented GASB 84 This implementation resulted in the restatement of beginning fund balances of approximately \$10.7 million, \$7.8 million in Governmental Activities and \$2.8 million in Business-Type Activities.

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

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which have the following components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### **Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to that of a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**

The statement of activities presents information showing how the City's net position changed during each fiscal year. Changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (for example, uncollected taxes and earned, but unused vacation leave).

Both the statement of net position and the statement of activities of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their cost through user fees and charges. The governmental activities of the City include general government, public safety, physical environment, transportation, economic development, human services, and culture and recreation. The business-type activities of the City include storm water, water, sewer, parking, convention center, sanitation, and Miami Beach Redevelopment Agency's parking and leasing operations.

The government-wide financial statements include not only the City itself, but also a legally separate Visitor and Convention Authority and a legally separate Health Facilities Authority. Financial information for these component units are reported separately from the financial information presented for the primary government itself.

### **Fund Financial Statements**

A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus is on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of a fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The City maintains eighteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, resort tax special revenue fund, Miami Beach Redevelopment Agency special revenue fund, and capital projects fund which are considered to be major funds. Data from the other thirteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds are provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund, its resort tax special revenue fund, and its Miami Beach Redevelopment Agency's special revenue fund. A budgetary comparison statement has been provided for all of the above funds to demonstrate compliance with the fund's budget. The City also adopts a multi-year capital budget which is not included in this report but can be found at the City's website.

### **Proprietary Funds**

The City maintains eight different types of enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its storm water utilities, water and sewer utilities, parking, convention center complex, sanitation, building and Miami Beach Redevelopment Agency's parking and leasing. The City maintains 7 internal service funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet management, property

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**

management, central services, risk management self-insurance, health self-insurance and communications operations and the Office of the Inspector General. Since these services predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements separate information for the storm water utilities, water and sewer, parking, and convention center complex, which are considered to be major funds of the City. Data from the other three proprietary funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major proprietary funds is provided in the form of combining statements within the supplemental information section of this report.

Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements within the supplemental information section of this report.

### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support City programs. The fiduciary funds include the four Pension Trust Funds, one OPEB Trust Fund and one custodial fund. The agency fund and functions were adjusted due to the implementation of GASB 84. Please see note 1 for more information.

### **Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential for a full understanding of the information provided in the government-wide and fund financial statements.

### **Other information**

In addition to the basic financial statements and accompanying notes, this report also represents certain required supplementary information concerning the City's progress in funding its obligations to provide pension benefits to its employees.

The combining statements referred to earlier in connection with non-major governmental funds, non-major enterprise funds and internal service funds are presented immediately following the required supplemental information.



## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

### Government-wide Financial Analysis

The table below summarizes the statement of net position:

	Governmental activities		Business-type activities		Total	
	2020	2021	2020	2021	2020	2021
	2020	2021	2020	2021	2020	2021
Current and other assets	\$ 701,020	\$ 782,154	\$ 525,624	\$ 543,283	\$ 1,226,644	\$ 1,325,437
Capital assets	760,491	738,776	1,270,017	1,281,548	2,030,508	2,020,324
Total assets	<u>1,461,511</u>	<u>1,520,930</u>	<u>1,795,641</u>	<u>1,824,831</u>	<u>3,257,152</u>	<u>3,345,761</u>
Deferred outflows	239,581	188,865	34,520	27,127	274,101	215,992
	<u>239,581</u>	<u>188,865</u>	<u>34,520</u>	<u>27,127</u>	<u>274,101</u>	<u>215,992</u>
Long-term liabilities outstanding	1,742,258	1,660,466	646,761	626,363	2,389,019	2,286,829
Other liabilities	59,870	90,365	27,649	44,624	87,519	134,989
Total liabilities	<u>1,802,128</u>	<u>1,750,831</u>	<u>674,410</u>	<u>670,987</u>	<u>2,476,538</u>	<u>2,421,818</u>
Deferred inflows	3,248	33,148	640	3,137	3,888	36,285
	<u>3,248</u>	<u>33,148</u>	<u>640</u>	<u>3,137</u>	<u>3,888</u>	<u>36,285</u>
Net position:						
Net investment in capital assets	182,109	616,295	864,487	903,480	1,046,596	1,519,775
Restricted	175,187	176,869	73,753	73,663	248,940	250,532
Unrestricted	(461,580)	(867,348)	216,871	200,691	(244,709)	(666,657)
GASB 84 Restatement	7,870	-	2,821	-	10,691	-
Total net position	<u>\$ (96,414)</u>	<u>\$ (74,184)</u>	<u>\$ 1,157,932</u>	<u>\$ 1,177,834</u>	<u>\$ 1,061,518</u>	<u>\$ 1,103,650</u>

Net position may serve, over time, as a useful indicator of the government's financial position. In the case of the City, assets and deferred outflows exceeded its liabilities and deferred inflows at September 30, 2021 by \$1.1 billion which represents a change of \$42.1 million or 3.8% compared to prior year.

The largest portion of the City's net position, net investments in capital assets is \$1.5 billion which include land, building, infrastructure, machinery and equipment, less any related debt used to acquire those assets that is still outstanding. These capital assets are used by the City to provide services to citizens and consequently the assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$250.5 million or 22.7% represents resources that are subject to external restrictions on how they may be used. This includes but is not limited to grant proceeds, Redevelopment Agency tax increments, Resort Tax proceeds, impact fees, Interlocal agreements, and debt service requirements. The remaining balance of net position is negative and represents unrestricted net position. Unrestricted net position is a negative \$666.7 million, which consists of a deficit \$867.3 million from governmental activities and a positive \$200.7 million from business type activities. The large deficit in governmental activities is being driven by the long-term obligations for pensions and OPEB which will be funded over time.

At the end of the current fiscal year, the City as a whole is able to report a positive net position. The City's net position increased by \$42.9 million, or 4%, during the current fiscal year. Governmental activities accounted for an increase of \$22.2 million and business type activities accounted for an increase of \$20.7 million.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

### City of Miami Beach Changes in Net Position - Governmental Activities for the fiscal year ended September 30, 2021 (in thousands)

	2020	2021	% of Total Rev/Exp/Other	
Revenues:				
Program revenues:				
Charges for services	\$ 75,629	\$ 84,719	15.2	%
Operating grants and contributions	21,838	65,698	11.8	
Capital grants and contributions	7,667	7,740	1.4	
General revenues:				
Taxes:				
Property taxes, levied for general purposes	188,644	195,031	35.0	
Property taxes, levied for debt services	11,265	12,743	2.3	
Resort tax	54,972	82,207	14.8	
Tax increments	56,578	78,781	14.1	
Utility	12,720	13,077	2.3	
Local business tax	5,381	3,707	0.7	
Communication Service Tax	3,517	3,501	0.6	
Miscellaneous	1,416	2,403	0.4	
Unrestricted investment earnings	18,887	7,456	1.3	
Total revenues	<u>458,514</u>	<u>557,063</u>	<u>100.0</u>	<u>%</u>
Expenses:				
General government	62,225	62,200	12.4	
Public safety	292,093	268,822	53.8	
Physical environment	14,582	13,089	2.6	
Transportation	24,207	22,110	4.4	
Economic environment	12,112	11,822	2.4	
Human services	4,468	4,442	0.9	
Culture and recreation	66,385	78,882	15.8	
Interest on long-term debt	31,727	38,361	7.7	
Total expenses	<u>507,799</u>	<u>499,728</u>	<u>100.0</u>	<u>%</u>
Changes in net position before transfers	(49,285)	57,335		
Transfers	(491,148)	(35,105)	100.0	
Change in net position	(540,433)	22,230		
Net position (deficit) - beginning	436,149	(96,414)		
Restatement 84	7,870			
Net deficit - ending	<u>\$ (96,414)</u>	<u>\$ (74,184)</u>		

### Governmental Activities

Governmental activities, including restatement for GASB 84, increased by \$22.2 million. Key elements of the fluctuation are as follows:

Governmental activities revenues consisted of program revenues which amounted to \$158.2 million and general revenues which amounted to \$398.9 million, for a total of \$557.1 million. Property tax revenue for general purposes which represents 35% of total revenues was \$195 million. This is an increase of \$6.4 million or 3.4% from the prior year.

Property taxes are levied by the City based on the Miami-Dade County property appraisers determined property values in the City. The Miami-Dade County Property Appraiser determined that certified taxable property values in the City increased from \$40.1 billion in 2019 to \$41.7 billion, an increase of \$1.6 billion or 4%. The City's operating millage rate for 2021 was 6.0515 millage same as prior year.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**

Charges for services which represent 15.2% of total revenues were \$84.7 million. This amount is an increase of \$9.1 million or 12.0% over the prior year. These charges at the government wide statement level are primarily derived from Parks and Recreation (including Golf Courses) user fees, ambulance fees, off duty services, franchise fees, rents and leases, licenses, permits, fines, forfeitures and administrative fees from enterprise funds and some forms of intergovernmental revenues. Most of the reduction was due to decreased income due to economic effects of Covid-19. Also, City Commission agreed to reduced or cancel fees on tenets, cancelled fines and other initiatives to assist constituents during the economic challenges.

Tax increment revenue which represents 14.1% of revenues was \$78.8 million. This amount is an increase of \$22 million or 39.2% from the prior year. Tax increments revenue is computed by applying the operating tax rate for the City and Miami-Dade County, Florida, (the "County") multiplied by the increased value of property in the district over the base property value minus 5%. Both the City and the County are required to fund this amount annually without regard to tax collections or other obligations. Fluctuations in tax increment revenue are based on real estate property values City wide.

Resort tax which represents 14.5% of revenues was \$82.2 million which is an increase of \$27 million or approximately 50% from the prior year. Resort tax is a 4% tax on the rent of a room or rooms in any hotel, motel, rooming house, or apartment house and 2% on the total sales price of all food and beverage (included beer and wine sold at retail in any restaurant). Fluctuations in resort tax revenues are based on the fluctuations in the sales of the above items and vary from one year to another based on the economy. The occupancy rate increased by 22%. Tax incremental revenues increased 22 million or 39.2%, increase attributed to increased amounts received from the County.

Grants and contributions revenues totaled \$73.4 million for the year. Grants and contributions revenue increased by \$43.9 million or 200% from the prior year. These revenues are derived from federal and state grantors for various City initiatives, such as community development or state housing initiatives, impact fees, special assessments, other tax sources, and capital project grants. The increase is primarily attributed to \$41.1 million in Coronavirus Aid, Relief and Economic Security Act (CARES) funding. Unrestricted investment earnings decreased by \$11.4 million or 60.5% from prior year attributed to a decline in interest income related to investments.

Governmental activities expense consisted of functional expenses for the City's general government, public safety, physical environment, transportation, economic environment, human services, culture and recreation and interest on long-term debt. These functional expenses amounted to approximately \$499.7 million. Significant portions of these expenses were in the public safety, general government and culture and recreation functions.

Public safety function expense was \$268.8 million and represents 53.8% of total expenses. The City's public safety function includes the personnel and operations for police, fire, ocean rescue, building operations, emergency 911 services and other. In addition, grant funded expenses for police, fire and other public safety activities are reported under this category. Total public safety expenses decreased by \$23.3 million or 8% from the prior year. The decrease in public safety expenditures are primarily related to pension and OPEB expenditures.

General government function expense was \$62.2 million and represents 12.5% of total expense, approximately the same as prior year. The City's general government function includes the City attorney's office, public works department, planning department, capital investment and upkeep office, budget and finance office, office of procurement, city manager's office, city clerk's office, human resources office and other special projects.

Culture and recreation function expense was \$78.9 million and represents 15.8% of total expenses. The City's culture and recreation function includes expenses for grant funded culture and recreation activities, the City's parks and recreation department, Office of Tourism and Cultural Development, golf course operations, and a variety of arts, cultural and entertainment programs. Expenses in this function had a net increase of \$12.5 million or 18.8% from the prior year. The increase was primarily attributed to expense for convention center related expenses offset by decreases in contract maintenance costs for activities such as security, environmental, and OPEB related deferred inflow and outflow.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

The table below summarized the changes in net position for the City's business type activities.

### CITY OF MIAMI BEACH Changes in Net Position - Business-Type Activities for the fiscal year ended September 30, 2021 (in thousands)

	2020	2021	Total
Revenues:			
Program revenues:			
Charges for services	\$ 191,386	\$ 199,526	94.71 %
Operating grants and contributions	9,896	9,121	4.33
General revenues:			
Unrestricted investment earnings	6,568	2,031	0.96
Tax increments	14,060	-	-
Total revenues	221,910	210,678	100 %
Expenses:			
Storm water	25,392	25,430	11.3 %
Water	27,892	29,118	12.9
Sewer	41,736	45,510	20.2
Parking	39,267	33,963	15.0
Convention Center	25,792	36,414	16.1
Sanitation	18,060	20,450	9.1
Building (see note. 15)	20,467	17,489	7.7
Redevelopment Agency's Parking	4,259	10,875	4.8
Redevelopment Agency's Leasing	541	6,427	2.8
Total expenses	203,406	225,676	100 %
Increase (Decrease) in net position before transfers and gain on sale of capital assets	18,504	(14,998)	
Gain on sale of assets	41	555	
Transfers	491,148	35,105	
Change in net position	509,693	20,662	
Net position - beginning	644,658	1,157,172	
Restatement GASB 84	2,821	-	
Net position - ending	\$ 1,157,172	\$ 1,177,834	

### Business-type activities

Business-type activities, including restatement for GASB 84, increased the City's net position by \$23.5 million. Key elements of the net increase are as follows:

- The Storm Water Utility fund had an increase in net position of \$5.8 million. Operating revenues increased by \$1.2 million from the prior year. Expenses increased \$322 thousand or 2%. However, net non-operating expense was \$10.4 million a decrease of \$15 million compared to \$4.7 million revenue in 2020. These balances included \$32 thousand in intergovernmental revenues, \$369 thousand in interest income and \$10.8 million in interest and fiscal charges. The monthly storm water rate includes fees to cover debt service on \$256 million of outstanding storm water revenue bonds. On October 18, 2017, the City passed an ordinance to adjust the Stormwater rate by the Consumer Price Index (CPI) published by the Bureau of Labor Statistics for All Urban Consumers, Miami-Fort Lauderdale area. In Fiscal year 2021, the rate increased to \$24.82 per Equivalent Resident Unit (ERU) an increase of \$0.70 compared to prior year.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

- The Water and Sewer fund had an increase in net position of \$14.5 million, a decrease of \$248 thousand or 1% compared to prior year. Operating revenues increased by \$6.3 million or 7.7% and operating expenses increased by \$5.5 million or 8.8% from the prior year. Net non-operating expenses were \$5.5 million and consisted of \$6.7 million in interest and fiscal charges and \$759 thousand in interest income. The monthly water and sewer rates include fees to cover debt service on \$150.1 million of outstanding water and sewer revenue bonds. The consumption rates on residential units vary from \$0.286 to \$0.736 based on the units of consumption. (A unit = 1,000 gallons). Base facility charges for a residential unit vary from \$8.50 for a ¾ inch meter size to \$12.83 for a 4 inch meter. For commercial and multi-family, the base facility charge ranges from \$8.50 for a ¾ inch meter to \$1,360.67 for a 12 inch meter. Additionally, there is a consumption charge for the water that varies on the meter size from \$0.360 per unit to \$0.579 per unit. Sewer rates are also based on water consumption with a flat base facility charge. The sewer consumption rate is \$1.014 per 1,000 gallons of water usage and a base facility charge of \$9.19 for residential units. The commercial and multi-family base facility charges vary from \$9.19 for a ¾ inch meter to \$1,626.49 for a 12 inch meter.
- The Parking System fund had an increase of \$7.2 million in net position. Operating revenues increased by \$5.7 million or 18% and operating expenses also decreased by \$3.9 million or 11.2% from the prior year. Net non-operating revenues were \$297 thousand and consisted of \$3.2 million in interest and fiscal charges, \$500 thousand in interest income as well as \$2.7 million in Intergovernmental revenues. The changes in parking revenues is a direct correlation to the economic recovery post Covid. The reduction in operation expenses were primarily due to decreases in personnel costs and reductions in contractual services
- The Convention Center fund had net decrease of \$17.8 million. The Convention Center was reopened for events during fiscal year 2020. Operating revenues decreased by \$7.3 million or 44%. Operating expenses increased by \$10.8 million or 42% from the prior year. Net non-operating revenues were \$4.7 million consisting of \$159 thousand in interest income and \$4.5 million in intergovernmental revenue. Intergovernmental revenues decreased by \$2.7 million or 37% from the prior year due to decreased Convention Development Tax (CDT) funding from Miami-Dade County. The Convention Center's largest operating expenses were contractual services and personal services costs.
- Other Enterprise funds, which include the Sanitation, Building, Miami Beach Redevelopment Agency's (RDA) Parking and Leasing funds, had an increase in net position of \$10.9 million attributable to a capital contribution of \$23.8 million in the RDA Parking fund for Anchor and Penn Garage, offset by increased expenses of \$12.5 million for convention center items. In the combined funds, operating revenues increased by \$2.3 million or 7.7% and operating expenses increased by \$12.3 million or \$28.8%.

### Financial Analysis of the Governmental Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The table below summarizes the changes in the fund balances of the City's governmental funds.

#### Governmental Funds (in thousands)

	General	Resort Tax	Miami Beach Redevelopment Agency	Capital Projects	Other Govern- mental Funds	Total Govern- mental Funds
Fund balances (as restated) Sep. 30, 2020	\$ 95,411	\$ 22,178	\$ 59,865	\$ 264,011	\$ 102,375	\$ 543,840
Revenues	339,968	82,860	57,190	5,538	58,775	544,331
Expenditures	(333,099)	(19,583)	(20,729)	(46,141)	(88,558)	(508,110)
Other financing sources (uses)	3,300	(39,195)	(30,895)	(28,714)	87,051	(8,453)
Fund balances Sept. 30, 2021	<u>\$ 105,580</u>	<u>\$ 46,260</u>	<u>\$ 65,431</u>	<u>\$ 194,694</u>	<u>\$ 159,643</u>	<u>\$ 571,608</u>

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**

### **Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's funding requirements. In particular, unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The City's general fund is required to adopt an annual budget prepared on a basis consistent with Accounting Principles Generally Accepted in the United States of America (GAAP). Surpluses from any prior fiscal years cannot be appropriated in future fiscal years.

The General fund is the chief operating fund of the City. At the end of the current fiscal year, fund balance of the General fund was \$105.6 million an increase of \$10.2 million or 10.7% compared to prior year. This consisted of \$93.2 million reserves for emergencies and \$2.6 million in unrealized gains and \$5.2 million in encumbrances carried forward.

The General fund's net increase in fund balance for the fiscal year was \$10.2 million. Overall revenues had a net increase of \$51.5 million or 17.8% over the prior year. Ad-valorem tax, which is 58% of the General fund revenue collected (excluding transfers), increased by \$6.8 million or 3.6%. This increase was offset by a decrease in local business fees of \$1.6 million and also a decrease in permit fees of \$2.1 million or 19% from the prior year. These decreases can be attributed to the decline in activities due to Covid impact. Alternately Intergovernmental revenues increased \$41 million – primarily due to CARE's Act funding. Charges for services revenue increased \$4.9 million to \$19.4 million, consistent with pre-Covid numbers. Charges for services include the revenues from various sources including off-duty charges and fees charged by the golf courses. The increase is directly attributed to increased activity in golf course related activities. Interest revenues decreased \$6.6 million or 55%. The decrease primarily relates to decreased interest income compared to prior periods. Also in 2021, Admin Revenue increased \$5.4 million or 36.9% from \$14.5 million in 2020 to \$19.9 million in 2021. In prior year Admin fees decreased as a result of reduced City activities due to Covid-19, in 2021 more City services were provided. Other Revenues increased \$2.3 million or 255%, the increase is primarily due to increased receipts from School Board for miscellaneous support services provided by City Police and \$1.6 million received for a legal settlement.

Expenditures in the general fund increased by \$23.7 million or 7.7%. General expenses increased approximately \$3 million or 6.2% as the City provided more services as the City begins recovery process. Public Safety costs increased \$15.3 million or 7.3%, this increase is primarily due to costs associated with Police and Fire buybacks in 2021. Interest and fiscal charges also increased by \$7.1 million mostly due to an unrecognized loss of \$7 million compared to unrealized gain recorded in prior year. These increases were offset by decreases of \$626 thousand in physical environment, \$409 thousand in transportation, \$329 thousand in culture and recreation and \$310 thousand in capital outlay.

The Resort Tax fund accounts for the collection of special tax levied city-wide on food, beverage and room rents used to support tourist related activities. At the end of the current fiscal year, fund balance of the resort tax fund was \$46.3 million an increase of \$24.1 million or 108.6% from the prior fiscal year. Resort tax collected during the year was \$82.9 million, an increase of 48% from the prior year mainly attributed to economic recovery post Covid. Net other financing uses was \$39.2 million, a decline of \$7.9 million or 16.9% and expenditures increased by \$3.7 million or 23% compared to prior fiscal year.

The Miami Beach Redevelopment Agency (the Agency) Special Revenue Fund accounts for the operations of the Miami Beach Redevelopment Agency, a tax increment district of the City. The Agency was established in 1976 under the provisions of Chapter 163 of the Florida Statutes to spur development and redevelopment in the South Shore and City Center/Historic Convention Village Redevelopment and Revitalization Area of the City. Tax increments collected during the year were \$56.4 million similar to prior year, and net other financing uses increased by \$691 thousand or 2%. Expenditures increased by \$527 thousand or 2%. The fund balance of the Miami Beach Redevelopment Agency Special Revenue Fund increased by \$5.6 million or 9.3%.

The City's Capital Projects fund accounts for the funding of the City's capital program. The primary resources are obtained from the issuance of City debt, tax increments and intergovernmental revenues. Intergovernmental revenues were \$4 million a decrease of \$12 million or 75%. This decrease is due to lower reimbursements from the State for infrastructure projects like Indian Creek. Expenditures decreased \$18.7 million or 28.8% compared to prior year, this decrease was mainly due to reduced capital outlay expenditures. In 2020, several projects were operating and fully completed including the replacement of the Filmore roof and Convention Center projects. Less



## MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)

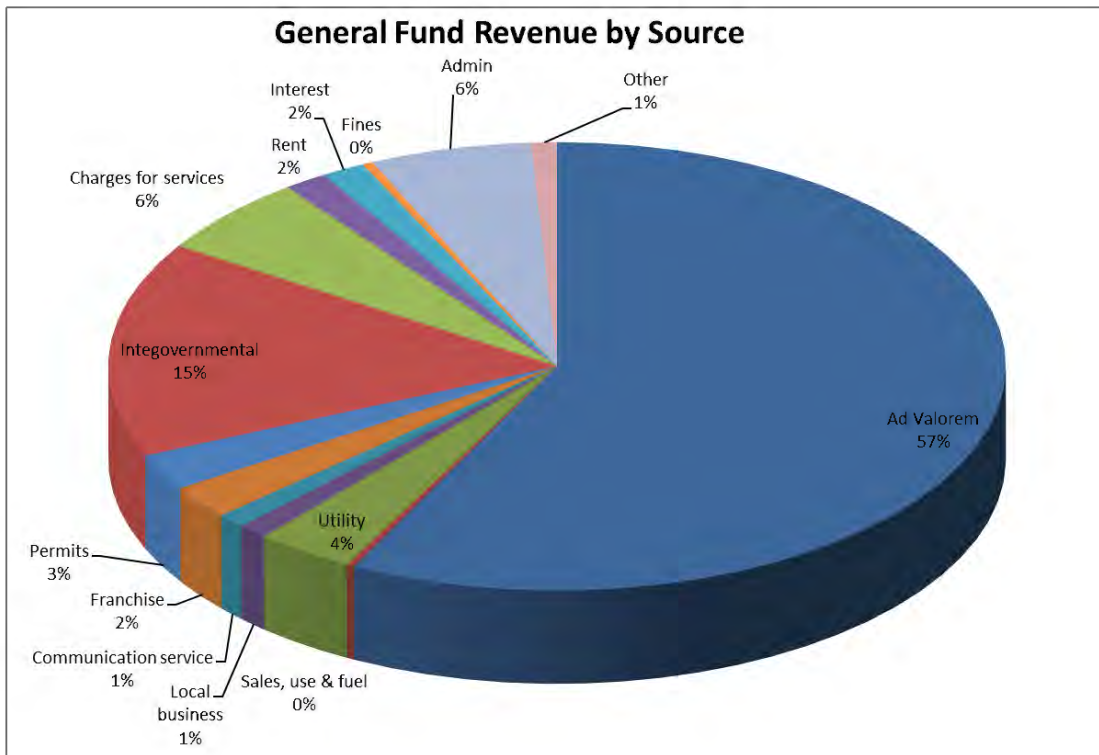
projects were operating in 2021 due to a slower anticipated economic recovery. Net other financing sources (uses) changed by approximately \$31.7 million from prior fiscal year. The change is primarily driven by transfer of capital assets to the convention center.

The other governmental funds consist of the City’s debt service funds and other special revenue funds, which accounts primarily for grants and current debt service. Ad Valorem tax collected for debt service was \$12.8 million an increase of \$1.5 million or 13%, while special revenues balances increased by \$22.9 million or 63%. Overall expenditures in these funds decreased by \$1.7 million or 1%. Net other financing sources, which totaled \$87.1 million, increased by \$33.3 million or 62% compared to \$53.7 million last fiscal year. The increase is primarily in the transfers in due to the creation of the Resiliency fund created for the purpose of addressing flooding and sea level rise issues for City residents. The fund balance increased by \$57.3 million more than 55.9% from the prior year.

### General Fund Budgetary Highlights

The following information is presented to assist the reader in comparing the original budget (adopted budget), and the final amended budget (amended budget), and reflects how actual results compare to these budgeted amounts. The amended budget can be modified after the end of the fiscal year. Detailed budget information can be found in the RSI section of this document.

During the year, there was a \$31.9 million positive variance between final budget revenues and transfers in and actual revenues and transfers in. There was also a \$1.5 million positive variance between the final budget expenditures and transfers out and actual expenditures and transfers out. Overall, the general fund for fiscal year 2021 had a surplus of \$34.1 million, the positive variance is primarily due to the implementation of aggressive cost saving measures used to address Covid issues in prior year and from the receipt of Coronavirus Aid, Relief and Economic Security Act (CARES Act) funds of approximately \$41 million.



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Unaudited)**

**General Fund Revenues  
Fiscal Year Ended September 30, 2021  
(in thousands)**

	Original Adopted Budget	Final Amended Budget	Actual	% of Actual Revenue over Total Revenue
<b>Revenues</b>				
Taxes:				
Property	\$ 196,635	\$ 196,635	\$ 195,318	55.6 %
Sales, use and fuel taxes	1,108	1,108	956	0.3
Utility	12,117	12,117	12,123	3.5
Local business	4,706	4,706	3,707	1.1
Communication service	3,504	3,504	3,501	1.0
Total tax revenue	<u>218,070</u>	<u>218,070</u>	<u>215,604</u>	<u>61.4</u>
Revenues other than taxes:				
Franchise fees	8,462	8,462	8,201	2.3
Permits	8,980	8,980	8,955	2.5
Intergovernmental	10,610	10,610	52,868	15.0
Charges for services	18,541	18,541	19,429	5.5
Rents and leases	5,491	5,491	5,305	1.5
Interest income	2,769	2,769	5,316	1.5
Fines and forfeits	1,067	1,067	1,281	0.4
Administrative fees	21,233	21,233	19,856	5.7
Other	1,148	1,148	3,153	0.9
Transfers in	23,053	23,053	11,370	3.2
Total revenues other than taxes	<u>101,354</u>	<u>101,354</u>	<u>135,734</u>	<u>38.6</u>
Total revenues	<u>\$ 319,424</u>	<u>\$ 319,424</u>	<u>\$ 351,338</u>	<u>100.0 %</u>

**General Fund Expenditures  
Fiscal Year Ended September 30, 2021  
(in thousands)**

	Original Adopted Budget	Final Amended Budget	Actual	% of Actual Revenue over Total Revenue
General government	\$ 51,189	\$ 55,595	\$ 51,555	15.1 %
Public safety	218,391	224,583	224,124	65.7
Physical Environment	4,418	4,481	3,899	1.1
Transportation	5,931	5,431	4,506	1.3
Economic Environment	2,461	2,728	2,386	0.7
Human Services	3,044	2,992	2,459	0.7
Culture and recreation	38,455	37,562	36,797	10.8
Capital Outlay	491	501	249	0.1
Debt service & Interest & Fisc.	356	356	7,124	2.1
Transfers Out	4,289	8,492	8,091	2.4
Other			20	0.0
Total expenditures	<u>\$ 329,024</u>	<u>\$ 342,721</u>	<u>\$ 341,210</u>	<u>100.0 %</u>

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

### Capital Assets

The City's investment in capital assets for its governmental and business-type activities at September 30, 2021 amounts to \$2 billion (net of accumulated depreciation). This investment in capital assets includes land, buildings, water & sewer distribution, storm drainage systems, lighting systems, sidewalks, curbs, signage, equipment, street improvements, air rights and parks, which are detailed as follows (net of accumulated depreciation):

	Capital Assets (in thousands)					
	Governmental		Business-Type		Total	
	2020	2021	2020	2021	2020	2021
Land	\$ 59,092	\$ 59,104	\$ 25,848	\$ 25,848	\$ 84,940	\$ 84,952
Intangible assets	4,182	4,182	4,318	4,318	8,500	8,500
Construction						
work-in-progress	264,156	249,201	255,476	265,884	519,632	515,085
Building, Structures & Parking Lots	308,470	304,436	725,501	735,362	1,033,971	1,039,798
Furniture, Fixtures & Equipment	29,138	28,816	36,328	34,446	65,466	63,262
Infrastructure	95,452	93,037	222,546	215,690	317,998	308,727
<b>Total</b>	<b>\$ 760,490</b>	<b>\$ 738,776</b>	<b>\$ 1,270,017</b>	<b>\$ 1,281,548</b>	<b>\$ 2,030,507</b>	<b>\$ 2,020,324</b>

The City has developed various capital improvement programs to improve the quality of life of its residents. Major projects include citywide water, wastewater and storm water improvements, streetscape enhancements and improvements to parks, beaches, and fire stations. Major capital asset events completed during the current fiscal year included the following:

- \$2.6 Million – completed Middle Beach Recreational Corridor Ph III – This section of the MBRC runs from 24 Street to 46 Street, providing connectivity northward along the beach up to 79 Street. This beachside amenity is part of the greater Atlantic Greenway Network (AGN), which aims to support the use of alternative modes of transportation along the Eastern Seaboard. The project replaces the prior raised wooden boardwalk in this area with an approximately 15-foot wide, on-grade, Americans with Disabilities Act (ADA)-accessible paver pathway that supports bicycles, pedestrians and other nonmotorized modes of transportation.
- \$3.9 Million - completed Convention Center Carl Fisher Club House Historic Restoration – The Carl Fisher Clubhouse is located behind the Miami Beach Convention Center, west of Washington Avenue along the Collins Canal, the Carl Fisher Club House is the oldest public structure in the City of Miami Beach; it was designated a historic site/landmark in 1983. The original building was constructed in 1916 and served as the Miami Beach Municipal Golf Course Clubhouse. Over time, the building has also served as a residence to Mr. Fisher, an event space, and in 1937 a small theatre was annexed. This historic restoration project connects the two structures with an open patio space, refreshed the inside components with modern amenities and current technology and refurbished the facade and surrounding space. The special design compliments the adjacent new convention center and recalls the building's historic design.
- \$2.2 Million - completed Rue Vendome Public Plaza - This project involves raising Rue Vendome between Normandy Drive and 71 Street to create a level, accessible public plaza. The project includes traffic signalization adjustments, construction of the public plaza, landscaping, lighting, and other necessary improvements to encourage public use of the venue for community gatherings.
- \$1.4 Million – completed Fairway Park Improvements constructing an artificial turf multipurpose field and drainage system, playground and equipment including drainage system, separate play structures for ages 2-5 yrs. and 5-10 yrs. old and accessible swing bay, landscape and irrigation; concrete pad to accommodate existing bleachers, new water service and water fountain. Additional improvements included, raising the

## MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)

area and walkways/jogging path around the play field, construction of new tennis and basketball courts at a higher elevation, necessary drainage for the entire park, chilled drinking fountain and the electrical infrastructure, a dog park, enhanced landscaping and Irrigation system, and entry sign/monument (formerly known as Fairway Drainage and Playground).

- \$978 thousand - completed Scott Rakow Pool to upgrade the pool filtration system and renovate pool restrooms.
- \$739 thousand – completed #42 Nautilus Traffic Calming implementing traffic calming measures in the Nautilus neighborhood.
- \$576 thousand – completed Belle Isle Park Playground to serve as nearby temporary play space during the Maurice Gibb Park closure.
- \$527 thousand – completed Second Floor Renovation that improved the efficiency of operations by creating an office for the Operations Manager (OM) in the walk-thru area to allow the OM to supervise the walk-thru plan reviews more effectively. Renovating the lobby provides a more modern look to the Building Department and improves the customer experience, the conference room will facilitate more efficient meetings and the first floor cashiering station will solidify the distinction between the cashiering and permit clerk functions.

The City continues in its commitment to provide excellent services and create progressive and scenic environments for its constituents. Demonstrating this commitment are continuing construction projects noted as follows:

<ul style="list-style-type: none"> <li>• Scott Rakow Gym Floors GO Bond Project (GO#18)</li> <li>• Marjory Stoneman Douglas Park GO Bond Project (GO#9)</li> <li>• Allison Park Redesign</li> <li>• Indian Beach Park Playground</li> <li>• South Pointe Park, Cutwalk Remediation Study</li> <li>• South Pointe Park Lighting</li> <li>• Bioswale Pilot Project</li> <li>• Citywide Bridges</li> <li>• DERM &amp; EPA Consent Decree</li> <li>• GO#48 Police Station Renovations</li> <li>• Anchor Garage Fire Alarm Replacement</li> <li>• Anchor Garage Fire Sprinkler Replacement</li> <li>• Window Replacement at Fire Station No. 2</li> <li>• 42nd Street Garage Generator Replacement</li> <li>• 17th Street Garage Generator Replacement</li> <li>• Bass Museum Window Replacement</li> <li>• Historic City Hall Elevator Modernization</li> <li>• City Hall Commission Chamber Renovation</li> <li>• Unidad Elevator Modernization</li> </ul>	<ul style="list-style-type: none"> <li>• City Hall Card Access System Replacement</li> <li>• 1755 Building Roof Replacement</li> <li>• Smart Lighting Master Plan</li> <li>• Street Lighting Improvements</li> <li>• Valve Replacement Program</li> <li>• Wastewater Manhole Rehabilitation</li> <li>• Wastewater Stations Rehabilitation</li> <li>• Water &amp; Wastewater Mains and Rehab</li> <li>• Water Meter Replacement Program</li> <li>• Water Pump Stations Improvements</li> <li>• West Avenue Phase II</li> <li>• Citywide Seawall Rehab</li> <li>• Brittany Bay Park</li> <li>• North Beach Oceanside Park</li> <li>• Carl Fisher Soil Remediation</li> <li>• Indian Creek – Street Drainage Improvements Phase III</li> <li>• 72<sup>nd</sup> Street Protected Bike Lanes</li> <li>• 73<sup>rd</sup> Street Protected Bike Lanes</li> <li>• Pine Tree Drive and 46<sup>th</sup> Street</li> <li>• Meridian Avenue Pedestrian Crossing</li> <li>• Euclid Avenue from 17<sup>th</sup> Street to 5<sup>th</sup> Street</li> </ul>
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## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Additional information on the City's capital assets can be found in Note 6 to the financial statements.

### Long-term Debt

#### Outstanding Debt General Obligation, Special Obligation, Revenue Bonds and Loans (in thousands)

	Governmental activities		Business-type activities		Total	
	2020	2021	2020	2021	2020	2021
General obligation	\$ 168,435	\$ 162,990	\$	\$	\$ 168,435	\$ 162,990
Special obligation	473,620	461,235			473,620	461,235
Revenue bonds			469,200	460,310	469,200	460,310
Loans	20,894	21,620			20,894	21,620
Other debt	7,397	7,110	32,439	32,446	39,836	39,556
<b>Total</b>	<b>\$ 670,346</b>	<b>\$ 652,955</b>	<b>\$ 501,639</b>	<b>\$ 492,756</b>	<b>\$ 1,171,985</b>	<b>\$ 1,145,711</b>

At September 30, 2021 Governmental activities had a net debt decrease of \$17 million or 2.6% while business-type activities debt decreased by \$8.9 million or 1.8%. The City's debt administration is discussed in the transmittal letter and details can be found in notes 10 and 19 to the financial statements

### Bond Ratings

The City continues to meet its financial needs through prudent use of its revenues and effective debt financing programs. The City's financial strength and thorough financial management practices are reflected in its general obligation bond ratings, which are among the highest levels attained by Florida Cities. Following are the credit ratings assigned by the two primary credit rating agencies in the financial market:

- Aa2 Moody's Investor Services
- AA+ Standard & Poor's Corporation

### Requests for Information

This financial report is designed to provide a general overview of the City of Miami Beach's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

City of Miami Beach  
Finance Department  
1700 Convention Center Drive  
Miami Beach, Florida 3313

**CITY OF MIAMI BEACH, FLORIDA**  
**STATEMENT OF NET POSITION**  
September 30, 2021

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
Cash and investments	\$ 621,838,206	\$ 270,392,204	\$ 892,230,410	\$ 4,715,902
Cash with fiscal agent	250,000	-	250,000	-
Receivables (net)	12,651,988	21,148,196	33,800,184	-
Due from other governments	13,041,524	-	13,041,524	422,120
Internal balances	157,450	(157,450)	-	-
Prepaid expenses	3,345,598	600,661	3,946,259	-
Inventories	579,798	2,614,727	3,194,525	-
Restricted cash and investments	130,289,495	248,684,953	378,974,448	-
Capital assets not being depreciated:				
Land	59,104,058	25,848,303	84,952,361	-
Intangible assets	4,181,941	4,318,059	8,500,000	-
Construction in progress	249,200,843	265,884,004	515,084,847	-
Capital assets net of accumulated depreciation:				
Buildings and Structures/Parking Lots	75,781,282	735,362,097	811,143,379	-
Permanent improvements	228,654,414	-	228,654,414	-
FF&E, Meters & Hydrants	28,816,341	34,445,981	63,262,322	84,958
Infrastructure- Mains & Lines	93,037,414	215,689,620	308,727,034	-
Total assets	<u>1,520,930,352</u>	<u>1,824,831,355</u>	<u>3,345,761,707</u>	<u>5,222,980</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Employees Retirement Plan	37,412,588	12,567,810	49,980,398	171,778
Police & Fire Retirement Plan	61,247,029	-	61,247,029	-
OPEB	89,493,362	8,102,153	97,595,515	170,454
Unamortized refunding costs	711,754	6,456,850	7,168,604	-
Total deferred outflows of resources	<u>188,864,733</u>	<u>27,126,813</u>	<u>215,991,546</u>	<u>342,232</u>
<b>LIABILITIES</b>				
Accounts payable	23,866,115	10,111,807	33,977,922	1,983
Retainage payable	10,824,670	3,930,493	14,755,163	-
Accrued expenses	26,782,072	16,263,615	43,045,687	272,895
Accrued interest payable	5,978,442	2,363,662	8,342,104	-
Unearned revenue	17,594,705	1,554,215	19,148,920	-
Deposits	5,308,173	10,399,474	15,707,647	-
Due to other governments	11,051	300	11,351	-
Noncurrent liabilities:				
Due within one year	48,254,906	16,531,349	64,786,255	-
Due in more than one year				
Other long-term liabilities	728,899,383	519,364,921	1,248,264,304	21,817
Net Pension Liability - MBERP	157,044,191	52,754,999	209,799,190	721,061
Net Pension Liability - MBF&P	309,717,253	-	309,717,253	-
Net OPEB Liability	416,550,036	37,711,754	454,261,790	793,384
Total liabilities	<u>1,750,830,997</u>	<u>670,986,589</u>	<u>2,421,817,586</u>	<u>1,811,140</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Employees Retirement Plan	7,698,676	2,586,174	10,284,850	35,348
Police & Fire Retirement Plan	19,346,922	-	19,346,922	-
OPEB	6,090,380	551,383	6,641,763	11,600
Unearned other revenues	12,472	-	12,472	-
Total deferred inflows of resources	<u>33,148,450</u>	<u>3,137,557</u>	<u>36,286,007</u>	<u>46,948</u>
<b>NET POSITION</b>				
Net investment in capital assets	616,294,671	903,480,355	1,519,775,026	84,958
Restricted for:				
Debt Service	2,188,647	72,114,439	74,303,086	-
Economic development	68,091,249	-	68,091,249	-
Capital Improvement	31,478,499	-	31,478,499	-
Convention center	-	109,866	109,866	-
Transportation	53,751,640	-	53,751,640	-
Public safety	646,357	-	646,357	-
Human services	56,711	-	56,711	-
Quality of life improvement	20,485,927	-	20,485,927	-
Water and sewer system	-	1,438,316	1,438,316	-
Culture & recreation	169,498	-	169,498	-
Unrestricted	(867,347,561)	200,691,046	(666,656,515)	3,622,166
Total net position (deficit)	<u>\$ (74,184,362)</u>	<u>\$ 1,177,834,022</u>	<u>\$ 1,103,649,660</u>	<u>\$ 3,707,124</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF MIAMI BEACH, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position (Deficit)			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
<b>Primary government:</b>								
Governmental activities:								
General government	\$ 62,199,963	66,551,294	12,732,745	-	\$ 17,084,076	\$ -	\$ 17,084,076	\$ -
Public safety	268,822,518	7,173,188	44,800,974	-	(216,848,356)	-	(216,848,356)	-
Physical environment	13,088,813	-	-	-	(13,088,813)	-	(13,088,813)	-
Transportation	22,109,953	-	2,779,571	7,740,231	(11,590,151)	-	(11,590,151)	-
Economic environment	11,821,777	-	3,292,725	-	(8,529,052)	-	(8,529,052)	-
Human services	4,441,728	-	1,517,694	-	(2,924,034)	-	(2,924,034)	-
Culture and recreation	78,882,523	10,994,907	573,811	-	(67,313,805)	-	(67,313,805)	-
Interest on long-term debt	38,361,329	-	-	-	(38,361,329)	-	(38,361,329)	-
Total governmental activities	<u>499,728,604</u>	<u>84,719,389</u>	<u>65,697,520</u>	<u>7,740,231</u>	<u>(341,571,464)</u>	<u>-</u>	<u>(341,571,464)</u>	<u>-</u>
Business-type activities:								
Storm Water	25,429,684	32,133,712	32,027	-	-	6,736,055	6,736,055	-
Water	29,117,982	34,285,379	111,792	-	-	5,279,189	5,279,189	-
Sewer	45,510,290	53,544,198	174,854	-	-	8,208,762	8,208,762	-
Parking	33,962,993	37,467,080	2,749,725	-	-	6,253,812	6,253,812	-
Convention Center	36,413,801	9,298,472	4,500,000	-	-	(22,615,329)	(22,615,329)	-
Sanitation	20,450,285	16,218,143	1,516,218	-	-	(2,715,924)	(2,715,924)	-
Building	17,488,757	12,874,097	36,469	-	-	(4,578,191)	(4,578,191)	-
Redevelopment Agency's						0	0	-
Parking	10,874,685	3,405,737	128	-	-	(7,468,820)	(7,468,820)	-
Redevelopment Agency's								-
Leasing	6,427,566	298,185	-	-	-	(6,129,381)	(6,129,381)	-
Total business-type activities	<u>225,676,043</u>	<u>199,525,003</u>	<u>9,121,213</u>	<u>-</u>	<u>-</u>	<u>(17,029,827)</u>	<u>(17,029,827)</u>	<u>-</u>
Total primary government	<u>\$ 725,404,647</u>	<u>\$ 284,244,392</u>	<u>\$ 74,818,733</u>	<u>\$ 7,740,231</u>	<u>(341,571,464)</u>	<u>(17,029,827)</u>	<u>(358,601,291)</u>	<u>-</u>
<b>Component units:</b>								
Visitor and Convention	\$ 1,848,863	\$ -	\$ -	\$ -	-	-	-	(1,848,863)
Health Facilities	78,175	-	-	-	-	-	-	(78,175)
Total component units	<u>\$ 1,927,038</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,927,038)</u>
<b>General revenues:</b>								
Taxes:								
Property taxes, levied for general purposes					195,031,207	-	195,031,207	-
Property taxes, levied for debt service					12,743,280	-	12,743,280	-
Resort taxes					82,207,342	-	82,207,342	1,439,832
Tax increment					78,780,847	-	78,780,847	-
Utility taxes					13,077,259	-	13,077,259	-
Local business tax					3,706,743	-	3,706,743	-
Communication service tax					3,500,665	-	3,500,665	-
Miscellaneous					1,858,242	-	1,858,242	10,000
Gain (loss) on sale of capital assets					543,750	555,135	1,098,885	-
Unrestricted investment earnings					7,456,194	2,031,291	9,487,485	4,663
Transfers					(35,104,697)	35,104,697	-	-
Total general revenues, extraordinary expense, and transfers					<u>363,800,832</u>	<u>37,691,123</u>	<u>401,491,955</u>	<u>1,454,495</u>
Change in net position					<u>22,229,368</u>	<u>20,661,296</u>	<u>42,890,664</u>	<u>(472,543)</u>
Net position - beginning					<u>(104,284,103)</u>	<u>1,154,351,356</u>	<u>1,050,067,253</u>	<u>4,179,667</u>
Restatement for GASB 84					<u>7,870,373</u>	<u>2,821,370</u>	<u>10,691,743</u>	<u>-</u>
Net position (deficit) - beginning- restated					<u>(96,413,730)</u>	<u>1,157,172,726</u>	<u>1,060,758,996</u>	<u>4,179,667</u>
Net position (deficit) - ending					<u>\$ (74,184,362)</u>	<u>\$ 1,177,834,022</u>	<u>\$ 1,103,649,660</u>	<u>\$ 3,707,124</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF MIAMI BEACH, FLORIDA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**September 30, 2021**

	General	Resort Tax	Miami Beach Redevelopment Agency	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and investments	\$ 133,055,848	\$ 42,435,652	\$ 67,733,250	\$ 227,957,102	\$ 168,533,104	\$ 639,714,956
Receivables (net of allowance for uncollectibles)	3,872,069	5,773,245	-	70,392	533,208	10,248,914
Accrued interest	1,614,030	-	67,136	15,100	-	1,696,266
Due from other funds	4,415,259	-	-	-	746,979	5,162,238
Due from other governments	101,379	-	-	12,179,286	748,387	13,029,052
Prepays	9,255	-	-	-	27,466	36,721
Total assets	<u>\$ 143,067,840</u>	<u>\$ 48,208,897</u>	<u>\$ 67,800,386</u>	<u>\$ 240,221,880</u>	<u>\$ 170,589,144</u>	<u>\$ 669,888,147</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 6,208,958	\$ 865,621	\$ 197,842	\$ 4,605,982	\$ 5,700,557	\$ 17,578,960
Retainage payable	-	-	-	9,698,145	1,126,525	10,824,670
Accrued expenditures	8,978,951	336,527	190,985	14,741,453	892,740	25,140,656
Environmental Remediation	70,000	-	-	4,160,000	-	4,230,000
Unearned revenues	17,231,847	-	-	-	362,858	17,594,705
Deposits	4,262,345	-	-	-	1,045,828	5,308,173
Due to other governments	181	-	-	-	10,870	11,051
Due to other funds	634,072	746,979	1,981,475	87,777	1,554,485	5,004,788
Total liabilities	<u>37,386,354</u>	<u>1,949,127</u>	<u>2,370,302</u>	<u>33,293,357</u>	<u>10,693,863</u>	<u>85,693,003</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable other revenues	101,379	-	-	12,234,205	251,752	12,587,336
Total deferred inflows of resources	<u>101,379</u>	<u>-</u>	<u>-</u>	<u>12,234,205</u>	<u>251,752</u>	<u>12,587,336</u>
<b>FUND BALANCES</b>						
Nonspendable	9,255	-	-	-	27,466	36,721
Restricted	-	46,259,770	65,430,084	191,857,935	114,288,523	417,836,312
Committed	63,758,745	-	-	28,129,471	46,655,414	138,543,630
Assigned	34,705,480	-	-	-	-	34,705,480
Unassigned	7,106,627	-	-	(25,293,088)	(1,327,874)	(19,514,335)
Total fund balances	<u>105,580,107</u>	<u>46,259,770</u>	<u>65,430,084</u>	<u>194,694,318</u>	<u>159,643,529</u>	<u>571,607,808</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 143,067,840</u>	<u>\$ 48,208,897</u>	<u>\$ 67,800,386</u>	<u>\$ 240,221,880</u>	<u>\$ 170,589,144</u>	<u>\$ 669,888,147</u>

The notes to the financial statements are an integral part of this statement.



**CITY OF MIAMI BEACH, FLORIDA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**September 30, 2021**

**Total fund balances - governmental funds** \$ 571,607,808

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Land	\$	58,495,538	
Intangible assets		4,181,941	
Construction in progress		248,325,098	
Building and structures		134,462,421	
Permanent improvements		397,888,905	
Machinery and equipment		31,715,632	
Infrastructure		252,197,462	
Accumulated depreciation		(411,882,141)	
Total capital assets		715,384,856	715,384,856

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Bonds payable		(624,225,000)	
Loans payable		(12,190,013)	
Net premium on bonds		(53,978,737)	
Compensated absences		(26,491,574)	
Environmental remediation		(2,880,279)	
Accrued interest payable		(5,973,158)	
OPEB		(404,770,590)	
Net pension liability - MBERP		(138,834,095)	
Net pension liability - MBF&P		(309,717,253)	
Total long term liabilities		(1,579,060,699)	(1,579,060,699)

Unavailable revenues that meet the criteria for recognition in the Statement of Activities. 13,277,422

In governmental funds, deferred outflows and inflows of resources relating to pensions and deferred refunding costs are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.

Deferred refunding costs		711,754	
Deferred outflows of resources relating to ERP pension		33,074,402	
Deferred outflows of resources relating to P&F pension		61,247,029	
Deferred outflows of resources relating to OPEB		86,962,617	
Deferred inflows of resources relating to ERP pension		(6,805,974)	
Deferred inflows of resources relating to P&F pension		(19,346,922)	
Deferred inflows of resources relating to OPEB		(5,918,151)	
		149,924,755	149,924,755

Internal service funds are used by management to charge the costs of fleet management, property management, central services, self insurance, and communications to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 54,681,496

**Net position (deficit) of governmental activities** \$ (74,184,362)

The notes to the financial statements are an integral part of this statement.

**CITY OF MIAMI BEACH, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended September 30, 2021

	General	Resort Tax	Miami Beach Redevelopment Agency	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes:						
Property	\$ 195,317,543	\$ -	\$ -	\$ -	\$ 12,754,583	\$ 208,072,126
Sales, use and fuel	955,935	-	-	-	4,062,341	5,018,276
Special taxing districts	-	-	-	-	647,007	647,007
Utility	12,123,114	-	-	-	954,145	13,077,259
Resort	-	82,207,342	-	-	-	82,207,342
Local business	3,706,743	-	-	-	-	3,706,743
Tax increment	-	-	56,434,269	-	22,346,578	78,780,847
Communication service	3,500,665	-	-	-	-	3,500,665
Other	-	-	-	-	2,315,627	2,315,627
Franchise fees	8,200,955	-	-	-	-	8,200,955
Permits	8,955,463	-	-	-	525,679	9,481,142
Intergovernmental	52,868,318	391,479	319,041	4,003,293	6,257,574	63,839,705
Charges for services	19,428,082	-	-	-	4,177,451	23,605,533
Rents and leases	5,305,163	-	-	-	1,316,525	6,621,688
Interest	5,315,882	226,184	433,367	195,576	385,651	6,556,660
Fines and forfeitures	1,281,019	-	-	-	441,895	1,722,914
Administrative fees	19,855,668	-	-	-	-	19,855,668
Special assessment	-	8,345	-	10,082	-	18,427
Impact fees	-	-	-	-	1,642,685	1,642,685
Other	3,152,641	26,283	3,688	1,328,655	947,345	5,458,612
<b>Total revenues</b>	<b>339,967,191</b>	<b>82,859,633</b>	<b>57,190,365</b>	<b>5,537,606</b>	<b>58,775,086</b>	<b>544,329,881</b>
<b>EXPENDITURES</b>						
Current:						
General government	51,555,966	1,069,710	1,710,000	138,190	652,713	55,126,579
Public safety	224,123,872	6,794,808	4,780,343	1,233,443	10,454,521	247,386,987
Physical environment	3,898,767	-	6,005,163	619,094	2,318,445	12,841,469
Transportation	4,505,534	10,165	109,215	1,394,804	6,462,229	12,481,947
Economic environment	2,386,150	-	6,471,433	-	2,530,624	11,388,207
Human services	2,458,893	-	-	-	1,789,973	4,248,866
Culture and recreation	36,796,638	11,706,855	1,119,216	15,940,091	2,541,414	68,104,214
Capital Outlay	249,213	-	1,964	26,815,156	10,683,242	37,749,575
Debt service:						
Principal retirement	-	-	-	-	20,387,000	20,387,000
Interest and fiscal charges	7,123,719	1,239	531,543	-	30,737,491	38,393,992
<b>Total expenditures</b>	<b>333,098,752</b>	<b>19,582,777</b>	<b>20,728,877</b>	<b>46,140,778</b>	<b>88,557,652</b>	<b>508,108,836</b>
Excess (deficiency) of revenues over (under) expenditures	6,868,439	63,276,856	36,461,488	(40,603,172)	(29,782,566)	36,221,045
<b>OTHER FINANCING SOURCES (USES)</b>						
Sale of capital assets	20,551	-	-	-	-	20,551
Transfers in	11,370,984	-	-	4,535,047	87,322,628	103,228,659
Transfers out	(8,091,257)	(39,194,795)	(30,896,729)	(33,248,437)	(271,389)	(111,702,607)
<b>Total other financing sources (uses)</b>	<b>3,300,278</b>	<b>(39,194,795)</b>	<b>(30,896,729)</b>	<b>(28,713,390)</b>	<b>87,051,239</b>	<b>(8,453,397)</b>
<b>Net change in fund balances</b>	<b>10,168,717</b>	<b>24,082,061</b>	<b>5,564,759</b>	<b>(69,316,562)</b>	<b>57,268,673</b>	<b>27,767,648</b>
Fund balances - beginning of year	94,729,393	22,175,065	59,865,325	260,171,774	99,677,666	536,619,223
Restatement for GASB 84	681,997	2,644	-	3,839,106	2,697,190	7,220,937
Fund balance - as restated	95,411,390	22,177,709	59,865,325	264,010,880	102,374,856	543,840,160
<b>Fund balances - end of year</b>	<b>\$ 105,580,107</b>	<b>\$ 46,259,770</b>	<b>\$ 65,430,084</b>	<b>\$ 194,694,318</b>	<b>\$ 159,643,529</b>	<b>\$ 571,607,808</b>

The notes to the financial statements are an integral part of this statement.

**CITY OF MIAMI BEACH, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended September 30, 2021**

**Net change in fund balance - total governmental funds** **\$ 27,767,648**

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:

Capital outlay	\$	37,730,286	
Contributions proprietary funds, net		(25,992,296)	
Deletions		(9,387,058)	
Depreciation expense		<u>(23,634,306)</u>	
Excess of capital outlay over depreciation expense			(21,283,374)

The issuance of long-term debt (e.g. bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations is an expenditure in the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the current year, these amounts consist of:

Loans:			
Loans principal payment		2,706,980	
Bonds:			
Bonds principal retirement		17,830,000	
Amortization of unamortized refunding costs		(39,197)	
Amortization of net bond premium(s)		<u>3,741,769</u>	
Total long term-debt retirement and related transactions			24,239,552

Expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:

Environmental remediation		1,793,721	
Change in compensated absences		1,883,905	
Change in accrued interest expense		<u>161,649</u>	
Total additional expense			3,839,275

In government funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contribution was:

Pension Changes:			
Change in Deferred Outflow in MBERP & MBF&P		(36,575,014)	
Change in Deferred Inflow in MBERP & MBF&P		(24,961,757)	
Change in Liability in MBERP & MBF&P		56,306,799	
OPEB Changes:			
Change in Deferred Outflow		(12,367,092)	
Change in Deferred Inflow		(4,078,995)	
Change in Liability		<u>(3,169,143)</u>	
			(24,845,202)

Unearned revenue that meet the revenue recognition criteria in the Statement of Activities, but not the fund statements, i.e. property taxes. 4,243,164

Internal funds are used by management to charge the costs of fleet management, property management, central services, self insurance, and communications to individual funds. 8,268,305

**Change in net position of governmental activities** **\$ 22,229,368**

The notes to the financial statements are an integral part of this statement.

**CITY OF MIAMI BEACH, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**September 30, 2021**

	Storm Water Utility Fund	Water and Sewer Fund	Parking System Fund	Convention Center Complex Fund	Nonmajor Enterprise Funds	Totals	Governmental Activities- Internal Service Funds
<b>ASSETS</b>							
Current assets:							
Cash and investments	\$ 55,068,432	\$ 81,328,391	\$ 58,668,116	\$ 17,068,561	\$ 58,258,704	\$ 270,392,204	\$ 112,412,745
Cash with fiscal agent	-	-	-	-	-	-	250,000
Restricted cash and investments:							
Revenue bonds covenant	7,058,466	15,084,054	14,971,920	-	-	37,114,440	-
Accounts receivable (net of allowance for uncollectibles)	3,360,866	10,875,757	6,058,162	198,527	650,403	21,143,715	16,722
Accrued interest receivable	1,757	1,902	822	-	-	4,481	-
Due from other governments	-	-	-	-	-	-	12,472
Due from other funds	-	-	-	-	634,072	634,072	-
Prepaid expenses	-	-	362,887	123,178	114,596	600,661	3,308,877
Inventories	-	2,614,727	-	-	-	2,614,727	579,798
Total current assets	65,489,521	109,904,831	80,061,907	17,390,266	59,657,775	332,504,300	116,580,614
Noncurrent assets:							
Restricted cash and investments:							
Customer deposits and advance sales	-	7,743,124	470,145	3,969,135	1,548,643	13,731,047	-
Impact fees	-	1,438,316	-	-	-	1,438,316	-
Interlocal agreement	-	-	-	109,866	-	109,866	-
Revenue bonds covenant	94,513,944	95,463,777	6,313,563	-	-	196,291,284	-
Capital assets:							
Land	12,874	1,492,598	18,844,498	2,089,371	3,408,962	25,848,303	608,520
Intangible assets	-	-	4,318,059	-	-	4,318,059	-
Buildings and structures	15,793,267	8,791,852	170,001,212	586,721,759	58,319,565	839,627,655	2,655,538
Parking lots	-	-	10,545,474	-	-	10,545,474	-
Mains and lines	99,368,633	196,358,874	-	-	-	295,727,507	-
Meters and hydrants	-	13,266,149	17,386,639	-	-	30,652,788	-
Machinery and equipment	4,303,983	55,014,464	7,998,245	6,200,253	5,179,312	78,696,257	66,432,802
Construction in progress	182,377,741	78,400,632	3,720,055	120,537	1,265,039	265,884,004	875,745
Less accumulated depreciation	(26,566,514)	(103,089,791)	(73,555,207)	(49,158,753)	(17,381,718)	(269,751,983)	(47,181,168)
Total capital assets (net of accumulated depreciation)	275,289,984	250,234,778	159,258,975	545,973,167	50,791,160	1,281,548,064	23,391,437
Total noncurrent assets	369,803,928	354,879,995	166,042,683	550,052,168	52,339,803	1,493,118,577	23,391,437
Total assets	435,293,449	464,784,826	246,104,590	567,442,434	111,997,578	1,825,622,877	139,972,051
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Pensions - MBERP	986,915	2,052,108	3,262,181	78,712	6,187,894	12,567,810	4,338,186
Deferred refunding cost	5,493,177	522,622	441,051	-	-	6,456,850	-
OPEB	561,717	1,382,922	2,106,437	30,528	4,020,549	8,102,153	2,530,745
Total deferred outflows of resources	7,041,809	3,957,652	5,809,669	109,240	10,208,443	27,126,813	6,868,931
<b>LIABILITIES</b>							
Current liabilities:							
Accounts payable	2,001,448	3,843,252	1,505,132	1,952,951	809,024	10,111,807	6,287,156
Retainage payable	2,344,528	293,034	1,162,291	42,289	88,351	3,930,493	-
Accrued expenses	1,283,607	2,244,175	780,944	610,944	13,707,607	18,627,277	1,646,700
Due to other funds	-	-	-	-	791,522	791,522	-
Due to other governments	-	-	300	-	-	300	-
Bonds payable	5,250,000	4,575,000	200,000	-	-	10,025,000	-
Loans/leases payable	-	-	2,284,793	-	-	2,284,793	2,520,376
Deposits	-	6,812,192	10,620	3,294,135	282,527	10,399,474	-
Accrued compensated absences	178,848	415,867	493,605	2,908	1,029,124	2,120,352	559,666
Unearned revenues	-	371,517	444,549	675,000	63,149	1,554,215	-
Environmental remediation liability	-	-	-	-	15,000	15,000	-
Insurance claims incurred but not reported	-	-	-	-	-	-	2,109,000
Pending insurance claims	-	-	-	-	-	-	8,431,000
Total current liabilities	11,058,431	18,555,037	6,882,234	6,578,227	16,786,304	59,860,233	21,553,898
Noncurrent liabilities:							
Pending insurance claims	-	-	-	-	-	-	7,741,343
Insurance claims incurred but not reported	-	-	-	-	-	-	23,632,099
Deposits	-	559,415	14,976	-	1,202,967	1,777,358	-
Accrued compensated absences	79,759	237,523	645,935	18,971	1,141,649	2,123,837	1,255,817
Net pension liability - MBERP	4,142,702	8,613,987	13,693,426	330,399	25,974,485	52,754,999	18,210,096
Net OPEB liability	2,614,530	6,436,859	9,804,488	142,094	18,713,783	37,711,754	11,779,446
Loans/leases payable	-	-	30,146,542	-	-	30,146,542	6,909,385
Revenue bonds payable (net of unamortized premium)	265,392,180	158,710,304	63,300,904	-	-	487,403,388	-
Total noncurrent liabilities	272,229,171	174,558,088	117,606,271	491,464	47,032,884	611,917,878	69,528,186
Total liabilities	283,287,602	193,113,125	124,488,505	7,069,691	63,819,188	671,778,111	91,082,084
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Other unearned revenue	-	-	-	-	-	-	12,472
Pensions - MBERP	203,085	422,278	671,284	16,197	1,273,330	2,586,174	892,702
OPEB	38,227	94,113	143,351	2,078	273,614	551,383	172,228
Total deferred inflows of resources	241,312	516,391	814,635	18,275	1,546,944	3,137,557	1,077,402
<b>NET POSITION</b>							
Net investment in capital assets	84,420,592	153,299,964	69,126,112	545,930,878	50,702,809	903,480,355	13,961,676
Restricted:							
Interlocal agreement	-	-	-	109,866	-	109,866	-
Impact Fees	-	1,438,316	-	-	-	1,438,316	-
Debt covenant	17,058,465	40,084,054	14,971,920	-	-	72,114,439	-
Unrestricted	57,327,287	80,290,628	42,513,087	14,422,964	6,137,080	200,691,046	40,719,820
Total net position	\$ 158,806,344	\$ 275,112,962	\$ 126,611,119	\$ 560,463,708	\$ 56,839,889	\$ 1,177,834,022	\$ 54,681,496

**CITY OF MIAMI BEACH, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Fiscal Year Ended September 30, 2021**

	Storm Water Utility Fund	Water and Sewer Fund	Parking System Fund	Convention Center Complex Fund	Nonmajor Enterprise Funds	Totals	Governmental Activities- Internal Service Funds
Operating revenues:							
Charges for services	\$ 32,133,712	\$ 85,600,704	\$ 35,054,047	\$ 4,953,168	\$ 13,282,082	\$ 171,023,713	\$ 97,441,477
Permits, rentals, and other	-	2,228,873	2,413,033	4,345,304	19,514,080	28,501,290	3,653,189
Total operating revenues	32,133,712	87,829,577	37,467,080	9,298,472	32,796,162	199,525,003	101,094,666
Operating expenses:							
Personal services	4,037,740	8,516,370	9,188,254	4,974,444	23,840,009	50,556,817	16,646,198
Operating supplies	110,918	26,443	48,443	120,647	248,474	554,925	3,226,787
Contractual services	3,467,889	44,774,995	6,769,956	10,980,683	20,250,746	86,244,269	16,205,297
Utilities	320,418	1,165,410	1,721,465	2,138,395	294,766	5,640,454	2,244,563
Insurance	-	-	266,549	75,314	-	341,863	18,242,702
Internal charges	618,912	3,480,587	4,150,881	3,653,933	4,561,645	16,465,958	2,190,061
Depreciation	3,686,398	5,836,926	4,862,995	13,629,306	1,863,235	29,878,860	5,644,986
Administrative fees	2,174,000	2,596,000	1,228,433	323,000	3,368,000	9,689,433	1,242,000
Claims and judgments	-	-	-	-	-	-	28,427,231
Other operating	158,474	1,444,349	2,320,960	367,670	628,192	4,919,645	443,404
Total operating expenses	14,574,749	67,841,080	30,557,936	36,263,392	55,055,067	204,292,224	94,513,229
Operating income (loss)	17,558,963	19,988,497	6,909,144	(26,964,920)	(22,258,905)	(4,767,221)	6,581,437
Nonoperating revenues							
(expenses):							
Intergovernmental	32,027	286,646	2,749,725	4,500,000	1,552,815	9,121,213	368,940
Interest and fiscal charges	(10,829,863)	(6,650,800)	(3,240,523)	-	-	(20,721,186)	(128,986)
Gain on disposal of capital assets	-	136,837	286,887	-	131,411	555,135	523,199
Interest income	369,359	759,132	500,555	159,079	243,166	2,031,291	899,534
Total nonoperating revenues (expenses)	(10,428,477)	(5,468,185)	296,644	4,659,079	1,927,392	(9,013,547)	1,662,687
Income (loss) before contributions and transfers	7,130,486	14,520,312	7,205,788	(22,305,841)	(20,331,513)	(13,780,768)	8,244,124
Capital contributions	-	-	-	2,126,977	23,851,139	25,978,116	14,181
Transfers in	-	-	-	3,250,000	7,472,918	10,722,918	300,000
Transfers out	(1,310,159)	(7,000)	(41,700)	(864,000)	(36,111)	(2,258,970)	(290,000)
Change in net position	5,820,327	14,513,312	7,164,088	(17,792,864)	10,956,433	20,661,296	8,268,305
Net position - beginning	152,986,017	260,599,650	119,447,031	578,256,572	43,062,086	1,154,351,356	45,763,755
Restatement for GASB 84	-	-	-	-	2,821,370	2,821,370	649,436
Net position - beginning as restated	152,986,017	260,599,650	119,447,031	578,256,572	45,883,456	1,157,172,726	46,413,191
Net position - ending	\$ 158,806,344	\$ 275,112,962	\$ 126,611,119	\$ 560,463,708	\$ 56,839,889	\$ 1,177,834,022	\$ 54,681,496

The notes to the financial statements are an integral part of this statement.

**CITY OF MIAMI BEACH, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Fiscal Year Ended September 30, 2021**

	Storm Water Utility Fund	Water and Sewer Fund	Parking System Fund	Convention Center Complex Fund	Nonmajor Enterprise Funds	Totals	Governmental Activities- Internal Service Funds
<b>Cash flows from operating activities:</b>							
Receipts received from customers	\$ 32,289,746	\$ 87,452,661	\$ 37,031,166	\$ 12,559,142	\$ 15,536,216	\$ 184,868,931	\$ 101,136,930
Payments to suppliers	(4,216,556)	(47,569,956)	(10,947,081)	(14,383,561)	(8,064,937)	(85,182,091)	(38,436,725)
Payments on behalf of and to employees	(3,378,416)	(7,293,753)	(10,330,372)	(5,264,885)	(21,422,000)	(47,689,426)	(14,820,670)
Payments for claims and judgments	-	-	-	-	-	-	(32,543,716)
Payments for interfund services used	(2,792,912)	(6,076,587)	(5,379,959)	(3,976,933)	(7,777,467)	(26,003,858)	(3,432,949)
Receipts for other operating revenues	-	-	-	-	19,215,895	19,215,895	-
Net cash provided by (used in) operating activities	21,901,862	26,512,365	10,373,754	(11,066,237)	(2,512,293)	45,209,451	11,902,870
<b>Cash flows for non-capital financing activities:</b>							
Contributions from other governments	32,027	286,646	2,749,725	4,500,000	1,552,815	9,121,213	368,940
Transfers in	-	-	-	3,250,000	7,472,918	10,722,918	300,000
Transfers out	(1,310,159)	(7,000)	(41,700)	(864,000)	(36,111)	(2,258,970)	(290,000)
Net cash provided by (used in) non-capital financing activities	(1,278,132)	279,646	2,708,025	6,886,000	8,989,622	17,585,161	378,940
<b>Cash flows from capital and related financing activities:</b>							
Proceeds from loan	-	-	-	-	-	-	5,086,424
Payment on loan/lease	-	-	-	-	-	-	(2,242,942)
Interest and fiscal charges	(11,631,781)	(7,273,171)	(3,522,600)	-	-	(22,427,552)	(129,607)
Principal paid on bonds	(4,350,000)	(4,455,000)	(85,000)	-	-	(8,890,000)	-
Purchase of capital assets	(7,671,303)	(2,711,473)	(3,065,496)	(571,981)	(2,285,203)	(16,305,456)	(5,287,545)
Proceeds from sale of capital assets	-	136,837	286,887	-	179,597	603,321	593,690
Net cash provided by (used in) capital and related financing activities	(23,653,084)	(14,302,807)	(6,386,209)	(571,981)	(2,105,606)	(47,019,687)	(1,979,980)
<b>Cash flows from investing activities:</b>							
Interest on investments	369,493	757,366	500,303	159,079	243,166	2,029,407	899,534
Net cash provided by investing activities	369,493	757,366	500,303	159,079	243,166	2,029,407	899,534
Net change in cash and investments	(2,659,861)	13,246,570	7,195,873	(4,593,139)	4,614,889	17,804,332	11,201,364
Cash and investments - beginning of year	159,300,703	187,811,092	73,227,871	25,740,701	52,371,088	498,451,455	100,811,945
Restatement (Note 18)	-	-	-	-	2,821,370	2,821,370	649,436
Cash and investments - beginning as restated	159,300,703	187,811,092	73,227,871	25,740,701	55,192,458	501,272,825	101,461,381
Cash and investments - end of year	\$ 156,640,842	\$ 201,057,662	\$ 80,423,744	\$ 21,147,562	\$ 59,807,347	\$ 519,077,157	\$ 112,662,745
<b>Classified as:</b>							
Current assets	\$ 62,126,898	\$ 96,412,445	\$ 73,640,036	\$ 17,068,561	\$ 58,258,704	\$ 307,506,644	\$ 112,662,745
Noncurrent assets	94,513,944	104,645,217	6,783,708	4,079,001	1,548,643	211,570,513	-
Total cash and investments	\$ 156,640,842	\$ 201,057,662	\$ 80,423,744	\$ 21,147,562	\$ 59,807,347	\$ 519,077,157	\$ 112,662,745
<b>Noncash transactions affecting financial position:</b>							
Change in construction and related liabilities	\$ 813,940	\$ 84,184	\$ (1,369,164)	\$ (59,226)	\$ (126,551)	\$ (656,817)	\$ (16,840)
Capital contributions	-	-	-	2,126,977	23,851,139	25,978,116	-
Total noncash transactions affecting financial position	\$ 813,940	\$ 84,184	\$ (1,369,164)	\$ 2,067,751	\$ 23,724,588	\$ 25,321,299	\$ (16,840)

(continued)

**CITY OF MIAMI BEACH, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Fiscal Year Ended September 30, 2021**  
**(continued)**

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:**

	Storm Water Utility Fund	Water and Sewer Fund	Parking System Fund	Convention Center Complex Fund	Nonmajor Enterprise Funds	Totals	Governmental Activities- Internal Service Funds
Operating income (loss)	\$ 17,558,963	\$ 19,988,497	\$ 6,909,144	\$ (26,964,920)	\$ (22,258,905)	\$ (4,767,221)	\$ 6,581,437
Adjustments to reconcile operating income (loss) to cash provided by (used in) operating activities:							
Depreciation	3,686,398	5,836,926	4,862,995	13,629,306	1,863,235	29,878,860	5,644,986
Provision for uncollectible accounts	186,151	(500,233)	-	-	(249,739)	(563,821)	(2,076)
Changes in assets/liabilities and deferred inflows:							
(Increase) decrease in pension deferred inflow	168,121	347,448	530,829	11,721	1,044,928	2,103,047	736,782
(Increase) decrease in OPEB deferred inflow	28,598	68,221	101,195	493	196,054	394,561	123,243
(Increase) decrease in pension deferred outflow	349,336	807,759	2,105,718	92,385	2,541,116	5,896,314	1,620,722
(Increase) decrease in OPEB deferred outflow	(41,679)	15,472	170,313	55,088	168,290	367,484	114,785
(Increase) decrease in pension liability	(412,297)	(1,134,698)	(4,604,613)	(252,839)	(3,780,877)	(10,185,324)	(2,102,577)
(Increase) decrease in OPEB liability	511,958	782,992	599,326	(204,061)	1,777,823	3,468,038	1,083,260
(Increase) decrease in inventories	-	-	-	-	-	-	(99,326)
(Increase) decrease in accounts receivable	(30,117)	(149,082)	(660,806)	3,078,417	1,082,139	3,320,551	44,340
(Increase) decrease in due from other funds	-	-	-	-	(246,053)	(246,053)	-
(Increase) decrease in prepaid expense	-	-	120,553	(32,776)	9,078	96,855	303,173
Increase (decrease) in accounts payable	(106,358)	(614,071)	729,264	284,139	390,279	683,253	639,548
Increase (decrease) in accrued expenses	(16,664)	769,114	(591,638)	(950,837)	13,301,028	12,511,003	1,243,163
Increase (decrease) in deposits	-	429,894	(5,991)	450,864	1,305,749	2,180,516	-
Increase (decrease) in due to other governments	-	-	(645)	-	38,676	38,031	-
Increase (decrease) in due to other funds	-	-	-	-	334,775	334,775	-
Increase (decrease) in unearned revenues	-	(157,496)	230,883	(268,611)	(118,742)	(313,966)	-
Increase (decrease) in environmental remediation liability	-	-	-	-	7,000	7,000	-
Increase in pending insurance claims	-	-	-	-	-	-	234,963
(Decrease) in insurance claims incurred but not reported	-	-	-	-	-	-	(4,351,448)
Increase (decrease) in accrued compensated absences	19,452	21,622	(122,773)	5,394	81,853	5,548	87,895
Total adjustments	4,342,899	6,523,868	3,464,610	15,898,683	19,746,612	49,976,672	5,321,433
Net cash provided by (used in) operating activities	\$ 21,901,862	\$ 26,512,365	\$ 10,373,754	\$ (11,066,237)	\$ (2,512,293)	\$ 45,209,451	\$ 11,902,870

The notes to the financial statements are an integral part of this statement.

**CITY OF MIAMI BEACH, FLORIDA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**September 30, 2021**

	<u>Trust Funds</u>	<u>Custodial Fund</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 5,462,296	\$ 1,453,999
Receivables:		
Accounts, net	-	1,060,558
Accrued interest	1,641,928	-
Contributions	4,482,166	-
Other	154,563	-
Prepaid expenses	-	-
Investments:		
Short-term investments	42,875,026	-
U.S. Government securities	43,754,392	-
Corporate bonds and notes	184,430,404	-
Bond Funds	159,166,695	-
Foreign Bonds and private placements	54,374,608	-
Common stocks and index funds	1,011,648,332	-
Foreign stocks	217,363,864	-
Real estate funds	243,247,719	-
Infrastructure investments	39,432,012	-
Hedge Fund	11,528,987	-
Mutual funds	101,419,562	-
Total investments	<u>2,109,241,601</u>	<u>-</u>
 Total assets	 <u>\$ 2,120,982,554</u>	 <u>\$ 2,514,557</u>
<b>Liabilities</b>		
Accounts payable	1,150,488	766,501
Due to Business Improvement Districts	-	1,081,476
Due to Other Governments	-	234,168
Due to Other Organizations	-	122,663
Other payables	-	309,749
Total liabilities	<u>\$ 1,150,488</u>	<u>\$ 2,514,557</u>
<b>Net Position</b>		
Restricted for OPEB benefits	48,964,030	-
Restricted for pension benefits	2,070,868,036	-
<b>Total Net Position</b>	<u><u>\$ 2,119,832,066</u></u>	<u><u>\$ -</u></u>

The notes to the financial statements are an integral part of this statement.



**CITY OF MIAMI BEACH, FLORIDA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**

**For the Fiscal Year Ended September 30, 2021**

	Trust Funds	Custodial Fund
<b>Additions:</b>		
Contributions -		
Employer	\$ 89,877,880	\$ -
Employee	24,721,782	-
State of Florida	2,315,627	-
Private contributions	-	2,751,145
Total contributions	116,915,289	2,751,145
Investment Income -		
Net increase in fair value of investments	331,739,998	-
Interest and dividends income	39,990,061	-
Other income	20,786	-
	371,750,845	-
Investment management expenses	(8,228,609)	-
Net investment income	363,522,236	-
Total additions	480,437,525	2,751,145
<b>Deductions:</b>		
Benefit paid	148,091,121	
Contributions refunded	1,709,226	
Administrative expenses	1,885,963	
Recipient payments	-	2,751,145
Total deductions	151,686,310	2,751,145
Net increase	328,751,215	-
Net position - amount restricted for pension and OPEB benefits - beginning of year	1,791,080,851	-
Restricted for OPEB benefits	48,964,030	-
Restricted for pension benefits	2,070,868,036	-
Net position - amount restricted for pension and OPEB benefits - end of year	\$ 2,119,832,066	\$ -

The notes to the financial statements are an integral part of this statement.

**CITY OF MIAMI BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 1 - Summary of Significant Accounting Policies**

The financial statements of the City of Miami Beach, Florida (the City) have been prepared in accordance with Accounting Principles Generally Accepted in the United State of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

**A. Reporting Entity**

The City was incorporated as a municipal corporation on March 26, 1915 and was created by the Florida Legislature, Chapter 7672, Laws of Florida (1917). The City is governed by an elected mayor and six-member commission. The City operates under a Commission-Manager form of government.

Financial accountability includes such aspects as appointment of governing body members, budget review, approval of property tax levies, outstanding debt secured by the full faith and credit of the City or its revenue stream, and responsibility for funding deficits.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable, or for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Blended component units presented herein, although legally separate entities, are substantively the same as the governing body of the primary government, and management of the primary government has operational responsibility for the component unit. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the City. The component units are described below.

1. Blended Component Units:

Miami Beach Redevelopment Agency

The Miami Beach Redevelopment Agency (the Agency) was created under the Community Redevelopment Act of 1969, enacted by the Florida Legislature. The Agency's Board of Directors is the City Commission. The Agency's executive director is the City Manager. The Agency's budget is adopted by its directors, and over 50% of the Agency's operating revenue is derived from the City's tax increment contributions.

Normandy Shores Local Government Neighborhood Improvement District

The Miami Beach Normandy Shores Local Government Neighborhood Improvement District (the "NSNID") was created under Chapter 163.506, of the Florida Statutes. The NSNID's Board of Directors is the City Commission. The NSNID's revenues are derived from ad valorem taxes. The NSNID is accounted for as a blended component unit in the City's Governmental Funds financial statements under the column entitled, "Other Governmental Funds". It is also reported in the supplementary information, Non-Major Special Revenue Funds under the column "Other Special Revenue Fund". The budget and rates charged are determined by the City and approved by City Commission.

North Beach Community Redevelopment Agency (North Beach CRA)

The North Beach CRA was created under the Community Redevelopment Act of 1969, enacted by the Florida Legislature, approved by City of Miami Beach Resolution No. 2021-31596 on February 10, 2021 and Miami-Dade County Resolution No. R-696-21 on July 20, 2021. Registration with the Florida Department of Economic Opportunity's Special District Accountability Program was completed in August 2021 and in accordance with section

**CITY OF MIAMI BEACH, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

189.012(2)(a) and (d), Florida Statutes, the North Beach CRA was classified as a special district.

The City of Miami Beach approved the Interlocal Cooperation Agreement by and among the City of Miami Beach, Miami-Dade County, and the North Beach CRA via Resolution No. 2021-31817 as amended on July 28, 2021. The North Beach CRA approved the Interlocal Cooperation Agreement by and among Miami-Dade County, the City of Miami Beach and the North Beach CRA via Resolution No. 005-2021 on July 28, 2021.

The North Beach CRA is generally bounded on the north by 87<sup>th</sup> Terrace, on the south by 65<sup>th</sup> street, on the east by the Atlantic Ocean and on the west by Rue Notre Dame. The Board of Directors is the City Commission and the executive director is the City Manager. The primary revenue source is , tax increment financing (TIF), the incremental growth of ad valorem revenues beyond an established base year. TIF is to be collected annually from Miami-Dade County and the City of Miami Beach beginning in Fiscal Year 2023.

The North Beach CRA had no financial activities to report for the fiscal year ended September 30, 2021.

2. Discretely Presented Component Units-Governmental Fund Type:

Miami Beach Health Facilities Authority

The Miami Beach Health Facilities Authority (the Authority) was created under the Health Facilities Authorities Law, Chapter 154, Part III of the Florida Statutes. The Authority's Board is appointed by the City Commission, serves a four-year term and is subject to reappointment. The revenue of the Authority is derived from fees generated from the sale of bonds to finance health facilities within Miami Beach. The City receives all funds of the Authority in excess of operational needs of the Authority. Debt issued under the oversight of the Authority is not debt of the City or the Authority and therefore is not included in the accompanying financial statements. The Authority is accounted for as a discretely presented component unit in the City's financial statements. The Authority accounts for its financial activities using only a general fund.

Miami Beach Visitor and Convention Authority

The Miami Beach Visitor and Convention Authority (the VCA) was created under Chapter 67-930, Section 8, of the Florida Statutes. The VCA is reported as a discretely presented component unit in the City's financial statements based on (a) The VCA is led by a seven-member board appointed by the City Commission to administer a portion of the collections of the municipal resort tax in order to promote tourism and convention business (b) VCA is financially dependent on the City.

Standalone financial statements are prepared for the Agency and Visitors and Convention Authority and can be obtained by contacting the City of Miami Beach at:

City of Miami Beach  
1700 Convention Center Drive  
Miami Beach, Florida 33139

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements report information on all of the nonfiduciary activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a

**CITY OF MIAMI BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

significant extent on fees and charges for support. In the government-wide Statement of Net Position, both the governmental and business-type activities columns reflect a full accrual, economic resource basis, which incorporates long-term assets as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given functional category are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific functional category. Program revenues include; 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given functional category, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular functional category. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The governmental funds financial statements are presented on a current financial resource and modified accrual basis of accounting. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is necessary to explain the adjustments necessary to reconcile the fund based financial statements to the government-wide presentation.

Internal service funds of a government are presented in summary form as part of the proprietary fund financial statements. Since the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental activities column when presented at the government-wide level. The costs of these services are allocated to the appropriate functional activity.

The City's fiduciary funds are presented in the fund financial statements by type. Since by definition, these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues, including charges for services are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, pensions, pollution remediation obligation and other postemployment benefits are recorded only when payment is due, or when the City has made a decision to fund those obligations with current available resources.

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Property taxes, when levied for, charges for services, franchise taxes, licenses, grants and intergovernmental revenues, when all eligibility requirements are met, and interest associated with the current fiscal period, if measurable and available, have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period and past due is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable when the City receives the cash.

**Governmental funds** – typically are used to account for tax-supported activities. The City reports the following major governmental funds:

- The *General Fund* – is the City’s primary operating fund. It accounts for all financial resources that relate to the general operations of the City, except those required to be accounted for in another fund.
- The *Resort Tax Special Revenue Fund* – accounts for the collection of the special tax levied city-wide on food, beverage and room rents used to support tourist related activities.
- The *Miami Beach Redevelopment Agency – Special Revenue Fund* accounts for the operations of the Miami Beach Redevelopment Agency, a tax increment district of the City. The Agency was established in 1976 under the provisions of Chapter 163 of the Florida Statutes to spur development and redevelopment in the South Pointe and City Center/Historic Convention Village Redevelopment and Revitalization Area of the City. The South Pointe District under the jurisdiction of the Agency has expired and South Pointe is now under jurisdiction of the City.
- The *Capital Projects Fund* – accounts for proceeds of the City’s bond sales and other revenues whose expenditure is restricted to the construction and acquisition of major capital assets.

**Proprietary funds** – are used to account for activities supported, at least in part, by fees or charges. The City reports the following major proprietary funds:

- The *Storm Water Utility Fund* – accounts for the storm water utility operations of the City.
- The *Water and Sewer Fund* – accounts for the water and sewer operations of the City.
- The *Parking System Fund* – accounts for the parking operations of the City.
- The *Convention Center Complex Fund* – accounts for the Convention Center operations of the City.

**Other fund types:**

Internal service funds - account for services provided to other departments or agencies of the government. The internal service operations include:

- *Fleet Management Fund* – accounts for the warehouse operations and the purchase and maintenance of the City’s fleet of vehicles.
- *Property Management Fund* – accounts for the cleaning, operating and renovations of City buildings.
- *Central Services Fund* – accounts for the operation of the office supplies warehouse, central printing function and central mail facility.
- *Risk Insurance Fund* – accounts for the City’s Risk insurance operations, both retained and insured.
- *Health Insurance Fund* – accounts for the City’s Health insurance operations, both retained and insured.
- *Communications Fund* – accounts for centralized telecommunications and information technology operations.
- *Office of Inspector General Fund* – accounts for all activities related to audits and reviews of City programs, contracts and expenditures.

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Fiduciary Funds - used to account for assets held by the City in a trustee capacity or as a custodial for individuals, private organizations and other Governments. The City reports the following fiduciary fund types:

- *Pension trust funds* include:
  - Retirement System for Miami Beach Employees',
  - Retirement System for Firefighters and Police Officers,
  - Policemen's Relief and Pension Fund,
  - Firemen's Relief and Pension Fund, and
  - Post-Employment Benefits Other Than Pensions (OPEB).
- *Custodial fund* – this fund accounts for general deposits held by the City until obligations are met or refunds are made.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's enterprise funds and the General Fund as well as cost reimbursement transactions between the enterprise funds and various other functions of City government. Elimination of these charges would distort the direct costs and program revenues reported for those sectors. The following describes the four basic types of *interfund transactions* made during the year and the related accounting policies:

1. Transactions for services rendered or facilities provided are recorded as revenue in the receiving fund and expenditures, either as internal charges or administrative fees, in the disbursing fund;
2. Transactions to reimburse a fund for expenditures made by it for the benefit of another fund are recorded as expenditures in the disbursing fund and as a reduction of expenditures in the receiving fund;
3. Transactions which are recurring annual transfers between two or more budgetary funds are recorded as transfers in and out; and
4. Transactions recording capital contributions between funds are recorded in the proprietary funds and are net to zero in the government-wide statement of activities. The governmental funds do not record capital assets or capital transfers of assets.

Amounts reported as *program revenues* include: charges to customers or applicants for goods, services, or privileges provided, operating grants and contributions, and capital grants and contributions, including special assessments.

Internally dedicated resources are reported as general revenues rather than as program revenues. All taxes are included in general revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and the internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

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**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance or Equity**

1. *Cash and investments*

All cash and investments are reflected as pooled cash and investments except for amounts held by fiscal agent. Cash and investments consist of demand deposits with banks, United States Treasury Obligations, State or Municipal Obligations, Money Market Funds, and cash held at investment institutions. Investments are recorded at fair value, except for those investments with remaining maturities of one year or less at the time of purchase, which are recorded at amortized cost. For the purpose of the Statement of Cash Flows for the Proprietary Fund Types, cash and investments are considered cash and cash equivalents.

The cash and investments for the retirement system are maintained in separate cash and investment accounts. The retirement system investments are held in United States Treasury Obligations, loans guaranteed by Government agencies, Mutual and Money Market Funds, General Obligation or Revenue Bonds issued by States and Municipalities, dividend paying stocks of domestic corporations, bonds, notes or other interest bearing obligations of domestic corporations, and shares and accounts of savings and loan associations. The retirement system's investments are recorded at fair value. Please refer to Note 3 for more detailed information regarding the City's investments.

The cash and investments for the OPEB system are maintained in separate cash and investment accounts. The OPEB system investments are held in various Mutual and Money Market Funds. Dividends received are reinvested at the date received. The OPEB system's investments are recorded at fair value. Please refer to Note 3 for more detailed information regarding the City's investments.

2. *Receivables and payables*

During the course of its operations, the City has numerous transactions between funds to finance operations, provide services, construct assets, and service debt. To the extent that certain transactions between funds have not been paid or received as of September 30, balances of interfund amounts receivable or payable have been reflected. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All receivables are shown net of an allowance for uncollectible accounts. Accounts receivable in excess of 90 days that are not deemed collectible, comprise the allowance for uncollectible accounts.

Following are the significant components of the receivables due to the City at September 30, 2021:

- a. Water, Sewer and Waste Fees – This amount represents the unpaid, unbilled and billed charges for various fines and municipal services;
- b. Taxes, Franchise Fees and Rents – This amount represents Ad Valorem taxes, including delinquent taxes, communication and utility taxes, along with franchise fees and rent payments due by September 30, 2021, but not collected as of that date;
- c. Resort Taxes Receivable – This amount represents resort taxes due by September 30, 2021, but not collected as of that date;
- d. Storm Water Receivable – This amount represents the unpaid, billed charges for treating water runoff from impervious areas;
- e. Accrued Interest Receivable – This amount represents the interest earned but not collected on the City's investments at September 30, 2021; and

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- f. Intergovernmental Receivable – This amount represents grant revenue earned but not received by the City as of September 30, 2021.

3. *Inventories and prepaids*

Material and supplies in inventory are reported as current assets of the proprietary funds and on the government wide financial statements at cost. Governmental funds inventory is stated at cost and accounted for on the consumption basis. Fund balance includes a nonspendable amount for the amount of the inventory since inventories are not available for appropriation and expenditure.

Expenditures made for services that will benefit periods beyond September 30, 2021 are recorded as prepaid items in the government-wide financial statements. Accordingly a portion of fund balance has been reserved to indicate that these funds are not available for appropriation.

4. *Restricted assets*

Certain proceeds of the storm water enterprise fund revenue bonds, water and sewer enterprise fund revenue bonds, and the parking system enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. Certain proceeds in the Convention Center complex enterprise fund are restricted as a result of an interlocal agreement between Miami-Dade County and the City to fund the cost of capital improvements to the Convention Center. Customer deposits are restricted in the Water and Sewer fund, Parking System fund, Convention Center fund and other non-major enterprise funds. The governmental fund types report unspent bond proceeds as restricted on the statement of net position.

5. *Capital assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary fund statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or at valuations, which approximate cost. In the case of initial capitalization of general infrastructure assets, the City chose to include all such items regardless of their acquisition date or amount. Gifts or contributions of property received are recorded at their estimated acquisition value at the time received by the City. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.



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Property, plant, and equipment of the City, as well as the component units, is depreciated over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Capital Assets Category	Capitalizing Threshold	Estimated Useful Life (in years)
Land	Capitalize all	Not depreciable
Intangible assets	Capitalize all	Not depreciable
Construction in progress	\$ 100,000	Not depreciable
Building and structure	100,000	50 years
Permanent improvements	100,000	Limited to useful life of bldg. not to exceed 35 years
Furniture and equipment	5,000	7 years
Motor vehicles	5,000	5 years
Motor vehicles greater than \$50,000	50,000	10 years
Maintenance and heavy moving equipment	5,000	15 years
Infrastructure	100,000	30-50 years

In the governmental funds, capital assets are recorded as expenditures and no depreciation expense is recorded.

The City assesses the carrying value of capital assets whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable in accordance with GAAP. Impaired capital assets no longer used by the City are reported using GASB Statement No. 42 *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*. The City did not record any impairment charges related to its property as of September 30, 2021 as there were no indicators of impairment.

**6. *Compensated absences***

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. When terminated, an employee is paid for accumulated vacation leave and a percent of unused sick leave hours, subject to certain limitations. All vacation and sick pay is accrued when earned in the government-wide and proprietary fund financial statements. A liability for those amounts is reported in governmental funds only if they have matured, as a result of employee resignations or retirements.

**7. *Long-term obligations***

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Debt principal payments are reported as debt service expenditures.

**8. *Unearned revenue***

Resources that do not meet revenue recognition requirements (not earned) are recorded as unearned revenue in the government-wide and the fund financial statements.

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9. *Deferred outflows/inflows of resources*

In addition to assets, the statement of net position will report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category.

- a. Deferred loss on refunding is reported in the government-wide and proprietary fund statements of net position. Deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The difference that results from the refunding is not a separate 'loss' transaction, but rather a reduction of the interest savings to be obtained in the future by substituting the new interest rate for the old. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- b. Deferred outflows of resources related to the Miami Beach Employees' Retirement System (MBERP) and Miami Beach Retirement Systems for Firefighters and Police Officers (MBF&P) pension plans are recognized when the City makes contributions subsequent to the measurement date and when there are differences between expected and actual experience. Differences between expected and actual experience and changes in assumptions are deferred and amortized over the average of the expected remaining service lives of employees who are provided with benefits through the pension plans. Employer contributions made subsequent to the measurement date are deferred and recognized as a reduction of the net pension liability in the subsequent reporting year. Net Differences between projected and actual investment earnings are deferred and amortized over five years. The deferred outflows of resources related to pensions are only reported on the proprietary funds and the government-wide financial statements.
- c. Deferred outflows of resources relating to OPEB are recognized when the City makes contributions subsequent to the measurement date, when there are differences between expected and actual experience, changes in assumptions, changes in funds proportionate shares of the deferrals, and differences between expected and actual investment earnings. The net difference between expected and actual investment earnings is amortized over five years. Other deferrals are amortized over the average remaining service life of participants.

In addition to liabilities, the statement of net position will report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualify for reporting in this category.

- d. Deferred inflows of resources related to the MBERP and MBF&P pension plans are reported when changes in the net pension liability are not included in the pension expense of the actuarially calculated net pension liability, such as differences between projected and actual investment earnings. Differences between projected and actual investment earnings are deferred and amortized over five years. The deferred inflows of resources related to pensions are only reported on the proprietary funds and the government-wide financial statements.
- e. Deferred inflows of resources relating to OPEB are recognized when there are differences between expected and actual experience, changes in assumptions, changes in funds proportionate shares of the deferrals, and differences between expected and actual

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investment earnings. The difference between expected and actual investment earnings is amortized over five years. Other deferrals are amortized over the average remaining service life of participants.

- f. Deferred inflow of resources related to unavailable other revenues are grants received in advance when eligibility requirements except timing requirements have been met.

10. *Net position/ fund balance*

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, establishes accounting and financial reporting standards for governmental funds. It establishes criteria for classifying fund balances into specifically defined classification and clarifies definitions for governmental fund types. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

On June 5, 1996, the City Commission adopted Resolution No. 96-22014 which appropriated \$10 million into a reserve for contingencies in the General Fund. This resolution called for this reserve to remain at 11% of the General Fund operating budget of the ensuing year. On February 18, 1998, the City Commission adopted Resolution No. 98-22661 which defined a public emergency for which funds could be used as well as stipulating that expenditure specifically requires a 5/7 vote rather than a majority of the Commission.

On September 21, 2006, the Commission adopted Resolution No. 2006-26341 which stated that in addition to the 11% of General Fund operating budget emergency reserve, the City shall have a goal to maintain a General Fund reserve for contingencies equal to 6% of the General Fund operating budget. In combination with the 11% of emergency reserve, this represents 2 months of the General Fund operating budget expenditures. If the reserve for contingencies level falls below the 6% level, a plan of action will be required to increase the reserves over three to seven years (to at least 6%) and a percentage of any additional undesignated fund balance shall be earmarked toward attainment of the 6% level.

On July 22, 2014, the City's Resort Tax Reserve Fund Policy was amended to state the goal is reserve 3 months of total fund revenue of the 2% resort tax fund. The minimum acceptable reserve is to be 2 months of operating expenses or 2 months of total revenues. The policy was established to ensure the continuity of operations of both the Resort Tax Fund and the General Fund.

On September 11, 2020, the City Commission adopted Resolution No. 2020-30954, which amended and restated Resolution No. 2006-26341, stating that in light of the City's vulnerability to storm events and dependence on volatile Resort Tax revenues, the General Fund Reserve Policy increased the required reserve for emergencies from 11% to 17% and increased the goal for reserve for contingencies from 6% to 8% and effectively increase the total reserve target from 17% to 25%, or from 2 months to 3 months of the City's General Fund Operating budget.

When both restricted and unrestricted amounts are available for use, it is the City's practice to use restricted resources first. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance.

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The City reports the following fund balance classifications for the governmental fund balance:

- Non-spendable Fund Balance – amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Examples on non-spendable fund balance include inventories and/or prepaid expenses.
- Restricted Fund Balance - amounts that are restricted to specific purposes when constraints placed on the use of resources are either by (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.
- Committed Fund Balance - amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Commission through an ordinance or resolution which are equally binding as the highest decision-making authority. The Commission adopts a City resolution, which includes the amount to be committed and the reason for the commitment. Only an adopted resolution by the Commission can establish, modify or rescind the commitment.
- Assigned Fund Balance – amounts that are constrained by the City Commission's or an official delegated by the governing body's (City Manager) intent to be used for specific purposes but are neither restricted nor committed. Fund balance is primarily assigned based on the City's budgeting policy. Some amounts are approved and assigned by the City commission subsequent to September 30, 2021.
- Unassigned Fund Balance – may include residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as follows:

- a. Net Investment in Capital Assets – is intended to reflect the portion of net position which are associated with capital assets net of accumulated depreciation, less outstanding capital assets related debt, net of unspent bond and issuance of debt and deferred refunding losses and gains.
- b. Restricted Net Position – have third party (statutory, bond covenant or granting agency) limitations on their use or enabling legislation.
- c. Unrestricted Net Position – have no third-party limitations on their use. While City management may have categorized and segmented portions for various purposes, the City Commission has the unrestricted authority to revisit or alter these managerial decisions.

**11. *Restricted component of net position***

Restricted Net Position consists of amounts restricted to comply with grant contracts and other externally imposed constraints or by legislation that are legally enforceable. At September 30, 2021, the Government-wide statement of net position reported \$176,868,528 in governmental activities' restricted net position. Of this amount, \$176,093,632 is restricted as a result of enabling legislation.

**12. *Use of estimates***

The preparation of financial statements in conformity with U. S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, deferred outflows and inflows and disclosure of contingent

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assets and liabilities, deferred outflows and inflows at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's estimates.

**13. *Risk management***

The City is exposed to various risks of loss from civil liability to other parties (automobile liability, general liability, police professional liability, public official liability); statutory workers' compensation benefits for injured employees; and the theft or accidental damage to City property (buildings and business contents).

The City established an internal service Risk Insurance Fund (the "Fund") to account for its risk financing activities. The Fund is reviewed quarterly by City actuaries and charges the operating funds insurance premiums. The accrued liability for estimated insurance claims represents an estimate of the ultimate cost of settling claims arising prior to year end, including claims incurred but not yet reported. The Fund pays for all claims and judgments made against the City for accidental losses for which the City is self-insured or purchases insurance policies to protect the City's assets.

**14. *Employee pension plans and other retirement benefits***

The City provides separate defined benefit pension plans for general employees and for police and fire department personnel. The City no longer offers benefits under a defined contribution pension plan created in accordance with Internal Revenue Code Section 401(a) to new employees. However, current employees are still participating in the plan. The City also offers an optional deferred compensation plan created in accordance with Internal Revenue Code Section 457. The 457 Plan and the 401(a) Plan are not included in the City's financial statements.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the MBERP and MBF&P and additions to and deletions from the systems' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms discussed in Note 16. Investments are reported at fair value.

**15. *Post-employment benefits other than pensions (OPEB)***

Pursuant to Section 112.08, Florida Statutes, the City is required to permit eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retirees that is no greater than the cost at which coverage is available for active employees. The City has a single employer OPEB plan with benefits based on age and date of employment. The City has established an irrevocable trust fund to hold the assets of the OPEB plan. OPEB liabilities reported in the statement of activities are typically liquidated from the general fund. Please refer to Note 17 for more information.

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the net position of OPEB and additions to and deletions from the systems' net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms discussed in Note 17. Investments are reported at fair value.

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*16. Health Insurance Benefits*

Pursuant to City Code Chapter 78, Article II, Sections 78 through 81, the City provides for employees health care coverage with the cost of such coverage shared between the employee and the City. In addition, the collective bargaining agreements of the American Federation of State (AFSCME), County and Government Supervisors Association (GSA), and Communication Workers of America (CWA) all require the City to provide group health care coverage to their members. Currently the City provides its active, full-time employees and retirees the opportunity to elect group health care coverage (medical and dental). The City's group health plan excludes coverage for members of the Fraternal Order of Police (FOP) and the International Association of Fire Fighters (IAFF). FOP members are eligible to participate in the City's dental plan. The City and the employee/ retiree contribute to the cost of this coverage, at different rates, based on the plan elected.

The City established an internal service Health Insurance Fund (the "Fund") to account for Medical and Dental activities. Revenues from employee and City premiums are recorded in the Fund. The Fund is reviewed quarterly by City actuaries and premiums are set to pay for all claims and the premium cost of "stop loss" insurance coverage. Both medical and dental claims are administered by a third-party service provider.

*17. Recent accounting pronouncements adopted/implemented*

For the year beginning October 1, 2020, the City implemented GASB Statement No. 84, Fiduciary Activities; GASB No. 90, Major Equity Interest; GASB No. 93, Replacement of Interbank Offered Rates and GASB No. 98, The Annual Comprehensive Financial Report.

The implementation of GASB Statement No. 84 resulted in certain activities formerly reported within the agency fund to be reported within the new custodial funds of the fiduciary funds statements and within existing governmental and enterprise funds. The implementation of GASB 84 resulted in restatement of beginning balances for certain governmental, proprietary and the fiduciary balances, see Note 18. The implementation of Statement No. 98 changed the name of this report to the Annual Comprehensive Financial Report (ACFR).

The implementation of the other statements had no reporting impact for the City.

**NOTE 2 - Stewardship, Compliance, and Accountability**

*Sanitation – Net Position Deficit*

At September 30, 2021, the Sanitation Fund had a net position deficit of \$2.9 million, this represents a decrease of the deficit of \$4.2 million dollars from the prior year. The decrease in net position deficit is primarily as a result of increased "transfers in" of \$6.6 million compared to \$2.2 million in prior year. Management intends to continue to monitor the operations of the Sanitation Fund with the goal to budget sufficient funds to cover annual cost and reduce the accumulated deficit.

*Office of Inspector General – Net Position Deficit*

At September 30, 2021, the Office of Inspector General Fund (OIG) had a fund deficit of \$1.4 million a reduction of approximately \$500 thousand dollars compared to prior year. The OIG operations were recently separated from the general fund and as a result acquired significant liabilities primarily related to OPEB and

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Pension costs. Management continues to monitor the activities of the fund to ensure that the deficit continues to decline.

*Building – Net Position Deficit*

At September 30, 2021, the Building Fund had a net position deficit of \$1.5 million. The building department is a newer fund with operations of a shorter period. The major reason for the deficit can be attributed to significant personnel costs for OPEB and Pension related expenses. Management will continue to monitor this fund to determine if additional actions are necessary.

*Property Management – Net Position Deficit*

At September 30, 2021, the Property Management Fund had a net position deficit of \$692 thousand. Property management is an internal service fund that has significant expenses in contractual services. These costs are attributed to the services of external contractors whose services are necessary to meet the demands of providing services to the City and can be challenging to predict. Management will continue to monitor this fund to determine if further action is required.

*Community Development Block Grant – Net Position Deficit*

At September 30, 2021, the City's Community Development Block Grant Fund had a net position deficit of \$18.6 thousand. The net position deficit is primarily due to grant expenditures pending reimbursement. The City will continue to review transactions to ensure more timely receipt of grant funds.

**NOTE 3 - Deposits and Investments**

City's Pooled Portfolio Investments:

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

The City's Investments are made based on prevailing market conditions at the time of the transaction with the intent to hold the instrument until maturity. If the yield of the portfolio can be improved by the sale of an investment, prior to its maturity, with the reinvestment of the proceeds, then this provision is allowed. As a means of limiting exposure to fair value losses, the City's investment policy limits maturity of its investments to seven (7) years or less.

As of September 30, 2021, the City had the following investments in its portfolio:

City's Investment Type	Fair Value	Less	
		Than 1	1-5
U.S. Government Agencies	\$ 127,318,815	\$ 55,191,805	\$ 72,127,010
U.S. Government Treasuries	306,170,508	19,991,407	286,179,101
Commercial paper	22,284	22,284	-
Corporate bonds	36,908,978	7,412,770	29,496,208
Israeli Bonds	8,500,000	500,000	8,000,000
FLCLASS Pool	631,612,313	631,612,313	-
Total	<u>\$ 1,110,532,898</u>	<u>\$ 714,730,579</u>	<u>\$ 395,802,319</u>

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Concentration of Credit Risk

The City's investment plan limits the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. The investment policy allows for a maximum of 100% of the portfolio in U.S. Government Securities, Money Market Mutual Funds and Intergovernmental Investment Pool, 50% in U.S. Agencies, 80% in Federal Instrumentalities, 5% in State of Israel Bonds, 15% in Mortgage/Asset-Backed Securities, 25% in Florida Prime Fund, Interest Bearing Time Certificates, Repurchase Agreements, Commercial Paper and Florida League of Cities, Inc. Mutual Funds, 40% in Corporate Notes, 20% in Bankers Acceptances and State and/or Local Government Taxable and/or Tax-exempt Debt, and Externally Managed Funds requiring specific approval by the City Commission. There were no individual investments that represent 5% or more of total investments at September 30, 2021.

Credit Risk

This is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. State law limits investments in commercial paper and corporate bonds rated in one of the top two ratings issued by the Nationally Recognized Statistical Rating Organization (NRSROs). It is the City's policy to limit its exposure in these investment types to the top rating issued by NRSROs. U.S. government agencies are only implicitly guaranteed by the U.S. Government. U.S. Government Treasuries explicitly guaranteed by the U. S. Government are not considered to have credit risk exposure.

As of September 30, 2021, the City's investments were rated by Moody's Investors Service and Standard & Poor's as follows:

Investment Type	Issuer	Standard & Poor's	Moody's	Reported Value
US Securitized Products				
	FHLB	AA+	Aaa	\$ 56,075,055
	FNMA	AA+	Aaa	27,955,330
	FHLMC	AA+	Aaa	8,249,680
	FFCB	AA+	Aaa	35,038,750
				<u>\$ 127,318,815</u>
US Government Treasuries:				
	U. S. Government	AA+	Aaa	306,170,508
				<u>\$ 306,170,508</u>
Commercial Paper:				
	FHLMC	AA+	Aaa	22,284
				<u>\$ 22,284</u>
Corporate Bonds:				
	Johnson & Johnson SR	AAA	Aaa	\$ 4,013,080
	Apple Inc.	AA+	Aa1	1,824,690
	Chevron Corp.	AA	Aa2	10,196,350
	Exxon Mobil	AA+	Aaa	6,750,650
	Wal-Mart	AA	Aa2	14,124,208
				<u>\$ 36,908,978</u>
Israeli Bonds:				
	State of Israel	A+	A1	\$ 8,500,000
				<u>\$ 8,500,000</u>
FLCLASS	Local Government Inv. Pool	AAAm	N/A	\$ 631,612,313
Total				<u>\$ 1,110,532,898</u>



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Fair Value Measurement: GASB issued Statement No. 72, addressing the accounting and financial reporting issues related to fair value measurements. GASB No. 72 defines fair value as the price that would be received to sell an asset.

The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are based on other significant observable inputs such as indices for fixed income bonds and quoted prices similar assets in markets that are not active; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of September 30, 2021:

Investments by Fair Value Level	Balance	Fair Value Measurements Using	
		Level 1	Level 2
U.S. Securitized Products	\$ 127,318,815	\$	127,318,815
U.S. Government Treasuries	306,170,508		306,170,508
Commercial Paper	22,284		22,284
Corporate Bonds	36,908,978		36,908,978
State of Israel Bonds	8,500,000		8,500,000
Total Debt Securities	<u>478,920,585</u>		
Investments measured at Net Asset Value (FL CLASS)	631,612,313	631,612,313	
Total Investments	<u>\$ 1,110,532,898</u>	<u>\$ 631,612,313</u>	<u>\$ 478,920,585</u>

Investments Measures at the NAV:

FLCLASS	Fair Value	Redemption Frequency	Notice Period
		<u>\$ 631,612,313</u>	Daily

Florida Cooperative Liquid Assets Securities System (FLCLASS) is an external local government investment pool created by interlocal agreement under F.S. 163.01. The pool is supervised by an appointed Board of Trustees comprised of eligible participants of the program. The Board acts as the liaison between the participants, the custodian, and the program administrator. The fund is an S&P AAAM rated money market product offering a fiscally conservative diversification option for Florida local governments. The objective of the fund is to provide investors with liquidity, stable share price and as high a level of current income as is consistent with preservation of principal and liquidity. The weighted average maturity is 880 days as of September 30, 2021.

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The City's cash and investments held at September 30, 2021 (including restricted cash and cash with paying agent) are shown below:

Schedule of cash and investments by fund:

General	\$	133,055,848
Resort Tax		42,435,652
Redevelopment Agency		67,733,250
Capital Projects		227,957,102
Storm Water		156,640,842
Water & Sewer		201,057,662
Parking		80,423,744
Convention Center Complex		21,147,562
Internal Service		112,662,745
Custodial Fund		1,453,999
Nonmajor Governmental		168,533,104
Nonmajor Enterprise		59,807,347
		<hr/>
Total cash and investments (excl. Trust Funds)	\$	<u><u>1,272,908,857</u></u>

**Custodial Credit Risk** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. For deposits, custodial credit risk is the risk that in the event of a financial institutional failure, the City's deposits may not be returned to it.

**Deposits** All deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under the Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", the State Treasurer requires all qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral equal to 50% to 125% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, United States governmental and agency securities, state or municipality government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280, Florida Statutes. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

Securities pledged as collateral are held by a third party. Joint custody safekeeping receipts are held in the name of the depository institution, but pledged to the City. The security cannot be released, substituted or sold without the City's approval and release of the security.

**Investments** The City's investment policy requires that securities be registered in the name of the City. All safekeeping receipts for investment instruments are held in accounts in the City's name and all securities are registered in the City's name.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 31, the City is required to adjust interest earnings on the financial statements to reflect unrealized gains and losses due to year over year changes in the market value of the City's investment portfolio.

**Employee Retirement Systems Investments:**

The City has adopted ordinances which govern the investment of funds for all of the Employee's Retirement Systems (the System). Each Plan is allowed to invest in a wide range of instruments including but not limited to United States Treasury obligations, loans guaranteed by government agencies, Mutual and Money Market funds, Private Placement, Real Estate funds, General Obligation or Revenue Bonds issued by states and municipalities, dividend paying stocks of domestic corporations, International Equity Funds, bonds, notes or other interest bearing obligations of domestic corporations, and shares and accounts of

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savings and loan associations. Each Plan has a Board of Trustees who authorizes the investment policy.

**Interest Rate Risk** Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity an investment has, the greater the sensitivity of fair value changes due to its dependence on the market interest rate.

Information about the sensitivity of fair value of the System's investments to market interest rate fluctuations is provided in the table below that shows the distribution of the Systems fixed income investment by maturity at September 30, 2021.

**City Pension Fund for Firefighters and Police Officers:**

Investment Type	Fair Value	Investment Maturities (in years)			
		Less Than 1	1-5	6-10	More than 10
U.S. government securities	\$ 18,520,612	\$ -	\$ 1,808,630	\$ 13,908,118	\$ 2,803,864
Corporate bonds and notes	177,988,469	9,377,692	70,275,258	96,776,158	1,559,361
U.S Treasuries	23,191,097	-	12,520,480	6,706,610	3,964,007
International Private Placement	54,374,608	647,058	23,756,266	22,674,212	7,297,072
Total	\$ 274,074,786	\$ 10,024,750	\$ 108,360,634	\$ 140,065,098	\$ 15,624,304

**Miami Beach Employees' Retirement Plan:**

Investment Type	Fair Value	Investment Maturities (in years)			
		Less Than 1	1-5	6-10	More than 10
Fixed income bond funds	\$ 159,166,695	\$ 8,454,938	\$ 97,189,299	\$ 37,537,978	\$ 15,984,480
Fixed securities	480,748	-	138,531	257,194	85,023
Total	\$ 159,647,443	\$ 8,454,938	\$ 97,327,830	\$ 37,795,172	\$ 16,069,503

**Firemen's Relief and Pension Fund:**

Investment Type	Fair Value	Investment Maturities (in years)			
		Less Than 1	1-5	6-10	More than 10
U.S. government securities	\$ 946,347	\$ -	\$ 421,226	\$ 329,340	\$ 195,781
Corporate bonds and notes	4,990,050	507,476	1,827,859	2,654,715	-
Total	\$ 5,936,397	\$ 507,476	\$ 2,249,085	\$ 2,984,055	\$ 195,781

**Policemen's Relief and Pension Fund:**

Investment Type	Fair Value	Investment Maturities (in years)			
		Less Than 1	1-5	6-10	More than 10
U.S. government securities	\$ 1,096,336	\$ -	\$ 987,454	\$ 108,882	\$ -
Corporate bonds and notes	1,451,885	-	598,406	853,479	-
Total	\$ 2,548,221	\$ -	\$ 1,585,860	\$ 962,361	\$ -

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Credit Risk and Concentration of Credit Risk The System's investment policy utilizes portfolio diversification in order to control credit risk. The Systems have no limit imposed on fixed income securities issued directly by the U.S. Government or any agency or instrumentality thereof. The City pension fund for firefighters and police officers' limits corporate debt securities (bonds, notes, debentures at the time of purchase) to only the highest three categories of quality by any of the following listed services: Moody's, Standards and Poor's or Fitch's Manual. Any issue which is downgraded to investment grade fourth category may be held. Any issue if downgraded below investment grade by two of the three of the above-mentioned ratings services must either be sold or specifically approved for retention by the Board. Commercial paper must be rated Moody's P1 or Standard and Poor's A1. Bonds issued by the State of Israel may also be purchased. The City employee's retirement system limits commercial paper to those rated only in the highest category. Other fixed income securities that are classified "Investment Grade" in the top four rating by Standard & Poor's and Moody's can also be purchased. The firefighters and police officers pension funds follow state law, which limits investments in debt securities to those with the top three ratings issued by a nationally recognized statistical rating organization. There were no individual investments that represent five percent or more of the total investments at September 30, 2021.

Foreign Currency Risk Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Plan has exposure through international holding in a private placement trust fund. The Plan has exposure to currency fluctuations at September 30, 2021 as follows:

<b>Country</b>	<b>Estimated Holdings of the City's Pension for Firefighters and Policemen of the Total Private Placement Fund (Valued in U.S. Dollars)</b>
Australia	\$ 2,604,544
Brazil	935,243
Canada	3,800,785
China	5,693,022
Euro	17,981,683
Hungary	1,294,116
Indonesia	1,397,427
Japan	9,841,804
Malaysia	1,256,053
Norway	1,587,739
New Zealand	1,663,863
Romania	1,500,739
Russia	1,506,177
South Korea	1,348,490
Sweden	375,185
Switzerland	462,184
United Kingdom	1,125,554
	\$ 54,374,608

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Credit risk is generally measured by the assignment of a rating by a nationally recognized rating organization. The following table discloses credit ratings by investment type at September 30, 2021:

**City Pension Fund for Firefighters and Police Officers:**

	Fair Value	Percentage of Portfolio
U.S. Government Securities	41,711,709	15.2 %
Quality rating of credit risk debt securities		
Aaa	\$ 22,182,697	8.09
Aa	11,861,039	4.33
Aa1	5,033,557	1.84
Aa2	1,843,978	0.67
Aa3	6,473,217	2.36
A	10,847,734	3.96
A1	28,603,525	10.44
A2	44,394,944	16.20
A3	40,774,785	14.88
Baa1	25,146,816	9.18
Baa2	15,294,242	5.58
Bbb	15,268,390	5.57
Bb	3,322,288	1.21
B	1,315,865	0.48
Total fixed income securities	<u>\$ 274,074,786</u>	<u>100.00 %</u>

**Miami Beach Employees' Retirement Plan:**

	Fair Value	Percentage of Portfolio
Quality rating of credit risk debt securities		
AAA-A-	\$ 101,702,229	63.70 %
BBB-B-	27,180,525	17.03
Below B	14,958	0.01
Not Provided	30,749,731	19.26
Total credit risk debt securities	<u>\$ 159,647,443</u>	<u>100.00 %</u>

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**Firemen's Relief and Pension Fund:**

	Fair Value	Percentage of Portfolio	
	<u>          </u>	<u>          </u>	
U.S. Government Securities	\$ 946,347	15.94	%
Quality rating of credit risk debt securities			
Aaa	110,686	1.86	
Aa1	270,648	4.56	
Aa2	94,563	1.59	
Aa3	107,283	1.81	
A1	387,227	6.52	
A2	844,777	14.23	
A3	1,331,131	22.42	
Baa1	1,636,853	27.59	
Baa2	206,882	3.48	
Total credit risk debt securities	<u>4,990,050</u>	<u>84.06</u>	
Total fixed income securities	<u>\$ 5,936,397</u>	<u>100.00</u>	%

**Policemen's Relief and Pension Fund:**

	Fair Value	Percentage of Portfolio	
	<u>          </u>	<u>          </u>	
U.S. Government Securities	\$ 1,096,336	43.02	%
Quality rating of credit risk debt securities			
Aaa	164,917	6.47	
Aa3	107,283	4.21	
A1	218,840	8.59	
A2	387,972	15.23	
A3	108,578	4.26	
Baa1	464,295	18.22	
Total credit risk debt securities	<u>1,451,885</u>	<u>56.98</u>	
Total fixed income securities	<u>\$ 2,548,221</u>	<u>100.00</u>	%

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As of September 30, 2021, the total pension system had the following cash and investments in its portfolio:

		Fair Value
Short term investments	\$	42,875,026
U.S. government securities		43,754,392
Corporate bonds and notes		184,430,404
Bond funds		159,166,695
Foreign bonds		54,374,608
Common stocks and index funds		1,011,648,332
Foreign stocks		217,363,864
Real estate funds		243,247,719
Infrastructure investments		39,432,012
Mutual funds		53,787,326
Hedge Fund		11,528,987
Total cash and investments	\$	2,061,609,365

Fair Value Measurement: GASB Statement No. 72, addressed the accounting and financial reporting issues related to fair value measurements and defines fair value as the price that would be received to sell an asset. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are based on other significant observable inputs such as indices for fixed income bonds and quoted prices similar assets in markets that are not active; Level 3 inputs are significant unobservable inputs.

Investments are reported at fair value. The fair value of quoted investments is based on the closing sales price or bid price as reported by recognized security exchanges. Fair value for stocks is determined by using the closing price listed on the national securities exchanges at September 30. Securities traded in the over-the counter market and listed securities for which no sale was reported on that date are valued at the last reported bid price. Commercial paper, time deposits and short-term investment pools are valued at cost, which approximates fair value.

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The City Pension Fund for Firefighters and Police Officers has the following recurring fair value measurements as of September 30, 2021:

Investments by fair value level	2021	Fair Value Measurements Using	
		Level 1	Level 2
Equity securities			
Common stocks	\$ 399,744,278	\$ 399,744,278	\$ -
Commingled domestic equity funds	191,876,727	191,876,727	-
Commingled international equity funds	63,064,932	-	63,064,932
Total equity securities	654,685,937	591,621,005	63,064,932
Debt securities			
Government and agency obligations	23,191,097	23,191,097	-
Municipal/provincial obligations	18,520,612	-	18,520,612
Corporate bonds	177,988,469	-	177,988,469
International corporate bonds	-	-	-
International private placement	54,374,608	-	54,374,608
Total debt securities	274,074,786	23,191,097	250,883,689
Mutual funds	37,127,938	-	37,127,938
Total investments by fair value level	\$ 965,888,661	\$ 614,812,102	\$ 351,076,559
Investments measured at the net asset value			
Real estate fund	166,490,381		
Hedge Fund	11,528,987		
Total investments measured at net asset value	178,019,368		
Money market funds (exempt)	36,569,041		
Total investments	\$ 1,180,477,070		

Short-term investment funds: These consist primarily of money market funds, commercial paper and similar instruments with maturities of less than one year. Short-term investments are reported at fair value or at cost or amortized cost, which approximates fair value. For those investments which are reported at fair value, the investments are valued using similar methodologies as described within the debt securities section below.

Equity securities: These include common stock, domestic and international equity funds. Domestic securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the fiscal year. Securities traded in the over-the counter market and listed securities for which no sale was reported on that date are valued at the last reported bid price. International equities are valued based upon quoted foreign market prices and translated into U.S. dollars at the exchange rate in effect at September 30, 2021. Securities which are not traded on a national security exchange are valued by the respective fund manager or other third parties based on yields currently available on comparable securities of issuers with similar credit ratings.



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Debt securities: Debt securities consist primarily of negotiable obligations of the U.S. government and U.S. government-sponsored agencies, corporations, and foreign debt securities (included in international fixed income in the Statement of Fiduciary Net Position). These securities can typically be valued using the close or last traded price on a specific date (quoted prices in active markets). When quoted prices are not available, fair value is determined based on valuation models that use inputs that include market observable inputs. These inputs included recent trades, yields, price quotes, cash flows, maturity, credit ratings, and other assumptions based upon the specifics of the investment's type.

Real estate: Real estate funds are valued using their respective net asset value ("NAV") as of September 30, 2021. The most significant input into the NAV of such funds is the fair value of the investment holdings. These holdings are valued by the general partners on a quarterly or semi-annual basis, in conjunction with management and investment advisors.

The Plans valuation methods for investments measured at the net asset value ("NAV") per share (or its equivalent) as of September 30, 2021, are as follows:

	Investments Measured at the NAV		
	2021	Redemption Frequency	Redemption Notice Period
Real estate fund (1)	\$ 56,854,684	Quarterly	45 Days
Real estate fund (2)	54,606,327	Quarterly	45 Days
Real estate fund (2)	55,029,370	Quarterly	45 Days
Hedge Fund (3)	11,528,987	Quarterly	70 Days
Total investments measured at the NAV	\$ 178,019,368		

There were no unfunded commitments at September 30, 2021.

(1) This fund is an open-ended, commingled real-estate fund with a diversified portfolio of income producing properties located throughout the United States. The investment is valued at NAV and redemption request must be received by the fund 45 days prior to quarter-end.

(2) These funds are an open-end, commingled real estate fund that invests in improved properties with stabilized occupancies. The assets have high quality physical features with strong locational factors allowing the investment to attain a strong competitive position with the assets' local sphere. The investment is valued at NAV and redemption requests must be received by the fund 45 days prior to quarter-end.

(3) This fund is a diversified portfolio with an objective to generate a superior absolute and risk-adjusted rate of return, with low performance volatility and low correlation with global equity and fixed income markets, over a full market cycle; and preserve capital during challenging market environments. The investment is valued at NAV and redemption requests must be received by the fund 70 days prior to quarter end.

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The Miami Beach Employees' Retirement Plan has the following recurring fair value measurements as of September 30, 2021:

Investments by fair value level	2021	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Equity securities				
Domestic equities				
S&P Index	\$ 122,493,755	\$ -	\$ 122,493,755	\$ -
Large cap fund PLUS	150,863,444	-	150,863,444	-
Mid-cap index fund	43,995,693	-	43,995,693	-
Small-cap index	81,124,730	46,803,685	34,321,045	-
International equities				
International equity growth	112,228,484	-	112,228,484	-
Emerging markets core	42,070,448	42,070,448	-	-
Mutual fund equities (DROP)	16,178,640	16,178,640	-	-
Total equity securities	<u>568,955,194</u>	<u>105,052,773</u>	<u>463,902,421</u>	<u>-</u>
Fixed income	-			
Core bond index fund	39,752,334	-	39,752,334	-
Bond fund	119,414,361	-	119,414,361	-
Fixed Income Fund (DROP)	480,748	-	480,748	-
Total fixed income	<u>159,647,443</u>	<u>-</u>	<u>159,647,443</u>	<u>-</u>
Real estate strategic property fund	73,281,509	-	-	73,281,509
<b>Total investments by fair value level</b>	<b><u>\$ 801,884,146</u></b>	<b><u>\$ 105,052,773</u></b>	<b><u>\$ 623,549,864</u></b>	<b><u>\$ 73,281,509</u></b>
Investment measured at the net asset value (NAV)				
Infrastructure fund	<u>39,432,012</u>			
Total Investment measured at NAV	<u>39,432,012</u>			
Short-term investment fund (exempt)	3,032,967			
<b>Total investments</b>	<b><u>\$ 844,349,125</u></b>			

Investments Measured at the NAV

	Fair Value	Redemption Frequency (if Currency Eligible)	Redemption Notice
Infrastructure Fund	<u>\$ 39,432,012</u>	Semi-annual	90 Days

At September 30, 2021, there were no unfounded commitments. This fund is focused on identifying a universe of investments that best meet the portfolio's risk management objectives. This involves the identification of investments that have assets predominantly invested in developed economies. Limits have been applied to country and regional exposure. The return pattern expected from global infrastructure is an inflationary return component plus a substantial premium, as well as competitive performance relative to

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the S&P Global Infrastructure Index. The fund is valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments held by the fund less its liability. The Firemen's Relief and Pension Fund had the following recurring fair value measurements as of September 30, 2021:

Investments by fair value level	2021	Fair Value Measurements Using	
		Level 1	Level 2
Equity Securities			
common stocks	\$ 14,412,152	\$ 14,412,152	\$ -
Total equity securities	<u>14,412,152</u>	<u>14,412,152</u>	<u>-</u>
Debt securities			
U.S. treasury securities	740,192	740,192	-
U.S. agency securities	206,155	-	206,155
Corporate bonds	<u>4,990,050</u>	<u>-</u>	<u>4,990,050</u>
Total debt securities	<u>5,936,397</u>	<u>740,192</u>	<u>5,196,205</u>
Total Investments by fair value level	<u>\$ 20,348,549</u>	<u>\$ 15,152,344</u>	<u>\$ 5,196,205</u>

Investments measured at the net asset value (NAV)

Real estate fund	\$ 1,800,004
Total investments measured at NAV	<u>1,800,004</u>
Money market funds (exempt)	<u>2,038,698</u>
Total investments	<u>\$ 24,187,251</u>

Investments Measured at the NAV

	Fair Value	Redemption Frequency (if Currency Eligible)	Notice Period
Real estate fund	\$ 1,800,004	Quarterly	10 days

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The Policemen's Relief and Pension Fund have the following recurring fair value measurements as of September 30, 2021:

Investments by fair value level	2021	Fair Value Measurements Using	
		Level 1	Level 2
U.S. Treasury securities	1,096,336	1,096,336	-
Equity Securities	7,137,553	7,137,553	-
Corporate bonds	1,451,885	1,451,885	-
Total debt securities	9,685,774	9,685,774	-
Total Investments by fair value level	<u>\$ 9,685,774</u>	<u>\$ 9,685,774</u>	<u>\$ -</u>

Investments measured at the net asset value (NAV)

Real estate fund	<u>\$ 1,675,825</u>
Total investments measured at NAV	<u>1,675,825</u>
Money market funds (exempt)	<u>1,234,320</u>
Total investments	<u>\$ 12,595,919</u>

**Custodial Credit Risk** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the System will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. For deposits, custodial credit risk is the risk that in the event of a financial institutional failure, the System's deposits may not be returned to it. Consistent with the System's investment policy, the investments are held by the System's custodial bank and registered in the System's name. All System's deposits are insured and or collateralized by a financial institution separate from the System's depository financial institution. At September 30, 2021, the Miami Beach Employees' Retirement Plan had an uninsured cash balance of approximately \$4,441,000 with one financial institution.

**City's OPEB Trust Investments:**

At September 30, 2021, the City's OPEB Trust Fund investments were comprised of \$331,794 in cash and money market accounts and \$47,632,236 in mutual funds.

**Fair Value Measurement:** GASB Statement No. 72, addressed the accounting and financial reporting issues related to fair value measurements and defines fair value as the price that would be received to sell an asset. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are based on other significant observable inputs such as indices for fixed income bonds and quoted prices similar assets in markets that are not active; Level 3 inputs are significant unobservable inputs.

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The OPEB Trust had the following fair value measurements at September 30, 2021:

	2021
Investments measured at the net asset value (NAV)	
Mutual Funds	\$ 47,632,236
Total investments measured at the net asset value (NAV)	47,632,236
Total Investments	\$ 47,632,236

The OPEB Trusts' valuation methods for investments measured at the net asset value ("NAV") per share (or its equivalent) as of September 30, are as follows:

	2021			
	Investments Measured at the NAV			
	2021	Unfunded Commitments	Redemption Frequency	Redemption Noticed Period
Mutual Fund	\$ 47,632,236	N/A	Daily	Same Day

The mutual funds are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and transact at that price. They are determined to be actively traded.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the System will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. For deposits, custodial credit risk is the risk that in the event of a financial institutional failure, the System's deposits may not be returned to it. Consistent with the City's investment policy, the investments are registered in the City's name. All City deposits are insured and or collateralized by a financial institution separate from the System's depository financial institution. At September 30, 2021, the Plan had an uninsured cash balance of approximately \$332,000 with one financial institution.

Discretely Presented Component Units:

Component unit's cash and investment in the amount of \$4,715,902 consists of demand deposit and money market deposit accounts. These accounts are not subjected to interest rate risks, credit risks or concentration of credit risks. All deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under the Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", the State Treasurer requires all qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral equal to 50% to 125% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, United States governmental and agency securities, state or municipality government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280, Florida Statutes. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

For the Miami Beach Health Facilities Authority and the Miami Beach Visitor and Convention Authority, securities pledged as collateral are held by a third party. Joint custody safekeeping receipts are held in the name of the depository institution, but pledged to the component unit. The security cannot be released, substituted or sold without the component unit's approval and release of the security.

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**NOTE 4 - Receivables**

Receivables at September 30, 2021 for the City's individual major funds and nonmajor and internal service in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

<b>Fund Level:</b>	General	Resort Tax	Miami Beach Redevelopme nt Agency	Capital Projects	Non Major Funds	Internal Service	Total
Receivables:							
Accounts	\$ 7,363,323	\$ 5,203,249	\$ -	\$ -	\$ 790,854	\$ 80,551	\$ 13,437,977
Special Assessments	-	569,996	-	70,392	-	-	640,388
Gross receivables	<u>7,363,323</u>	<u>5,773,245</u>	<u>-</u>	<u>70,392</u>	<u>790,854</u>	<u>80,551</u>	<u>14,078,365</u>
Less: allowance for uncollectible accounts	(3,491,254)	-	-	-	(257,646)	(63,829)	(3,812,729)
Net receivables	<u>\$ 3,872,069</u>	<u>\$ 5,773,245</u>	<u>\$ -</u>	<u>\$ 70,392</u>	<u>\$ 533,208</u>	<u>\$ 16,722</u>	<u>\$ 10,265,636</u>
Accrued Interest	1,614,030	-	67,136	15,100	-	-	1,696,266
<b>Government Wide:</b>							
Taxes	653,287	-	-	-	36,799	-	690,086
	<u>\$ 6,139,386</u>	<u>\$ 5,773,245</u>	<u>\$ 67,136</u>	<u>\$ 85,492</u>	<u>\$ 570,007</u>	<u>\$ 16,722</u>	<u>\$ 12,651,988</u>

Proprietary Funds/ Business Type Activites

<b>Fund Level:</b>	Storm Water	Water and Sewer	Parking	Convention Center Complex	Nonmajor Funds	Total
Receivables:						
Accounts	\$ 6,699,948	\$ 15,692,162	\$ 6,088,720	\$ 198,527	\$ 1,221,900	\$ 29,901,257
Gross receivables	6,699,948	15,692,162	6,088,720	198,527	1,221,900	29,901,257
Less: allowance for uncollectible accounts	(3,339,082)	(4,816,405)	(30,558)	-	(571,497)	(8,757,542)
Net receivables	<u>\$ 3,360,866</u>	<u>\$ 10,875,757</u>	<u>\$ 6,058,162</u>	<u>\$ 198,527</u>	<u>\$ 650,403</u>	<u>\$ 21,143,715</u>
Accrued Interest	1,757	1,902	822	-	-	4,481
Net receivables	<u>\$ 3,362,623</u>	<u>\$ 10,877,659</u>	<u>\$ 6,058,984</u>	<u>\$ 198,527</u>	<u>\$ 650,403</u>	<u>\$ 21,148,196</u>

**NOTE 5 - Property Taxes**

Property values are assessed (levied) by the Miami-Dade County Property Appraiser as of January 1 of each year, at which time according to Florida Statute 197.122, taxes become an enforceable lien on property until discharged by payment or until barred under Chapter 95. Tax Bills are mailed in October and are payable upon receipt with discounts of 4% if paid in November, decreasing by 1% per month with no discount available if paid in the month of March. Taxes become delinquent on April 1 of the year following the year of assessment and State law provides for enforcement of collection of property taxes by the sale of interest-bearing tax certificates and seizure of personal property to satisfy unpaid property taxes. These procedures result in the collection of essentially all taxes prior to June 30 of the year following the year of assessment.

**CITY OF MIAMI BEACH, FLORIDA  
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**NOTE 6 - Capital Assets**

Capital asset activities for the year ended September 30, 2021, were as follows:

**Primary Government  
Governmental activities:**

	<u>Beginning Balance</u>	<u>Adjustments/ Increases</u>	<u>Adjustments/ Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 59,092,333	\$ 11,725	\$ -	\$ 59,104,058
Intangible assets	4,181,941	-	-	4,181,941
Construction work-in-progress	264,155,458	35,111,134	50,065,749	249,200,843
Total capital assets, not being depreciated	<u>327,429,732</u>	<u>35,122,859</u>	<u>50,065,749</u>	<u>312,486,842</u>
Capital assets, being depreciated:				
Building and structures	129,067,446	8,050,513	-	137,117,959
Permanent improvements	395,394,372	2,494,533	-	397,888,905
Furniture & fixtures	9,445,343	459,386	299,066	9,605,663
Machinery and equipment	86,074,350	7,129,918	4,661,497	88,542,771
Infrastructure	247,670,932	4,526,530	-	252,197,462
Total capital assets, being depreciated	<u>867,652,443</u>	<u>22,660,880</u>	<u>4,960,563</u>	<u>885,352,760</u>
Less: accumulated depreciation for:				
Building and structures	58,785,204	2,551,473	-	61,336,677
Permanent improvements	157,206,248	12,028,243	-	169,234,491
Furniture & fixtures	7,782,647	709,275	276,188	8,215,734
Machinery and equipment	58,598,752	7,049,320	4,531,713	61,116,359
Infrastructure	152,219,067	6,940,981	-	159,160,048
Total accumulated depreciation	<u>434,591,918</u>	<u>29,279,292</u>	<u>4,807,901</u>	<u>459,063,309</u>
Total capital assets, being depreciated, net	<u>433,060,525</u>	<u>(6,618,412)</u>	<u>152,662</u>	<u>426,289,451</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

<u>Government Activities:</u>	
General government	\$ 7,847,766
Public safety	2,420,866
Physical environment	332,931
Transportation	9,263,793
Economic environment	308,187
Culture and recreation	9,105,749
Total depreciation expense – governmental	<u>\$29,279,292</u>

Accumulated Depreciation – For governmental activities, the increase in accumulated depreciation includes \$5,644,987 of depreciation expenses for internal services.

**CITY OF MIAMI BEACH, FLORIDA  
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**Primary Government  
Business-type activities:**

	Beginning Balance	Adjustments/ Increases	Adjustments/ Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 25,848,303	\$ -	\$ -	\$ 25,848,303
Intangible assets	4,318,059	-	-	4,318,059
Construction work-in-progress	255,475,725	13,111,062	2,702,783	265,884,004
Total capital assets, not being depreciated	<u>285,642,087</u>	<u>13,111,062</u>	<u>2,702,783</u>	<u>296,050,366</u>
Capital assets, being depreciated:				
Buildings & Structure/Parking Lots	821,495,418	31,211,438	2,533,727	850,173,129
Mains & Lines	295,727,507	-	-	295,727,507
Meters & Hydrants	30,608,097	44,691	-	30,652,788
Furniture & fixtures, equipment	77,849,299	2,327,706	1,480,750	78,696,255
Total capital assets, being depreciated	<u>1,225,680,321</u>	<u>33,583,835</u>	<u>4,014,477</u>	<u>1,255,249,679</u>
Less: accumulated depreciation for:				
Buildings & Structure/Parking Lots	95,994,425	18,816,607	-	114,811,032
Mains & Lines	73,181,996	6,855,891	-	80,037,887
Meters & Hydrants	25,882,179	614,860	-	26,497,039
Furniture & fixtures, equipment	46,247,086	3,591,502	1,432,563	48,406,025
Total accumulated depreciation	<u>241,305,686</u>	<u>29,878,860</u>	<u>1,432,563</u>	<u>269,751,983</u>
Total capital assets, being depreciated, net	<u>984,374,635</u>	<u>3,704,975</u>	<u>2,581,914</u>	<u>985,497,696</u>
Business-type activities, combined capital assets, net	<u>\$ 1,270,016,722</u>	<u>\$ 16,816,037</u>	<u>\$ 5,284,697</u>	<u>\$ 1,281,548,062</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

<u>Business-type activities:</u>	
Water & Sewer	\$ 5,836,926
Stormwater	3,686,398
Parking Systems	4,862,995
Convention Center Complex	13,629,306
Nonmajor Enterprise	1,863,235
Total depreciation expense – business-type activities	<u>\$29,878,860</u>



**CITY OF MIAMI BEACH, FLORIDA  
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**NOTE 7 – Construction and other Commitments**

At September 30, 2021, the City funds had active construction projects which includes, but is not limited to water; waste water and storm water improvements; as well as a variety of streetscape enhancement projects. The following table presets these commitments by fund:

<b>Construction Encumbrance</b>	
Capital Project	\$ 45,360,286
Redevelopment Agency	1,080,586
Non Major Governmental	25,319,399
Internal Service	41,043
Storm Water Utility	63,146,346
Water & Sewer	16,361,984
Parking Systems	2,012,914
Convention Center Complex	597,427
Non-major Enterprise	126,792
	<b>\$ 154,046,777</b>

The City funds had the following encumbrance commitments at September 30, 2021:

<b>Operating Encumbrance</b>	
General	\$ 3,518,959
Redevelopment Agency	14,301
Other Governmental	3,451,895
Internal Service	6,769,922
Storm Water Utility	229,318
Water & Sewer	11,418,609
Parking Systems	825,771
Convention Center Complex	104,257
Non-major Enterprise	1,924,405
	<b>\$ 28,257,437</b>

**NOTE 8 - Interfund Receivables, Payables and Transfers**

Interfund transfers for the year ended September 30, 2021, consisted of the following:

Transfer	Transfer From											Total	
	General	Resort Tax	Redeve- lopment Agency	Capital Projects	Other Govern- mental	Storm Water	Water Sewer	Parking	Con- vention Center	Other Enter- prise	Internal Service		
To													
General	\$ -	\$ 6,956,984	\$ 4,414,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,370,984
Capital Projects	4,252,000	-	-	283,047	-	-	-	-	-	-	-	-	4,535,047
Other Governmental	2,722,850	26,457,811	23,232,729	32,965,390	270,689	452,159	7,000	41,000	864,000	19,000	290,000	-	87,322,628
Convention Center	-	-	3,250,000	-	-	-	-	-	-	-	-	-	3,250,000
Other Enterprise	816,407	5,780,000	-	-	700	858,000	-	700	-	17,111	-	-	7,472,918
Internal Service	300,000	-	-	-	-	-	-	-	-	-	-	-	300,000
	<b>\$ 8,091,257</b>	<b>\$ 39,194,795</b>	<b>\$ 30,896,729</b>	<b>\$ 33,248,437</b>	<b>\$ 271,389</b>	<b>\$ 1,310,159</b>	<b>\$ 7,000</b>	<b>\$ 41,700</b>	<b>\$ 864,000</b>	<b>\$ 36,111</b>	<b>\$ 290,000</b>	<b>\$ -</b>	<b>\$ 114,251,577</b>

Transfers are used to (1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due (2) move restricted amounts from borrowings

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to the debt service fund to establish mandatory reserve accounts, and (3) move unrestricted general revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations. Major transfers for the year were:

The General Fund transferred \$4 million to the Capital pay-as-you-go fund to match future donations made to the Sabrina Cohen Foundation and \$2.4 million for debt service payments.

The resort tax fund transferred to the general fund \$6.9 million for citywide tourism-eligible expenses. The resort tax fund also transferred \$13.5 million for debt services, \$7.8 million for transportation, \$5.8 million to the Sanitation Fund for Sanitation services provided in tourism areas and \$3.9 million to other funds to fund various south beach, middle and north beach approved projects.

Redevelopment Agency (RDA) Fund transferred \$4.4 million to the general fund for the annual reimbursement the City's expenses for Admin, community policing and capital maintenance, \$23.2 million to other governmental funds for debt service payments, and \$3.2 million for convention center contribution for expenses related to the Convention Center renovation and expansion project, and \$1.5 million transferred to the Beach Renourishment fund for an annual beach renourishment reimbursement to the County and the City.

The City by resolution #2020-31504, created a new Resiliency Fund, cash that were previously held by the City in a capital project fund was transferred to this new fund. The transfer of \$32.9 million came from Miami-Dade ILA revenue to the Resiliency Fund for Stormwater, flooding, resiliency projects and new private property flooding and sea level rise resilience programs.

Interfund Balance at September 30, 2021, consisted of the following:

Payable fund (Due To)	Receivable fund(Due From)						Total
	General Fund	Resort Taxes	Redev-lopment	Capital	NMG	NME	
General Fund	\$ -	\$ -	\$ 1,981,475	\$ 87,777	\$ 1,554,485	\$ 791,522	\$ 4,415,259
NMG	-	746,979	-	-	-	-	746,979
NME	634,072	-	-	-	-	-	634,072
	<u>\$ 634,072</u>	<u>\$ 746,979</u>	<u>\$ 1,981,475</u>	<u>\$ 87,777</u>	<u>\$ 1,554,485</u>	<u>\$ 791,522</u>	<u>\$ 5,796,310</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditure occur, (2) transactions are recorded in the accounting system, and (3) payment between funds are made.

As of September 30, 2021, the General Fund was due a total of \$4.4 million, from other funds. Of that amount \$2 million is due from the Redevelopment Agency (RDA) for disbursements paid from the general depository pooled account pending reimbursement from the RDA fund. An interfund loan for the Sunset Island underground utilities project in the amount of \$1.5 million and \$224 thousand due from Resort Tax to fund special revenue projects related to Resort Tax in South Beach, Middle Beach and North Beach areas. A total of \$791 thousand is also due from enterprise funds, RDA leasing, and RDA garages to the general fund.

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**NOTE 9 - Operating Leases**

The City serves as the lessor for tenants leasing various parking facilities, marina, and offices and retail facilities. The tenant leases are considered operating leases, which expire at various dates through fiscal year 2051. Future minimum lease receivables under the operating leases at September 30, 2021, are as follows:

September 30	Business-type Operating Leases	Governmental Operating Leases
2022	\$ 1,684,345	\$ 1,951,894
2023	1,325,288	1,909,061
2024	1,339,662	1,913,593
2025	939,742	1,576,135
2026	771,143	806,650
2027 and thereafter	16,525,989	7,487,810
	<u>\$ 22,586,169</u>	<u>\$ 15,645,143</u>

The following schedule provides an analysis of the City's investment in property under operating leases and property held for lease by major classes as of September 30, 2021:

Parking facilities	\$ 7,947,504
Recreational facilities	15,071,132
Retail space	51,121,003
Marina	5,654,752
	<u>79,794,391</u>
Less: Accumulated depreciation	<u>(52,425,653)</u>
Net book value of leased assets	<u>\$ 27,368,738</u>

**NOTE 10 - Long-Term Debt**

**A. General Obligation Bonds – Governmental Activities**

The City issues general obligation bonds to provide funds for the acquisition, construction and improvements of major capital facilities. General obligation bonds have been issued for governmental activities. The amount of outstanding general obligation bonds issued is \$162,990,000. General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds are generally issued as 20 to 30 years bonds.

The General Obligation Bonds outstanding at September 30, 2021 consist of the following:

Issue Name	Interest Rate	Year Issued	Final Maturity	Original Issue	Outstanding 9/30/2021
General Obligation - Series 2011	3.00-5.00	2011	2023	\$ 34,840,000	\$ 4,325,000
General Obligation - Series 2019	3.00-5.00	2019	2049	162,225,000	158,665,000
Total General Obligation Bonds				<u>\$ 197,065,000</u>	<u>\$ 162,990,000</u>

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On December 1, 2011, the City issued \$34,840,000 in General Obligation Refunding Bonds, Series 2011. These Series of bonds were issued by the City for the purpose of (i) refunding the Series 2000 General Obligation Bonds maturing after December 1, 2011, and the Series 2003 General Obligation Bonds maturing on and after September 1, 2014 through and including September 1, 2023, and (ii) paying the costs of issuance of the Bonds. The General Obligation Refunding Bonds, Series 2011 will be payable from ad valorem taxes assessed, levied and collected, without limitation as to rate or amount, on all taxable property within the corporate limits of the City. The Series 2011 Bonds were issued with interest rates of 3.00% to 5.00% payable semiannually on March 1 and September 1 and will mature serially through September 1, 2023.

On November 6, 2018, the electorate of the City of Miami Beach approved the issuance of \$439,000,000 of general obligation bonds, consisting of (i) \$169,000,000 for parks, recreational facilities, and cultural facilities, (ii) \$198,000,000 for neighborhoods and infrastructure, and (iii) \$72,000,000 for police, fire, public safety, and security improvements. As the overall \$439 million General Obligation Bond (GOB) program will be implemented over a period of approximately 10 to 12 years, rather than all at once, the City anticipates issuing tranches every 3 years. On May 2, 2020, the City issued the first tranche \$162,225,000 in General Obligation and Refunding Bonds, Series 2020. These Series of bonds were issued by the City for the purpose of (i) finance a portion of the costs of the City's (a) Public Safety Projects, (b) Neighborhood and Infrastructure Projects, and (c) Parks and Recreation and Cultural Facilities Projects; (ii) refunding the Series 2003 General Obligation Bonds maturing after September 1, 2033, and (iii) paying the costs of issuance of the Bonds. The General Obligation and Refunding Bonds, Series 2020 will be payable from ad valorem taxes assessed, levied and collected, without limitation as to rate or amount, on all taxable property within the corporate limits of the City. The Series 2020 Bonds were issued with interest rates of 3.00% to 5.00% payable semiannually on November 1 and May 1 and will mature serially through May 1, 2049. At September 30, 2021, the City did not have any defeased General Obligation debt.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Fiscal Year Ending September 30	General Obligation Bonds Governmental Activities		
	Principal	Interest	Total
2022	\$ 4,390,000	\$ 7,096,050	\$ 11,486,050
2023	3,555,000	6,876,550	10,431,550
2024	5,165,000	6,698,800	11,863,800
2025	3,425,000	6,440,550	9,865,550
2026	2,960,000	6,269,300	9,229,300
2027-2031	21,600,000	28,538,250	50,138,250
2032-2036	24,925,000	23,469,700	48,394,700
2037-2041	31,405,000	16,988,950	48,393,950
2042-2046	38,610,000	9,783,013	48,393,013
2047-2049	26,955,000	2,087,625	29,042,625
	<u>\$ 162,990,000</u>	<u>\$ 114,248,788</u>	<u>\$ 277,238,788</u>
Plus: Unamortized Bond Premium	16,599,234	-	16,599,234
	<u>\$ 179,589,234</u>	<u>\$ 114,248,788</u>	<u>\$ 293,838,022</u>

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**B. Special Obligation Bonds – Governmental Activities**

At September 30, 2021 the outstanding principal of special obligation bond issues and repayment sources are as follows:

Issue Name		Repayment Source	Total Original Issue	Total Outstanding Principal
2015	Resort Tax Revenue Bonds	Resort tax revenue	\$ 194,920,000	\$ 173,700,000
2015A	Tax Increment Revenue Refunding Bonds	RDA tax increment revenue	286,245,000	276,400,000
2015B	Tax Increment Revenue Refunding Bonds	RDA tax increment revenue	35,850,000	11,135,000
Total Special Obligation Bonds			<u>\$ 517,015,000</u>	<u>\$ 461,235,000</u>

On December 15, 2015, the City issued \$194,920,000 in Series 2015 Resort Tax Revenue Bonds for the purpose of providing funds to finance a portion of the costs of acquiring and constructing renovations to the Convention Center and related improvements and pay the costs of issuing the Series 2015 bonds. The Series 2015 bonds were issued with interest rates of 3.00% to 5.00% payable semiannually on March 1 and September 1.

In August 2007, the Resort Tax Refunding Bonds, Series 1996, were defeased. As a result, the outstanding balance of \$3,060,000 was removed from the governmental activities column of the statement of net position. At September 30, 2021, \$550,000 is still considered defeased.

On December 15, 2015 the City issued \$286,245,000 in Series 2015A Tax Increment Revenue and Revenue Refunding Bonds to provide for the current refunding of all of the Agency's Tax Increment Revenue Refunding Bonds, Series 2005B; finance certain costs of acquiring and constructing renovations to the convention center and certain other improvements; and pay costs of issuance of the Series 2015A bonds. The Series 2015A bonds were issued with interest rates of 4.00% to 5.00% payable semiannually on February 1 and August 1.

On December 15, 2015 the City issued \$35,850,000 in taxable Series 2015B Tax Increment Revenue Refunding Bonds to provide for the advance refunding of all of the Agency's Tax Increment Revenue Refunding Bonds, Taxable Series 1998A; provide for the current refunding of all of the Agency's Tax Increment Revenue Refunding Bonds, Taxable Series 2005A; and pay costs of issuance of the Series 2015B bonds. The Series 2015B bonds were issued with interest rates of 1.93% to 3.69% payable semiannually on February 1 and August 1. At September 30, 2021, did not have any defeased Tax Increment debt.

At September 30, 2021, debt service requirements to maturity for special obligation bonds are as follows:

Fiscal Year Ending September 30	Debt Service Requirements Special Obligation Bonds		
	Principal	Interest	Total
2022	\$ 11,685,000	\$ 22,481,115	\$ 34,166,115
2023	12,155,000	22,027,697	34,182,697
2024	11,885,000	21,480,725	33,365,725
2025	12,480,000	20,876,975	33,356,975
2026	13,115,000	20,242,850	33,357,850
2027-2031	75,865,000	90,949,475	166,814,475
2032-2036	97,070,000	69,735,625	166,805,625
2037-2041	124,375,000	42,432,375	166,807,375
2042-2045	102,605,000	9,931,300	112,536,300
	<u>\$ 461,235,000</u>	<u>\$ 320,158,137</u>	<u>\$ 781,393,137</u>
Plus: Net unamortized Bond Premium	37,379,501	-	37,379,501
	<u>\$ 498,614,501</u>	<u>\$ 320,158,137</u>	<u>\$ 818,772,638</u>

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For the fiscal year ended September 30, 2021, maximum annual debt service on the RDA tax increment bonds was \$21,729,597 and the tax increment revenues totaled \$56,434,269. Remaining outstanding principal and interest is \$482,530,587.

For the fiscal year ended September 30, 2021, maximum annual debt service on the Resort Tax bonds was \$12,454,750 and the Resort Tax revenues totaled \$82,207,342. Remaining outstanding principal and interest is \$298,862,550

**C. Revenue Bonds – Business-Type Activities**

Parking Fund

On December 15, 2015, the City issued \$58,825,000 in Parking Revenue Bonds, Series 2015. The Series 2015 Bonds are being issued for the purpose of providing funds to finance a portion of the costs of constructing a new parking facility and improvements to a surface parking lot to service the City's convention center, which is being renovated, and pay the costs of issuing the Series 2015 Bonds. The Series 2015 Bonds were issued with interest rates of 3.00% to 5.00% payable semiannually on March 1 and September 1, and will mature through September 1, 2045. At September 30, 2021, no Parking obligations were considered defeased.

Parking Revenue Fund indebtedness at September 30, 2021, is comprised of the following issued indebtedness:

Initial Issuance	Description	Outstanding Principal
\$ 58,825,000	Series 2015 Parking Revenue Bonds due in annual installments through 2045: interest at 3.00% - 5.00%	\$ 58,425,000
	Total bonds outstanding	<u>\$ 58,425,000</u>

The aggregate maturities of Long-Term Debt at September 30, 2021, are as follows:

Fiscal Year Ending September 30	Bonded Debt		
	Principal	Interest	Total
2022	\$ 200,000	\$ 2,919,250	\$ 3,119,250
2023	1,110,000	2,911,250	4,021,250
2024	1,165,000	2,855,750	4,020,750
2025	1,220,000	2,797,500	4,017,500
2026	1,280,000	2,736,500	4,016,500
2027-2031	7,440,000	12,654,750	20,094,750
2032-2036	9,495,000	10,599,750	20,094,750
2037-2041	14,350,000	7,976,250	22,326,250
2042-2045	22,165,000	2,838,500	25,003,500
	<u>\$ 58,425,000</u>	<u>\$ 48,289,500</u>	<u>\$ 106,714,500</u>
Plus: Net Unamortized Bond Premium	5,075,904	-	5,075,904
	<u>\$ 63,500,904</u>	<u>\$ 48,289,500</u>	<u>\$ 111,790,404</u>

All parking revenue bonds are payable from and secured by a lien on and pledge of net revenues derived from the operation of the City's parking system. The total principal and interest remaining to be paid on all Parking bonds is \$106,714,500. Principal and interest paid for the current year and total

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customer net revenues were \$3,006,800 and \$14,894,477, respectively.

On August 4, 2020, the City entered into a direct borrowing loan agreement with one financial institution, which allowed the City to refinance the outstanding Parking Revenue Refunding Bonds Series 2010A and Series 2010B up to a maximum of \$32,431,335. The interest rate per annum equal to 1.850% computed based upon a 360-day year of twelve 30-day months on this loan agreement. The interest hereon in arrears on March 1 and September 1 of each year, commencing on September 1, 2020. The Loan is amortized over approximately 20 years with a final maturity date of September 1, 2040 but subject to mandatory tender for purchase on September 1, 2030. The revenue pledged to the loan is non-ad valorem covenant to budget and appropriated funding, however, the loan is paid with parking revenues and reported on the parking fund statement of net position. The parking fund debt covenant calculation as reported in the statistical section of this document, does not include this loan.

The aggregate maturities of Parking loans at September 30, 2021, are as follows:

Fiscal Year Ending September 30	Direct Borrowing/Loans		
	Principal	Interest	Total
2022	\$ 2,284,793	\$ 599,980	\$ 2,884,773
2023	1,425,461	557,711	1,983,172
2024	1,452,232	531,340	1,983,572
2025	1,481,599	504,474	1,986,073
2026	1,509,364	477,064	1,986,428
2027-2031	7,963,656	1,956,424	9,920,080
2032-2036	8,730,073	1,191,977	9,922,050
2037-2040	7,584,157	353,983	7,938,140
	<u>\$ 32,431,335</u>	<u>\$ 6,172,953</u>	<u>\$ 38,604,288</u>

Water and Sewer Fund

On February 17, 2010, the City obtained three loans from the City of Gulf Breeze, Florida Local Government Loan Pool Program. The City intends to use one of the loans from the City of Gulf Breeze, Florida, Series 1985J proceeds to pay the cost of certain improvements to its water and sewer utility. The City's Water and Sewer Fund issued \$13,590,000 in Water and Sewer Revenue Refunding Bonds, Taxable Series 2009J-1A, \$10,000,000 in Water and Sewer Revenue Refunding Bonds, Taxable Series 2009J-1B, \$30,000,000 in Water and Sewer Revenue Bonds, Taxable Series 2009J-1C. The bonds will be repaid solely from pledged revenues of the Water and Sewer system. The two refunding bonds were issued to partially refund the Water and Sewer Revenue Bonds, Series 2000, and the other bond was issued to construct various improvements and extensions to the Water and Sewer utility.

As a future transaction to the above bonds, the City obtained \$40,000,000 from the City of Gulf Breeze Revenue Refunding Bonds, Series 2010 issued to advance refund the remaining outstanding City of Gulf Breeze, Florida Local Government Loan Program Floating Rate Demand Revenue Bonds, Series 1985J (as originally issued the "1985J" Bonds" and with respect to the refunded portion, the "Refunded 1985J Bonds") in an estimated principal amount of \$40,000,000 on December 1, 2020 (Crossover Date). Interest on the Series 2010 Bonds is payable solely from investment earnings of Series 2010 Bond proceeds and earnings on amounts held in the Escrow Trust Fund created pursuant to the terms and provisions of a certain Escrow Trust Fund Agreement on February 1, 2010. On and after the Crossover Date and the payment and retirement of the Refunded 1985J Bonds in whole, until the Series 2010 Bonds are paid in full upon maturity, redemption or otherwise, the Series 2010 Bonds shall secured solely by the Revenues derived by the City from the Trust Estate relating solely to the Refunded 1985J Bonds in whole, until the Series 2010 Bonds are paid in full upon maturity or redemption.

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After the Crossover Date, but subsequent to September 30, 2021, the City refunded the \$40,000,000 (also presented as the 2009J-1B for \$10,000,000 and 2009J-1C for \$30,000,000) and the 2009J-1A. See subsequent events Note 19 for details. No action was taken at the Cross Over date due to the planned refunding.

On December 14, 2017, the City issued \$115,180,000 in Water and Sewer Revenue and Refunding Bonds, Series 2017. The bonds will be repaid solely from pledged revenues of the Water and Sewer system. They are registered transcripts and insured. The bonds were issued to construct various improvements and extensions to the Water and Sewer utility and to fully refund the Series 2000, Series 2006B-2, and Series 2006 as of September 30, 2018. Principal is payable annually, interest is payable semiannually, and the issue bears interest of 3.00% to 5.00%.

At September 30, 2021, none of the bonds outstanding are considered defeased.

Indebtedness of the Water and Sewer Fund at September 30, 2021, is as follows:

Initial Issuance	Description	Outstanding Principal
\$ 10,000,000	2009J-1B Water & Sewer Revenue Refunding Bonds Gulf Breeze Loan Series 1985J due in annual installments through 2023: Interest at 4.82% - 5.00%	10,000,000
\$ 30,000,000	2009J-1C Water & Sewer Revenue Bonds Gulf Breeze Loan Series 1985J due in annual installments through 2039: Interest at 5.00%	30,000,000
\$ 115,180,000	2017 Water & Sewer Revenue and Refunding Bonds Due in semi-annual installments through 2047: Interest at 3.00 - 5.00%	110,055,000
	Total bonds outstanding	\$ 150,055,000

At September 30, 2021, none of the bonds outstanding are considered defeased.



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The aggregate maturities of long-term debt as of September 30, 2021, are as follows:

Fiscal Year Ending September 30	Bonded Debt		
	Principal	Interest	Total
2022	\$ 4,575,000	\$ 7,148,963	\$ 11,723,963
2023	4,805,000	6,916,213	11,721,213
2024	5,050,000	6,674,806	11,724,806
2025	5,210,000	6,512,900	11,722,900
2026	5,475,000	6,252,400	11,727,400
2027-2031	22,205,000	27,697,250	49,902,250
2032-2036	24,480,000	21,916,600	46,396,600
2037-2041	31,090,000	15,311,150	46,401,150
2042-2046	38,325,000	8,068,600	46,393,600
2047	8,840,000	442,000	9,282,000
	<u>\$ 150,055,000</u>	<u>\$ 106,940,882</u>	<u>\$ 256,995,882</u>
Plus:			
Net Unamortized bond Premium	13,230,304	-	13,230,304
	<u>\$ 163,285,304</u>	<u>\$ 106,940,882</u>	<u>\$ 270,226,186</u>

All water & sewer revenue bonds are payable from and secured by a lien on and pledge of net revenues of the water and sewer utility and to the extent provided in the bond resolution, from impact fees, and from all moneys held in the funds and accounts established under the bond resolution. The total principal and interest remaining to be paid on the bonds is \$256,995,881. Principal and interest paid for the current year and total customer net revenues were \$11,727,794 and \$27,646,105 respectively.

Storm Water

On August 5, 2015, the City issued \$99,590,000 in Stormwater Revenue Bonds, Series 2015. The Series 2015 Bonds are being issued by the City for the purpose of providing funds to (i) finance a portion of the costs of certain capital improvements currently contemplated as part of the City's five year program to improve and enhance the effectiveness and reliability of the Stormwater Utility, and (ii) pay the costs of issuing the Series 2015 Bonds. The Series 2015 Bonds were issued with interest rates of 2.00% to 5.00% payable semiannually on March 1 and September 1, and will mature serially through September 1, 2045. The Series 2015 Bonds will be repaid solely from pledged revenues of the Stormwater System.

On December 22, 2017, the City issued \$156,550,000 in Stormwater Revenue and Refunding Bonds, Series 2017. The bonds will be repaid solely from pledged revenues of the Water and Sewer system. The bonds were issued to construct various improvements and extensions to the Stormwater utility and to partially advance refund (~92.8%) the Series 2011A and Series 2011B obligations as of September 30, 2018. Principal is payable annually, interest is payable semiannually, and the issue bears interest of 3.00% to 5.00%.

At September 30, 2021, none of the bonds outstanding are considered defeased.

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Indebtedness of the Storm Water Fund at September 30, 2021, is as follows:

<u>Initial Issuance</u>	<u>Description</u>	<u>Outstanding Principal</u>
\$ 99,590,000	2015 Storm Water Revenue Bonds Due in annual installments through 2045: Interest at 2.00% - 5.00%	97,280,000
\$ 156,550,000	2017 Storm Water Revenue and Refunding Bonds Due in annual installments through 2047: Interest at 3.00% - 5.00%	154,550,000
	Total bonds outstanding	<u>\$ 251,830,000</u>

The aggregate maturities of long-term debt at September 30, 2021, are as follows:

Fiscal Year Ending September 30	<u>Bonded Debt</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 5,250,000	\$ 11,485,219	\$ 16,735,219
2023	5,505,000	11,231,794	16,736,794
2024	5,770,000	10,965,169	16,735,169
2025	6,050,000	10,683,669	16,733,669
2026	6,345,000	10,388,369	16,733,369
2027-2031	36,635,000	47,039,694	83,674,694
2032-2036	44,740,000	38,934,900	83,674,900
2037-2041	55,640,000	28,028,500	83,668,500
2042-2046	69,955,000	13,717,950	83,672,950
2047	15,940,000	797,000	16,737,000
	<u>\$ 251,830,000</u>	<u>\$ 183,272,264</u>	<u>\$ 435,102,264</u>
Plus Unamortized Premium	18,812,180	-	18,812,180
	<u>\$ 270,642,180</u>	<u>\$ 183,272,264</u>	<u>\$ 453,914,444</u>

All storm water revenue bonds are payable from and secured by a lien on and pledge of net revenues of the stormwater utility and from all moneys held in the funds and accounts established under the Bond Resolution. The total principal and interest remaining to be paid on the bonds is \$451,046,470. Principal and interest paid for the current year and total customer net revenues were \$15,980,206 and \$23,678,167 respectively.

**D. Equipment Loan**

*Fleet Loan:*

On December 5, 2018, the City entered into an equipment loan agreement which allows the City to be reimbursed the purchase of vehicles and other equipment. The aggregate loan amount is for \$15,000,000 with funding available in \$500,000 disbursements. For advances payable over 60 months, the interest rate is the 3-year constant maturity Treasury Index multiplied by 75.50% plus 0.72%, for advances payable over 84 months, the interest rate is the 5-year constant maturity U.S. Treasury Index multiplied by 75.50% plus 0.71%, and for advances payable over 108 months, the interest rate is the 7 year constant maturity U.S. Treasury Index multiplied by 75.50% plus 0.94%.

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At September 30, 2021, the City was indebted for \$9,130,595. These loans are recorded in the fleet internal service fund.

The aggregate maturities of loans at September 30, 2021, are as follows:

Fiscal Year Ending September 30	Direct Borrowing/Loans		
	Principal	Interest	Total
2022	\$ 2,221,210	\$ 107,871	\$ 2,329,081
2023	2,341,300	75,034	2,416,334
2024	1,910,253	40,976	1,951,229
2025	1,491,922	21,646	1,513,568
2026	1,078,739	7,452	1,086,191
2027	87,171	83	87,254
	<u>\$ 9,130,595</u>	<u>\$ 253,062</u>	<u>\$ 9,383,657</u>

**Energy Saving Obligation:**

On August 4, 2020, the City entered into a agreement with direct borrowing loan agreement with one financial institution which allowed the City to refinance the outstanding equipment lease for the Energy Saving Obligation, up to a maximum of \$7,155,665. The interest rate per annum equal to 1.850% computed based upon a 360-day year of twelve 30-day months on this loan agreement. The City shall pay the bank interest hereon in arrears on March 1 and September 1 of each year, commencing on September 1, 2020. The revenue pledged and source of repayment to the loan is non-ad valorem covenant to budget and appropriated funding. This portion of the loan is expected to be repaid over a period of approximately 5 years.

Fiscal Year Ending September 30	Direct Borrowing/Loans		
	Principal	Interest	Total
2022	\$ 1,504,142	\$ 109,850	\$ 1,613,992
2023	1,591,784	82,024	1,673,808
2024	1,681,436	52,576	1,734,012
2025	1,160,496	21,469	1,181,965
	<u>\$ 5,937,858</u>	<u>\$ 265,919</u>	<u>\$ 6,203,777</u>

**E. Capital Leases**

The City leases communication equipment which is classified under capital leases. The leased equipment is depreciated on a straight-line basis over 7 years. The accumulated amortization at September 30, 2021 on the debt was \$788,775, effective monthly interest rate relating to the lease is 3.06%. The equipment's original future present value of the minimum lease payments was \$1,409,725. The net book value of the leased asset at September 30, 2021 was \$620,950. Below is a schedule detailing the minimum lease payments and the related interest component of each payment. This amount is recorded in the Information Technology Internal Service Fund.

Fiscal Year Ending September 30	Direct Borrowing/Loan		
	Minimum Lease Payments	Interest	Present Value of the Minimum Lease Payments
2022	308,307	9,141	299,166
	<u>\$ 308,307</u>	<u>\$ 9,141</u>	<u>\$ 299,166</u>

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**F. Clean Water State Revolving Loan (SRF)**

On November 12, 2014, the City of Miami Beach entered into the Clean Water State Revolving Fund Loan Agreement with the State of Florida Department of Environment Protection. On November 24, 2020 Amendment No.1 to the Loan Agreement was executed. The semiannual loan payment amount is based on the total amount of \$7,697,180 which consist of the Loan principal, accrued Capitalized Interest plus the Loan Service Fee. Loan payments commenced on February 15, 2018 and semiannually thereafter on August 15 and February 15 of each year until all amounts due have been fully paid. The interest rate on this loan is 1.62% per annum. Loan disbursements from the State to the City will be made for reimbursements of allowable costs. As of September 30, 2021, \$7.5 million of allowable costs have been incurred by the City and \$7.5 million has been reimbursed from the State. The loan is recorded as a loan payable in the governmental activities of the City's government wide statements. The loan is secured by the Stormwater fund's pledged revenues and will be repaid with such funds.

The outstanding principal balance reported at September 30, 2021 is \$6,252,154 which consist of Loan Principal and Interest.

The aggregate maturities of the loan at September 30, 2021, are as follows:

Fiscal Year Ending September 30	Direct Borrowing/Loan		
	Principal	Interest	Total
2022	\$ 345,267	\$ 99,892	\$ 445,159
2023	350,883	94,276	445,159
2024	356,590	88,569	445,159
2025	362,390	82,769	445,159
2026	368,285	76,874	445,159
2027-2031	1,933,252	292,543	2,225,795
2032-2036	2,095,679	130,117	2,225,796
2037-2038	439,809	5,351	445,160
	<u>\$ 6,252,155</u>	<u>\$ 870,391</u>	<u>\$ 7,122,546</u>

**G. Pension Loan**

On September 1, 2005 the City issued \$53,030,000 in taxable Series 2005 Special Obligation Bonds for the purposes of, together with other legally available funds of the City, refunding the City's outstanding Series 1994 Taxable Special Obligation Bonds (Pension Funding Project) maturing September 1, 2015 and September 1, 2021, making the required payment with respect to a Hedge Agreement and paying the costs of issuing the Series 2005 and refunding the Refunded Bonds, including the premiums for the Bond Insurance Policy and Reserve Account Surety Bond. The Series 2005 bonds were issued with interest rates of 4.24% to 5.23% payable semiannually on March 1 and September 1.

On December 22, 2016 the City obtained a loan in the amount of \$19,679,000 to refund the outstanding Series 2005 taxable special obligation refunding bonds (as noted in the above paragraph). Interest of 1.69% is payable semiannually on March 1 and September 1, commencing on March 1, 2017. This loan fully refunded the \$53,030,000 in taxable Series 2005 Special Obligation Bonds.

This loan was fully paid as of fiscal year ended September 30, 2021.

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**Changes in Long-Term Liabilities**

Long-term liability activity for the year ended September 30, 2021, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
<b>Bonds payable:</b>					
General Obligations	\$ 168,435,000	\$ -	\$ 5,445,000	\$ 162,990,000	\$ 4,390,000
Special Obligations (Includes Direct Placement)	473,620,000	-	12,385,000	461,235,000	11,685,000
Plus: Unamortized Bond Premium	<u>57,720,506</u>	<u>-</u>	<u>3,741,769</u>	<u>53,978,737</u>	<u>3,655,597</u>
Total bonds payable	<u>699,775,506</u>	<u>-</u>	<u>21,571,769</u>	<u>678,203,737</u>	<u>19,730,597</u>
Claims & judgements	46,029,926	28,427,231	32,543,715	41,913,442	8,431,000
Compensated absences	30,103,066	9,967,905	11,763,914	28,307,057	11,493,524
Energy Sav. Oblig. - Direct Borrowing	7,155,665	-	1,217,807	5,937,858	1,504,142
Net OPEB Liability	412,297,633	4,252,403	-	416,550,036	-
Pension Loan 2016- Direct Borrowing	1,149,000	-	1,149,000	-	-
Loan Payable - Direct Borrowing	12,589,144	5,086,425	2,292,819	15,382,750	2,566,477
Environmental Remediation Liability	7,397,000	2,426,279	2,713,000	7,110,279	4,230,000
Capital lease obligations - Direct Borrowing	589,463	-	290,297	299,166	299,166
	<u>517,310,897</u>	<u>50,160,243</u>	<u>51,970,552</u>	<u>515,500,588</u>	<u>28,524,309</u>
Net Pension Liability - MBERP	175,490,005	-	18,445,814	157,044,191	-
Net Pension Liability - MBF&P	<u>349,680,815</u>	<u>-</u>	<u>39,963,562</u>	<u>309,717,253</u>	<u>-</u>
	<u>525,170,820</u>	<u>-</u>	<u>58,409,376</u>	<u>466,761,444</u>	<u>-</u>
Governmental activity Long term liabilities	<u><b>1,742,257,223</b></u>	<u><b>50,160,243</b></u>	<u><b>131,951,697</b></u>	<u><b>1,660,465,769</b></u>	<u><b>48,254,906</b></u>
<b>Business-type activities:</b>					
Revenue bonds payable (Includes Direct Placement)	469,200,000	-	8,890,000	460,310,000	10,025,000
Plus: Unamortized Bond Premium	<u>39,170,329</u>	<u>-</u>	<u>2,051,941</u>	<u>37,118,388</u>	<u>2,086,204</u>
Total bonds payable	<u>508,370,329</u>	<u>-</u>	<u>10,941,941</u>	<u>497,428,388</u>	<u>12,111,204</u>
Loan Payable- Direct Borrowing	32,431,335	-	-	32,431,335	2,284,793
Environmental Remediation Liability	8,000	7,000	-	15,000	15,000
Net OPEB Liability	34,243,716	3,672,100	204,062	37,711,754	-
Compensated absences	4,238,641	2,597,558	2,592,010	4,244,189	2,120,352
Deposits	9,996,316	9,286,385	7,105,869	12,176,832	10,399,474
Net Pension Liability- MBERP	62,940,323	-	10,185,324	52,754,999	-
Business-type activity Long term liabilities	<u><b>\$ 652,228,660</b></u>	<u><b>\$ 15,563,043</b></u>	<u><b>\$ 31,029,206</b></u>	<u><b>\$ 636,762,497</b></u>	<u><b>\$ 26,930,823</b></u>

The City's internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At September 30, 2021, \$1,815,483 in compensated absences \$299,166 in capital leases, and \$9,130,595 in loans payable are included in the above amounts for the internal service funds. Also, for the governmental activities, claims and judgments and compensated absences are generally liquidated by the internal service and general fund respectively.

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**H. Debt Authorized, but not issued**

As of September 30, 2021, the City has authorized but not issued the following:

1. \$276,775,000 of General Obligation Bonds for the purpose of improvements City parks and recreational and cultural facilities, Improve neighborhoods and infrastructure and public safety and security improvements.

**I. Conduit Debt**

The Health Facility Authority, as described under Note 1 of this report, is authorized to issue bonds to fulfill its purpose. Bonds issued by the Authority shall not be deemed to constitute debt of the Authority or the City. As a result, the bonds are not recorded in the Authority's financial statements.

Total conduit debt outstanding at September 30, 2021 are as follows:

<u>Issue Name</u>	<u>Original Issue</u>	<u>Principal Outstanding</u>
Series 2012	\$ 132,285,000	\$ 15,200,000
Series 2014	170,895,000	132,385,000
Series 2021	31,775,000	31,775,000
Series 2021B	142,910,000	142,910,000
 Total	 <u>\$ 477,865,000</u>	 <u>\$ 322,270,000</u>

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**NOTE 11 - Governmental Fund – Fund Balance**

Below is a table of fund balance categories and classifications at September 30, 2021 for the City's governmental funds.

	General	Resort Tax	Miami Beach Redevelopment Agency	Capital Projects	Other Governmental	Total
Fund balances:						
<b>Non-spendable:</b>						
Prepays	\$ 9,255	\$ -	\$ -	\$ -	\$ 27,466	\$ 36,721
<b>Total Prepaid</b>	<b>9,255</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,466</b>	<b>36,721</b>
<b>Restricted:</b>						
General government	-	-	-	2,552,211	949,549	3,501,760
Public safety	-	-	-	24,436,144	906,416	25,342,560
Human services	-	-	-	-	82,948	82,948
Physical environment	-	-	-	1,932,355	51,769,721	53,702,076
Economic environment	-	-	65,430,084	6,724,511	2,748,925	74,903,520
Quality of Life Improvement	-	-	-	-	28,119	28,119
Transportation	-	-	-	133,000	53,938,712	54,071,712
Culture and recreation	-	46,259,770	-	93,485,138	1,675,487	141,420,395
Sewer Improvement	-	-	-	81,683	-	81,683
Street Improvement	-	-	-	20,531,366	-	20,531,366
Infrastructure	-	-	-	4,874,460	-	4,874,460
Communications	-	-	-	78,488	-	78,488
Capital Improvements	-	-	-	2,964,844	-	2,964,844
Neighborhood Improvement	-	-	-	18,736,854	-	18,736,854
South Pointe Improvement	-	-	-	15,326,881	-	15,326,881
Debt service	-	-	-	-	2,188,646	2,188,646
<b>Total Restricted</b>	<b>-</b>	<b>46,259,770</b>	<b>65,430,084</b>	<b>191,857,935</b>	<b>114,288,523</b>	<b>417,836,312</b>
<b>Committed:</b>						
Economic environment	15,300	-	-	-	451,573	466,873
General government	1,442,025	-	-	1,252,596	2,958,966	5,653,587
Public safety	1,494,900	-	-	77,045	-	1,571,945
Culture and recreation	148,000	-	-	7,496,348	24,251,744	31,896,092
Transportation	-	-	-	788,726	14,181,290	14,970,016
Human services	105,000	-	-	-	312,893	417,893
Physical environment	156,300	-	-	28,358	2,134,666	2,319,324
Public safety and health reserve	60,198,020	-	-	-	-	60,198,020
Reserve pay as you go	-	-	-	14,985,617	-	14,985,617
Capital Reserve	-	-	-	3,500,781	-	3,500,781
Citywide additional contingencies	199,200	-	-	-	-	199,200
Capital Renewal and Replacement	-	-	-	-	2,364,282	2,364,282
<b>Total Committed</b>	<b>63,758,745</b>	<b>-</b>	<b>-</b>	<b>28,129,471</b>	<b>46,655,414</b>	<b>138,543,630</b>
<b>Assigned:</b>						
Reserve-set aside for future budgets	5,237,000	-	-	-	-	5,237,000
General government	28,328,480	-	-	-	-	28,328,480
Public safety	800,000	-	-	-	-	800,000
Economic environment	340,000	-	-	-	-	340,000
<b>Total Assigned</b>	<b>34,705,480</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,705,480</b>
<b>Unassigned:</b>						
Non-funded Capital	-	-	-	(181,215)	-	(181,215)
Reimbursable grants funds	-	-	-	(14,690,979)	(1,836,373)	(16,527,352)
Residual fund balance	4,469,637	-	-	3,779,106	595,078	8,843,821
Reimbursable capital expenditures	-	-	-	(14,200,000)	-	(14,200,000)
Non reimbursable expenditures	-	-	-	-	(86,579)	(86,579)
Unrealized gains	2,636,990	-	-	-	-	2,636,990
<b>Total Unassigned</b>	<b>7,106,627</b>	<b>-</b>	<b>-</b>	<b>(25,293,088)</b>	<b>(1,327,874)</b>	<b>(19,514,335)</b>
<b>Total Fund Balance</b>	<b>\$ 105,580,107</b>	<b>\$ 46,259,770</b>	<b>\$ 65,430,084</b>	<b>\$ 194,694,318</b>	<b>\$ 159,643,529</b>	<b>\$ 571,607,808</b>

The negative unassigned fund balance in the Capital projects funds is due to reimbursable grants pending reimbursement from the Florida Department of Transportation, Florida Division of Emergency Management and US Department of Agriculture, Natural Resource and Conservation Service, in the following projects: \$8.8 million in the A1A Indian Creek project, \$4.4 million for the Middle Beach Recreational Corridor project, and \$226 thousand for the Maurice Gibb Park Floating Dock project and \$330 thousand for Northshore open space beachwalk project. Additionally, the negative unassigned amount of \$14.2 million in RDA City

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Center Projects Fund, is primarily due to Convention Center related expenses pending reimbursement from RDA City Center Operating account. The negative unassigned fund balance in the other Special Revenue funds is primarily due to reimbursable grants pending reimbursement from Agencies for the Sunset Islands 3 & 4 undergrounding, Children’s Trust Grants and Police Department Grants.

**NOTE 12 - Risk Management**

The City is exposed to various risks of loss from civil liability to other parties (automobile liability, general liability, police professional liability, public official liability); statutory workers' compensation benefits for injured employees; and the theft or accidental damage to City property (buildings and business contents).

The City established an internal service Self-Insurance Fund (the “Fund”) to account for its risk financing activities. The Fund pays for all claims and judgments for which the City is liable, for self-insured programs, and the premium costs for insurance policies that protect the City's property and financial interests.

Insurance coverage is procured for losses to City buildings above various deductible amounts. The City maintains excess coverage with an independent insurance carrier solely for Workers Compensation. The City does not maintain excess coverage with independent insurance carriers for general, automobile, police professional and public official liability programs. Premiums are charged to the respective City funds and determined based on amounts necessary to provide funding for current losses and to meet the required annual payments during the fiscal year. There were no settlements in excess of applicable insurance for the past three years. During fiscal year 2021, the City paid \$5.9 million in property insurance premiums (including flood insurance).

The Fund derives revenue from all City departments through an allocation formula and from investment income earned on cash and investments within the Fund. The Fund accrues an amount based on an external actuarial computation which includes known claims and an estimate for claims incurred but not yet reported, regardless of the ultimate date of payment or disposition.

The following are the changes in the funds' claims liability amount during fiscal years 2021 and 2020 respectively:

	2021	2020
Unpaid claims, beginning of year	\$ 44,673,926	\$ 41,217,331
Incurred claims (includes incurred but not yet reported)	3,628,746	10,459,632
Less: claim payments	(8,498,230)	(7,003,037)
Unpaid claims, end of year	\$ 39,804,442	\$ 44,673,926

The City established an internal service Health Insurance Fund (the “Fund”) to account for Medical and Dental activities. Revenues from employee and City premiums are recorded in the Fund. The Fund pays for all claims and the premium cost of “stop loss” insurance coverage. Both medical and dental claims are administered by a third-party service provider.

The following are the changes in the funds' claims liability amount during fiscal years 2021 and 2020 respectively:

	2021	2020
Unpaid claims, beginning of year	\$ 1,356,000	\$ 1,576,000
Incurred claims (includes incurred but not yet reported)	24,798,486	21,248,889
Less: claim payments	24,045,486	21,468,889
Unpaid claims, end of year	\$ 2,109,000	\$ 1,356,000



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**NOTE 13 - Pollution Remediation**

GASB Statement 49, Accounting and Financial Reporting for Pollution Remediation Obligations, establishes accounting and financial reporting standards for pollution remediation obligations. The City has identified eight (8) sites that are undergoing pollution remediation activities. These sites and activities are as follows:

1. Miami Beach Golf Course Material Recovery Facility (MRF) Ammonia Investigation;
2. Normandy Shores Golf Course Arsenic Investigation MOP;
3. Maurice Gibb Park Hydrocarbon Investigation;
4. Fleet Management Mechanical Maintenance Facility Synthetic Oil and Hydrocarbon Investigations;
5. Former Par 3 Golf Course Arsenic Investigation;
6. Miami Beach Golf Course Arsenic Investigation MOP;
7. Miami Beach Convention Center Arsenic Investigation; and
8. Collins Park Garage Hydrocarbon Remediation.

As of September 30, 2021, the City has recorded pollution remediation liabilities of:

<u>Fund</u>	<u>Description</u>	<u>Total Obligation</u>	<u>Current Obligation</u>
General Fund	Normandy Shores Golf Course Arsenic Investigation MOP	\$ 65,000	\$ 15,000
General Fund	Fleet Management Synthetic Oil & Hydrocarbon Investigations	1,000,000	55,000
TBD	Miami Beach Golf Course Arsenic Investigation MOP	733,279	-
Capital Projects	Collins Park Garage	30,000	30,000
Capital Projects	Former Par 3 Arsenic Investigation	4,000,000	3,500,000
Capital Projects	Maurice Gibb Park Hydrocarbon Contamination	782,000	600,000
Capital Projects	Miami Beach Convention Center Arsenic Investigation	500,000	30,000
Sanitation	Miami Beach Golf Course Materials Recovery Facility (MRF) Ammonia Contamination	15,000	15,000
		<u>\$ 7,125,279</u>	<u>\$ 4,245,000</u>

Other remediation or monitoring costs were deemed immaterial and will be paid from annual operating expenses. These obligations are estimates and are subject to change depending on price increases or reductions, technology, and changes in laws and regulations.

**NOTE 14 - Significant Commitments and Contingencies**

The City, in the normal course of operations, is a party to various other actions in which plaintiffs have alleged certain damages. In all cases, management does not believe the disposition of these matters will materially affect the financial position of the City. Probable losses are accrued in the City's Risk Self-Insurance fund.

The City participates in several Federal and State assisted grant programs, which are subject to financial and compliance audits. Audits for these programs are to be conducted at a future date, and the City expects

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the amount, if any, of the expenditures which may be disallowed by the granting agency to be immaterial.

*Setai et al. v. The City of Miami Beach*

The plaintiffs in the Setai lawsuit are twenty-six property owners seeking a declaration that the stormwater utility fee charged by the City of Miami Beach is illegal. The plaintiffs are requesting reimbursement of stormwater fees paid by them from 2015 through resolution of the litigation. The City has vigorously defended this litigation and expects to continue such defense. Among other defenses, the City asserts that there are strong procedural and substantive arguments that support the validity of the fee methodology challenged in the Setai lawsuit. Substantially similar methodologies are used by numerous cities and counties throughout the state, in accordance with justifications and recommendations for their use provided by independent rate consultants. Moreover, the City of Miami Beach stormwater fee methodology has been used by the City for more than twenty years prior to the challenge presented by the Setai lawsuit.

An estimate of loss, if any, from the Setai lawsuit cannot be made as of the date of this report and the case is not reasonably anticipated to be resolved within the fiscal year ending 9-30-2022. An update of the status of the litigation, as needed and determined by the City to be appropriate, is currently expected to be included in the disclosures for the fiscal year ending 9-30-2022.

**NOTE 15 – Covid -19**

In December 2019, a respiratory disease caused by a novel strain of coronavirus was detected in China. The disease was declared a pandemic on March 10, 2020, by the World Health Organization. Actions taken around the world to help mitigate the spread of COVID-19 included restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. COVID-19 and actions taken to mitigate its effects have had a significant impact on the financial markets of many countries and on the economies of areas throughout the United States, including the geographic area in which the City of Miami Beach, Florida (the “City”) is located.

The City is highly dependent on tourism and the hospitality industry and although the City did experience a negative impact due to COVID-19, the City continues to be in a recovery mood. Economic stabilization measures and other forms of aid provided by the federal government to help local governments have assisted the City to satisfy financial obligations and replenish reserves. The economic outlook for the City continues to improve as the United States of America recovers from the pandemic as tourism is steadily improving and the hospitality industry continues to experience positive growth. The City has met all financial debt payments and has not defaulted on any outstanding obligations as a result of Covid-19.

**NOTE 16 - Pension Plan**

**A. Miami Beach Employees’ Retirement Plan (MBERP)**

Summary of Significant Accounting Principles

The Plan financial statements are prepared using the accrual basis of accounting. Member contributions are recognized as revenues in the period in which the contributions are due. City contributions are recognized as revenues when due pursuant to actuarial valuations. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Interest income is recorded as earned and dividend income is recorded as of the ex-dividend date.

Investments are reported at fair value, except for short-term investments which are reported at amortized cost, in the Statement of Plan Net Position. 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. The diversity of the investment types in which the Trust has entered into requires a range of techniques to determine fair value.

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Unrealized gains and losses are presented as net appreciation in fair value of investments on the Statement of Changes in Fiduciary Net Position along with gains and losses realized on sales of investments. Purchases and sales of investments are recorded on a trade-date basis.

Plan Description

Pursuant to Modification 29 of the Florida State Social Security Agreement effective January 1, 1955 The City of Miami Beach does not participate in the Federal Old-Age and Survivors Insurance System (OASI) embodied in the Social Security Act. The Miami Beach Employees' Retirement Plan (the Plan) is a single employer defined benefit pension plan for general employees established by the City of Miami Beach, Florida (the City) effective March 18, 2006. The Miami Beach Employees' Retirement System was created under and by the authority of Chapter 18691, Laws of Florida, Act of 1937, as amended, by merging the "Retirement System for General Employees of the City of Miami Beach" created by Ordinance 1901 with the "Retirement System for Unclassified Employees and Elected Officials of the City of Miami Beach" created by Ordinance 88-2603, as amended. Members are full-time employees, classified and unclassified positions, who work more than 30 hours per week except for policemen and firemen and persons who elect to join the defined contribution retirement Plan sponsored by the City. Membership consisted of the following as of October 1, 2020 the date of the latest actuarial valuation:

Inactive plan members and beneficiaries currently receiving benefits	1,114
Inactive plan members entitled but not yet receiving benefits	196
Active plan members	<u>1,229</u>
Total members	<u><u>2,539</u></u>

The plan provides for retirement benefits as well as death and disability benefits at three different tiers depending on when the members entered the Plan.

The First Tier is for members who entered the Plan prior to the Second Tier Dates. The Second Tier is for members who entered the Plan on or after the Second Tier Dates but before the Third Tier Dates. The Third Tier is for members who entered the Plan on or after the Third Tier Dates. Both the Second Tier and Third Tier Dates were established when each of the unions bargained with the City to establish new guidelines for retirement benefits relating to employees associated with their Unions. The Second Tier Dates are April 30, 1993 for members of AFSCME; August 1, 1993 for those classified as Other and GSAF, and February 21, 1994 for members of CWA. The Third Tier Dates are September 30, 2010 for members of AFSCME, GSAF and for those classified as other, and October 27, 2010 for members of CWA.

Classified members administered under the First Tier are eligible for normal retirement at age 50 and five years of Creditable Service and are entitled to benefits of 3% of Final Average Monthly Earnings (FAME) multiplied by the first 15 years of Creditable Service plus 4% of FAME multiplied by years of service in excess of 15 years, with the total not to exceed 90% of FAME. First Tier unclassified members accrued 4% for creditable service before October 18, 1992. Unclassified First Tier members accrued 3% per year of service after October 18, 1992, with the total not to exceed 80% of FAME. Classified and unclassified members administered under the Second Tier are eligible for Normal Retirement at age 55 and five years of creditable service and are entitled to benefits of 3% of FAME multiplied by creditable service, subject to a maximum of 80% of FAME. Classified and unclassified members administered under the Third Tier are eligible for Normal Retirement at age 55 with at least 30 years of creditable service, or age 62 with at least five years of creditable service and are entitled to benefits of 2.5% of FAME multiplied by creditable service, subject to a maximum of 80% of FAME. For elected officials, City Manager or City Attorney, the benefit is 4% of FAME for each year of creditable service as an elected official, city manager or city attorney plus the retirement benefit as defined above for any other period of city employment, subject to a maximum of 80% of FAME.

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Final average monthly earnings (FAME) means one-twelfth of the average annual earnings during the highest two paid years of credible service. For Unclassified First Tier members who became a member prior to October 18, 1992 and was continuously a member from that date until March 18, 2006, FAME is defined as the larger of one-twelfth average covered salary during the two highest paid years of creditable service or one-twelfth of the pay of the year immediately preceding March 18, 2006. Effective as of September 30, 2010, FAME for members who have obtained normal retirement age or are within 24 months from normal retirement age is defined as average covered salary during the two highest paid years of creditable service. FAME for those members who as of September 30, 2010 are between 24 and 36 months from normal retirement age is defined as average covered salary during the three highest paid years of creditable service. FAME for those members who as of September 30, 2010 are between 36 and 48 months from normal retirement age is defined as average covered salary during the four highest paid years of creditable service. FAME for those members who as of September 30, 2010 are more than 48 months from normal retirement age is defined as average covered salary during the five highest paid years of creditable service.

Any First Tier member who terminates employment may either request a refund of their own contributions plus interest, or receive their accrued benefit beginning at age 50, if at least five years of creditable service are completed. Any Second Tier member who entered on or after the Second Tier Date and who terminates employment after five years of creditable service may either request a refund of their own contributions plus interest or receive their accrued benefit beginning at age 55. Any Third Tier member who entered on or after the Third Tier Date and who terminates employment after five years of creditable service but prior to the normal or early retirement date shall be eligible to receive a normal retirement benefit at age 62.

Deferred Retirement Option Plan (DROP)

A DROP was enacted on January 28, 2009 by Ordinance 2009-3626. Under this Plan, First and Second Tier members who have attained eligibility for Normal Retirement may continue working with the City for up to three years, while receiving a retirement benefit that is deposited into a DROP account. Third Tier members may participate in a DROP account for up to five years. Effective July 17, 2013, Members within classifications in the CWA bargaining unit who were hired prior to October 27, 2010, and Members not included in any bargaining unit who were hired prior to September 10, 2010, may elect to retire for the purposes of the Plan but continue employment with the City for up to sixty months, and have their monthly retirement benefit paid into a DROP account during the DROP period. Effective October 1, 2013, any member within classifications in the GSAF bargaining may elect to retire for the purposes of the Program but continue employment with the City for up to sixty months, and have their monthly retirement paid into a DROP account during the DROP period. Effective April 23, 2014, members within classifications in the AFSCME bargaining unit who were hired prior to September 30, 2010, may elect to retire for the purposes of the Plan but continue employment with the City for up to sixty months, and have their monthly retirement benefits paid into a DROP account during the DROP period. The amount of the benefit is calculated as if the participant had retired on the date of DROP commencement. Upon termination with the City, the accumulated value of the DROP account is distributed to the participant. A member's creditable service, accrued benefit and compensation calculation shall be frozen.

A series of investment vehicles which are established by the board of trustees are made available to DROP participants to choose from. Any losses, charges, or expenses incurred by the participant in their DROP account are not made up by the City or the Trust, but shall be borne by the participant. Upon termination of employment, a member may receive distributions in accordance with the Plan.

A DROP participant shall not be entitled to receive an ordinary or service disability retirement and in the event of death of a DROP participant, there shall be no accidental death benefit for pension purposes. DROP participation does not affect any other death or disability benefit provided to a

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member under federal law, state law, City ordinance, or any rights or benefits under any applicable collective bargaining agreement. First and Second Tier members receive an annual cost-of-living adjustment (COLA) of 2.5%. The COLA is not payable while members are in the DROP. For Third Tier members the COLA is 1.5%.

As of September 30, 2021, there were 133 members in the DROP and the value of DROP investment was \$16,659,388 which is included in the Plan's net position. The DROP also allows for member loans. Approximately \$155,000 in loans were outstanding as of September 30, 2021.

Funding Policy, Contributions Required and Contributions Made

The City is to contribute such amounts as are necessary to maintain the actuarial soundness of the Plan and to provide the Plan with assets sufficient to meet the benefits to be paid to the members. All First Tier members who participate are required to contribute 12% of their covered salary to the Plan. All Second and Third Tier members are required to contribute 10% of their covered salary. The City Commission has the authority to increase or decrease contributions.

For the fiscal year ended September 30, 2021, the City was required to make contributions of \$30,699,942 or 34.7% of covered payroll to the Plan in accordance with actuarially determined requirements computed through an actuarial valuation performed as of October 1, 2019. For the year ended September 30, 2021, the employees contributed \$8,521,037 and buybacks were \$1,398,325.

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2021, the City recognized pension benefit of \$211,862. At September 30, 2021, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 686,731	\$ 3,425,772
Change in Assumptions	16,704,607	6,894,426
Net Difference between projected and actual earnings on pension plan investments	2,060,896	-
City contributions subsequent to the measurement date	30,699,942	-
	<u>\$ 50,152,176</u>	<u>\$ 10,320,198</u>

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City contributions of \$30,699,942 subsequent to the measurement date that are reported as deferred outflows of resources related to pensions will be recognized as a reduction of the net pension liability in the year ended September 30, 2021. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Amorization of Net Deferred Inflows/OutFlows</u>	
<u>Year</u>	<u>Amortization</u>
2022	\$ 6,288,635
2023	3,561,352
2024	3,349,812
2025	(4,067,763)
	<u>\$ 9,132,036</u>

The following methods and assumptions were used to determine the total pension liability:

Valuation Date:	October 1, 2019
MeasurementDate:	September 30, 2020
Actuarial Cost Method	Entry Age Normal
Inflation	2.5%
Salary Increases	3.75% to 6.10% depending on service, including inflation
Investment Rate of Return	7.40%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The same versions of the PUB-2010 Headcount-Wieghted Mortality Tables and mortality improvement projection scale used for Regular Class members of the Florida Retirement System (FRS) in the July 1, 2019 actuarial valuation. Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

Net Pension Liability of the City

The components of the net pension liability of the City at September 30, 2021 were as follows:

Total pension liability	\$ 922,978,025
Plan fiduciary net position	(712,457,774)
Net pension liability	<u>\$ 210,520,251</u>

The Net Pension Liability is 239% of the covered payroll.

The long-term expected rate of return on pension 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 pension plan investment expense and inflation) are developed for each major asset class. These

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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.

The target and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equities	39% %	8.11 %
Fixed income	19%	3.67
International equities	18%	9.99
Real estate	12%	6.92
Infrastructure	7%	7.52
Private Equity	5%	12.60
Total	<u>100 %</u>	

**Discount**

A single discount rate of 7.40% was used to measure the total pension liability. This is a decrease of 0.10% from the discount rate of 7.5% used in the prior measurement. This single discount rate was based on the expected rate of return on Pension Plan investments of 7.40%. 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 Pension 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 Pension Plan investments (7.40%) was applied to all periods of projected benefit payments to determine the total pension liability.

**Changes in the Net Pension Liability**

The following table shows the components of the City's annual pension liability and related plan fiduciary net position measured as of September 30, 2020:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a-b)
Balance at September 30, 2019	\$ 905,749,411	\$ 666,499,619	\$ 239,249,792
Changes for the year			
Service cost	15,577,246	-	15,577,246
Interest	67,095,944	-	67,095,944
Difference between expected and actual Benefit Changes	-		-
experience of the total pension liability	(3,398,414)	-	(3,398,414)
Changes of assumptions	(8,618,033)	-	(8,618,033)
Contributions - employer	-	31,475,030	(31,475,030)
Contributions - employee	-	8,665,597	(8,665,597)
Net investment income	-	60,053,751	(60,053,751)
Benefit payments	(52,250,292)	(52,250,292)	-
Refunds	(1,177,837)	(1,177,837)	-
Administrative expenses	-	(808,094)	808,094
Other	-	-	-
Net changes	<u>17,228,614</u>	<u>45,958,155</u>	<u>(28,729,541)</u>
Balances at September 30, 2020	<u>\$ 922,978,025</u>	<u>\$ 712,457,774</u>	<u>\$ 210,520,251</u>

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

The following presents the Plan's net pension liability calculated using a single discount rate of 7.40 percent, as well as what the Plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

1% Decrease	Current Single Discount Rate Assumption	1% Increase
6.40%	7.40%	8.40%
<u>\$ 321,622,368</u>	<u>\$ 210,520,521</u>	<u>\$ 118,368,496</u>

**B. Retirement System for Firefighters and Police Officers (MBF&P)**

Summary of Significant Accounting Principles

The Plan financial statements are prepared using the accrual basis of accounting. Employee contributions are recognized as revenues in the period in which the contributions are due. City contributions are recognized as revenues when due pursuant to actuarial valuations. Share plan contributions are recognized as revenues in the period in which they are approved by the State. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Interest income is recorded as earned and dividend income is recorded as of the ex-dividend rate.

Investments are recorded at fair value in the Statement of Fiduciary Net Position. 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. The diversity of the investment types in which the Trust has entered into requires a range of techniques to determine fair value.

Unrealized gains and losses are presented as net appreciation in fair value of investments on the Statement of Changes in Fiduciary Net Position along with gains and losses realized on sales of investments. Purchases and sales of investments are recorded on a trade-date basis.

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, the actual results could differ from those estimates.

Plan Description

Pursuant to Modification 29 of the Florida State Social Security Agreement effective January 1, 1955 the City of Miami Beach does not participate in the Federal Old-Age and Survivors Insurance System (OASI) embodied in the Social Security Act. The plan is a single employer defined benefit plan established by the City of Miami Beach, Florida (The "City") and was created under Chapter 23414, Laws of Florida, Special Acts of 1945, as amended through ordinance No. 2020-4362 adopted October 14, 2020.. The Plan's governing board is the Board of Trustees, which comprises nine members: three of which are elected by the active and retired members of the fire department, three of which are elected by the active and retired members of the police department, and three of which are appointed by the mayor. Members are substantially all certified police officers and firefighters employed by the City of Miami Beach, Florida. Members are further divided in the following five tiers:

- Tier One members are those hired prior to July 14, 2010;
- Tier Two members are those hired on or after July 14, 2010, but prior to September 30, 2013;
- Tier Three members are those hired on or after September 30, 2013, but prior to June 8, 2016 and July 20, 2016 for Fire Department and Police Department members, respectively;



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- Tier Four members are those hired on or after June 8, 2016, but prior to May 8, 2019, for the Fire Department members and July 20, 2016, but prior to July 31, 2019 for the Police Department members; and
- Tier Five members are those hired on or after May 8, 2019 and July 31, 2019 for the Fire Department and Police Department, respectively.

*Tier One members*

Members who met eligibility to retire prior to September 30, 2013 may retire on a service retirement pension upon the attainment of age 50 or, if earlier, the date when age and length of creditable service equals to at least 70 years. Members eligible to retire on or after September 30, 2013 may retire on a service retirement pension upon the attainment of age 50 or, if earlier, the date when the member attains age 47 and length of creditable service equals to at least 70 years. or when the member reaches the 85% maximum pension benefit regardless of age.

Upon retirement, a member who met eligibility to retire on or before September 30, 2013 will receive a monthly pension, payable for life, equal to 3% of the average monthly salary, as defined in the Plan ordinance, for each of the first 15 years of creditable service and 4% of the average monthly salary for each year of creditable service in excess of 15 years, provided that the pension does not exceed 90% of the average monthly salary. Members who met eligibility to retire on or after September 30, 2013 will receive a monthly pension, payable for life, equal to 3% of the average monthly salary, as defined in the Plan ordinance, for each of the first 20 years of creditable service and 4% of the average monthly salary for each year of creditable service in excess of 20 years, provided that the pension does not exceed 85% of the average monthly salary. All retirees and beneficiaries receiving a monthly pension as of September 30, 2010 will receive a 2.5% increase in benefits on October 1<sup>st</sup> of each year. Members that retire on or after September 30, 2010 will receive a 2.5% increase in benefits annually on the anniversary date of the member's retirement.

*Tier Two members*

Any member may retire on a service retirement pension upon the attainment of age 50 and the completion of at least 5 years of credible pension service or, if earlier, the date when the member attains age 48 plus the length of creditable service equals to at least 70 years or when the member reaches the 85% maximum pension benefit regardless of age.

Upon retirement, a member will receive a monthly pension, payable for life, equal to 3% of the average monthly salary, as defined in the Plan ordinance, for each of the first 20 years of creditable service and 4% of the average monthly salary for each year of creditable service in excess of 20 years, provided that the pension does not exceed 85% of the average monthly salary. The average monthly salary of the employee is computed based on the salary for the three highest paid years prior to the date of retirement or the average of the last three paid years to the employee prior to the date of retirement, whichever produces the greater benefit after consideration of the overtime limitations. For limitation and detailed information, please see the pension plan statement. All retirees and beneficiaries will receive a 1.5% increase in benefits annually on the anniversary date of the member's retirement.

*Tier Three members*

Any member may retire on a service retirement pension upon the attainment of age 50 and the completion of at least 5 years of credible pension service or, if earlier, the date when the member attains age 48 plus the length of creditable service equals to at least 70 years or when the member reaches the 85% maximum pension benefit regardless of age. Upon retirement, a member will receive a monthly pension, payable for life, equal to 3% of the average monthly salary, as defined in the Plan ordinance, for each of the first 20 years of creditable service and 4% of the average monthly salary for each year of creditable service in excess of 20 years, provided that the pension does not exceed 85% of the

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average monthly salary. The average monthly salary of the employee is computed based on the salary for the five highest paid years prior to the date of retirement or the average of the last five paid years to the employee prior to the date of retirement, whichever produces the greater benefit after consideration of the overtime limitations. For limitation and detailed information, please see the pension plan statement. All retirees and beneficiaries will receive a 1.5% increase in benefits annually on the anniversary date of the member's retirement.

*Tier Four and Tier Five members*

Any member may retire on a service retirement pension upon the attainment of age 52 and the completion of at least 5 years of credible pension service or, if earlier, the date when the member attains age 48 plus the length of creditable service equals to at least 70 years.

Upon retirement, a member will receive a monthly pension, payable for life, equal to 3% of the average monthly salary, as defined in the Plan ordinance, for each of the first 20 years of creditable service and 4% of the average monthly salary for each year of creditable service in excess of 20 years, provided that the pension does not exceed 85% of the average monthly salary. The average monthly salary of the employee is computed based on the salary for the 5 highest paid years prior to the date of retirement or the average of the last 5 paid years to the employee prior to the date of retirement, whichever produces the greater benefit after consideration of the overtime limitations. For limitation and detailed information, please see the pension plan statement. All retirees and beneficiaries will receive a 1.5% increase in benefits annually on the anniversary date of the member's retirement.

Any member of the plan who becomes totally and permanently disabled at any time as a result of illness or injury suffered in the line of duty may be retired on an accidental disability pension. For a service-connected disability, the minimum pension payable is 85% of monthly salary of the employee at the time of disability retirement, less any offset for worker's compensation. Any member who becomes totally or permanently disabled after 5 years of creditable service as a result of illness or injury not suffered in the line of duty may be retired on an ordinary disability retirement pension. Upon a non-service connected disability retirement, a member receives a monthly pension equal to the monthly pension benefit accrued to date of disability. The plan also has various pre-retirement death benefit.

If a member resigns or is lawfully discharged prior to 5 years of service, their contributions with 3% interest per annum are returned to them. The Plan also provides a special provision for vested benefits for members who terminate after 5 or 10 years of service.

The payment of retirement benefits is payable to the member for his or her life. Upon death of member, except those retiring prior to November 5, 2003, the standard benefit is a 75% joint and survivor annuity with a specified beneficiary as provided under the plan. The specified beneficiary will receive a survivor annuity equal to 100% of the total benefit for one year following the death of the member and thereafter 75% of the total benefit until death or remarriage. However, upon death, if the member has been married or in a domestic partnership for less than 10 years, the survivor annuity is payable only for the life expectancy of the deceased member at time of death.

In lieu of the standard benefit, the members may elect the actuarial equivalent of the 10-year certain and life annuity, with a designated beneficiary, any of the following, optional forms of payment:

- 75% joint and contingent survivor annuity with a designated beneficiary
- 66  $\frac{2}{3}$ % joint and contingent survivor annuity with a designated beneficiary
- 50% joint and contingent survivor annuity with a designated beneficiary
- 25% joint and contingent survivor annuity with a designated beneficiary
- 10 year certain and life annuity with a designated beneficiary

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At September 30, 2021 the plan membership consisted of the following:

Active Members		492
Deferred Vested Members		21
Retired Members and beneficiaries:		
a. Service	748	*
b. Disabled	57	
		805
Total		1,318

\* Including members in the DROP

Deferred Retirement Option Plan (DROP)

An active member of Tier One may enter into the DROP on the first day of any month after meeting eligibility to retire. Members who entered the DROP on or before September 30, 2015, shall be eligible to participate for a period not to exceed 72 months. Members who entered the DROP on or after October 1, 2015, shall be eligible to participate for a period not to exceed 96 months. All members shall receive a 2.5% COLA increase in benefits annually on the anniversary date of the member's entry into the DROP, in conjunction with a few annual exceptions.

An active member of Tier Two, Three or Four may enter into the DROP on the first day of any month after meeting eligibility to retire. Members who entered the DROP on or after October 1, 2015, shall be eligible to participate for a period not to exceed 96 months. All members shall receive a 1.5% COLA increase in benefits annually on the anniversary date of the member's entry into the DROP, in conjunction with a few annual exceptions.

Once a member enters the DROP, their monthly retirement benefit is fixed, and their monthly benefit is paid into their DROP account. Upon termination of employment, the balance in the member's DROP account, including earnings, is payable to them and they will begin to receive their normal retirement benefit.

At September 30, 2021, the total amount of the Deferred Retirement Option Plan payable, \$37,127,938 represents the balance of the self-directed participants as all the participants are now in the self-directed DROP.

Funding Policy, Contributions Required and Contributions Made

The City (the "Employer") is required to contribute an actuarially determined amount that, when combined with members' contributions, will fully provide for all benefits as they become payable. All Tier One and Tier Two members are required to contribute 10% of their salary to the Plan, while all Tier Three, Four and Five members are required to contribute 10.5% of their salary to the Plan. The City Commission has the authority to increase or decrease contributions.

The actual contribution from the City of Miami Beach, and the State of Florida for active employees for the fiscal year ended September 30, 2021, was \$43,324,910 and \$120,549 respectively. Covered payroll excluding DROP members was \$66,272,092. The contribution required for the fiscal year ended September 30, 2021, was actuarially determined by the October 1, 2019 valuation to be \$43,324,910.

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Buyback Contributions

During 2021, the Union and the City negotiated a buyback window, from July 1, 2021 to September 30, 2021 to purchase up to two years creditable service in increments of up to 3% per year of service for a maximum additional multiplier of 6%, purchased at 10% or 10.5% of pensionable wages (on a pre-tax basis). During 2021, \$9,503,439 of contributions was received the breakout of buyback contributions consisted of the following (in millions)

Buybacks purchased with Accumulated Leave	\$ 8.1
Buybacks purchased with Cash *	<u>1.4</u>
Total Buyback	<u>\$ 9.5</u>

\* Cash deposits originate from personal checks, cashier's checks or distributions made from 457 deferred compensation plans.

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2021, the City recognized pension expense of \$3,510,071 . At September 30, 2021, the City reported deferred outflows of resources related to pensions from the following sources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences between expected and actual experience	\$ 8,167,640	\$ 6,183,511
Change in assumptions	9,397,840	13,163,411
Net difference between projected and actual	356,639	-
City contributions subsequent to measurement date	<u>43,324,910</u>	<u>-</u>
	<u>\$ 61,247,029</u>	<u>\$19,346,922</u>

City contributions of \$43,324,910 subsequent to the reporting date that are reported as deferred outflows of resources related to pensions will be recognized as a reduction of the net pension liability in the year ended September 30, 2021. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense in future years as follows:

Year Ending	
September 30	
2022	2,479,813
2023	1,562,070
2024	(259,827)
2025	<u>(5,206,859)</u>
	<u>(1,424,803)</u>

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The following methods and assumptions were used to determine the total pension liability at the actuarial valuation date of October 1, 2019. The actuarial valuation was rolled forward to the September 30, 2020 measurement date.

Valuation Date	October 1, 2019
Measurement Date	September 30, 2020
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage, Closed
Amortization Period	30 years
Asset Valuation Method:	5-year smoothed market
Inflation	3.00%
Payroll Growth	2.80%
Salary Increases	1.7% - 9.89%
Cost of Living Increase	1.50% , 2.00% , or 2.50%
Investment Rate of Return	7.65%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Mortality Table, both sets forward one year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.  For healthy participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward one year, with fully generational mortality improvements projected to each future decrement date with scale MP-2018.  For disabled male participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.

**Discount**

A discount rate of 7.65% was used to measure the September 30, 2020 total pension liability; a decrease from the prior year rate of 7.75%. This discount rate was based on the expected rate of return on Fund investments of 7.65%. The projection of cash flows used to determine this discount rate assumed member contributions will be made at the current member contribution rate and employer contributions will be made at rates equal to the difference between actuarially determined current contribution rates and the member contribution rate. Based on these assumptions, the Fund's fiduciary net position was projected to be available to make all projected future expected benefit payments to current Fund members. Therefore, the long-term expected rate of return on Fund investments was

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applied to all periods of projected benefit payments to determine the total pension liability.

Net Pension Liability of the City

The components of the net pension liability of the Plan at September 30, 2021 were as follows:

Total Pension Liability	\$ 1,315,349,537
Plan Fiduciary Net Position	<u>(1,005,632,284)</u>
Net Pension Liability	<u>\$ 309,717,253</u>

The Net Pension Liability is 467% of the covered payroll.

The target and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Target Asset Class</u>	<u>Assumed Asset Allocation</u>
Domestic equities	49%
Fixed income	24
International equities	5
Real estate funds	15
Hedge Fund	1
Cash/short-term investments	6
Total	<u>100%</u>

<u>Asset Class</u>	<u>Long-Term Expected Rate of Return Rate of Return</u>
Domestic Equity	7.50%
International Equity	8.50%
Domestic Bonds	2.50%
International Bonds	3.50%
Real Estate Funds	4.50%
Alternatives	6.24%

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	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
	\$ 1,290,634,476	\$ 940,953,661	\$ 349,680,815
Service cost	22,110,056	-	22,110,056
Interest	95,945,797	-	95,945,797
Difference between expected and actual experience of the total pension liability	(7,950,229)		(7,950,229)
Changes of benefit terms	922,043	-	922,043
Changes of assumptions	(16,924,385)	-	(16,924,385)
Contributions - employer		42,779,004	(42,779,004)
Contributions - employee		7,133,168	( 7,133,168)
Net investment income		85,054,923	(85,054,923)
Benefit payments	(69,388,221)	(69,388,221)	-
Refunds	-	-	-
Administrative expenses	-	(900,251)	900,251
Other	-	-	-
	<u>24,715,061</u>	<u>64,678,623</u>	<u>(39,963,562)</u>
	<u>\$ 1,315,349,537</u>	<u>\$1,005,632,284</u>	<u>\$ 309,717,253</u>

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

The following presents the Plan's net pension liability calculated using the discount rate of 7.65%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher:

	1% Decrease 6.65%	Discount Rate 7.65%	1% Increase 8.65%
Net Pension Liability	\$476,993,207	\$309,717,253	\$172,681,399

**C. Florida's Federal-State Social Security Agreement**

Pursuant to Modification 29 of the Florida State Social Security Agreement effective January 1, 1955, the City of Miami Beach does not participate in the Federal Old-Age and Survivors Insurance System (OASI) embodied in the Social Security Act. Instead, it provides eligible employees a comprehensive defined benefit pension plan. Contributions to Social Security for fiscal year 2021 and 2020 would have been \$12,074,473 and \$11,772,376 respectively. The City of Miami Beach does participate in the hospital insurance tax, also known as Medicare, and withholds taxes accordingly.

**D. Firemen's and Police Relief and Pension Funds**

The City's firefighters and police officers are members of two separate non-contributory money purchase benefit plans established under the provisions of Florida Statutes, Chapters 175 and 185, respectively. These plans are funded solely from proceeds of certain excise taxes levied by the City and imposed upon property and casualty insurance coverage within City limits. This tax, which is collected from insurers by the State of Florida, is remitted to the Plans' Boards of Trustees. The City is under no obligation to make any further contributions to the plans. The excise taxes received from the

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State of Florida and remitted to the plans for the year ended September 30, 2021 was \$1,593,103 for firefighters and \$651,975 for police officers. These payments were recorded on the City's books as revenues and expenditures during the fiscal year.

Plan benefits are allocated to participants based upon their service during the year and the level of funding received during the year. Participants are fully vested after 10 years of service with no benefits vested prior to 10 years of service, except those prior to June 1983. All benefits are paid in a lump sum format, except for the Police Relief Funds, where participants may also elect not to withdraw or to partially withdraw, his or her retirement funds.

**E. Defined Contribution Retirement Plan-401(A)**

Effective October 18, 1992 City's Ordinance No. 92-2813 provided for the creation of a Defined Contribution Retirement Plan (the "Plan") under section 401(A) of the internal revenue code of 1986. The Plan provides retirement and other related benefits for eligible employees as an option over the other retirement systems sponsored by the City.

Any person employed on or after October 18, 1992, in the unclassified service of the City, has the right to select the Plan as an optional retirement plan to the Unclassified Employees and Elected Officials Retirement System. At the time of the Ordinance, employees of the City who were members of the Unclassified Employee and Elected Official Retirement System (the "System") had the irrevocable right to elect to transfer membership from the System to the Plan for a limited period of time. Effective March 19, 2006 the Plan is no longer offered to new employees of the City. Employees participating in the Plan prior to March 19, 2006 were given the option to transfer membership to the System.

The Plan is administered by a Board of Trustees, which has the general responsibility for the proper operation and management of the Plan. The Plan complies with the provisions of section 401(A) of the Internal Revenue Code of 1986 and may be amended by the City Commission of the City. The City has no fiduciary responsibility for the Plan, consequently, amounts accrued for benefits are not recorded in the fiduciary fund.

Employees in the Plan hired prior to February 21, 1994 are required to contribute 10% of their salary while those hired subsequent to February 21, 1994 are required to contribute 8% of their salary. The City matches the employee's contribution 100%. The Plan of each employee is the immediate property of the employee. Employees have Nationwide Retirement Solutions or ICMA-RC as their plan administrator. In addition, the employee is responsible for the investment of their funds amongst choices of investment vehicles offered by their selected plan administrator.

Plan information as of and for the fiscal year ended September 30, 2021 is as follows:

Members in the Plan	18
City's contribution	\$ 90,596
Percentage of covered payroll	8.15%
Employees' contribution	\$ 91,005
Percentage of covered payroll	8.19%



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**F. Aggregate Pension Amounts**

The below chart shows the aggregate fiscal year 2021 pension liabilities, deferred inflows, deferred outflows, and pension expenses by pension plan:

Account	Miami Beach Employees' Retirement System Total	Retirement System for Firefighters and Police Officers (MBF&P)	Total Primary Government	Component
Net Pension Liability	\$ 209,799,190	\$ 309,717,253	\$ 519,516,443	\$ 721,061
Pension assets	849,068,068	1,184,845,424	2,033,913,492	-
Deferred outflows	49,980,398	61,247,029	111,227,427	171,778
Deferred inflows	10,284,850	19,346,922	29,631,772	35,348
Pension expense (benefit)	(211,136.00)	3,510,071	3,298,935	(726)

**Financial Statements**

Each of the Retirement Systems is audited separately. Complete financial statements can be obtained at the following offices:

City of Miami Beach Employee  
Retirement System  
1700 Convention Center Drive  
Miami Beach, Florida 33139

City of Miami Beach Retirement System for  
Firefighters and Police Officers  
1691 Michigan Ave. Suite 555  
Miami Beach, Florida 33139

Miami Beach Policemen's Relief  
and Pension Fund  
999 11<sup>th</sup> Street  
Miami Beach, Florida 33139

Miami Beach Firemen's Relief and Pension  
Fund  
City of Miami Beach  
2300 Pine Tree Drive  
Miami Beach, Florida 33140

**NOTE 17 - Postemployment Benefits Other than Pension Benefits (OPEB)**

**Plan Description**

Pursuant to Section 112.08, Florida Statutes, the City is required to permit eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retirees that is no greater than the cost at which coverage is available for active employees. The City's single employer defined benefit Postemployment Benefit Plan (the "Plan") currently provides the following postemployment benefits:

1. Health and Dental Insurance - Employees hired prior to March 18, 2006 are eligible to receive a 50% health insurance contribution of the total premium cost. Employees hired after March 18, 2006, after vesting in City's retirement plans, are eligible to receive an offset to the retiree premium equal to \$10 per year of credible service, up to a maximum of \$250 per month until age 65 and \$5 per year of credible service up to a maximum of \$125, thereafter.

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2. Life Insurance (\$1,000)- At September 30, 2008 and Pursuant to resolution 2009-27024 the City established an OPEB Trust (the "Trust") and began funding its OPEB obligation. Stand-alone financial statements for the Trust are not prepared.

The City's plan's board is comprised of a Board of Trustees. The Board of Trustees is comprised of three members. The members are the City's Chief Financial Officer or designee, Budget and Performance Improvement Director or designee, and the Human Resources Officer or designee. Each member has a term of four years.

The determination of the net OPEB obligation at September 30, 2021 is based on a valuation date of September 30, 2021. At this time, the plan participation consisted of:

Active OPEB plan participants	1,679
Inactive members receiving benefit payments	1,171
Total	2,850

Funding Policy

The City has the authority to establish and amend funding policy. For the year ended September 30, 2021, the City paid \$14,439,769 in OPEB benefits on a pay-as-go basis. The City's net OPEB liability at September 30, 2021 was \$455,055,174. It is the City's intent to consider OPEB Trust funding during the annual budget process; however, no Trust contributions are legally or contractually required.

OPEB Plan Assets and Policies

The Plan's investment composition is controlled by the City's OPEB Trust investment policy as adopted by the OPEB Trustee and as limited by Florida Statute. 218.415. The Trustee utilizes an investment manager to invest the trust assets. The policy determines the maximum and minimum allocations between investment classes; as noted below. The investment policy may be amended with a majority vote of the OPEB Trustee members. It is the City's policy to maximize the returns of the plan's asset through diversification of equities and fixed income securities without a significant investment in cash or cash equivalents. The composition of the Plan's investments at September 30, 2021 is consistent with the Plan's investment policy is noted below:

	Allocation Mix		
	Minimum	Target	Maximum
Equity Investments	40%	60%	75%
Fixed Income	25%	39%	60%
Cash and Equivalents (Money Market)	0%	1%	100%

Please refer to note 3 for more detailed information regarding the OPEB Trusts' plan assets.

Rate of Return

As of September 30, 2021, the annual money-weighted rate of return, net of OPEB plan expenses, was 16.30%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The rate of return incorporates the timing and size of cash flows to determine an internal rate of return on a monthly accrual basis. Cash flows used in the calculation excludes reinvested dividends, unrealized and realized gains or losses, and other fees and charges not converted into cash. Contributions are treated as a positive cash flow and benefit

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payments as a negative cash flow.

Discount rates are used in determining the present value as of the valuation date of future cash flows currently expected to be required to satisfy the postretirement benefit obligation. For unfunded plans, interest rate using a long-term expected rate of return on tax-exempt, high-quality municipal bond. For funded plans, the expected long-term rate of return on trust assets, to the extent the net fiduciary position is projected to be sufficient to provide the benefits. For partially funded plans or if a funded shortfall is projected, the interest rate is blended between the funded and the unfunded rate. 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. The long-term expected rate of return on the 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 OPEB 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For the fiscal year ended 2021, the discount rate was lowered from 2.69% to 2.56%. Although the expected long-term return on the trust is 7.0%, it is blended together with Bond Buyer 20-Bond GO index rate due to the plan not being fully funded. The City's current OPEB plan investment allocation is noted above.

Net OPEB Liability of the City

The components of the net OPEB liability of the City at September 30, 2021, were as follows:

Total OPEB Liability	\$	504,019,204
OPEB Plan Fiduciary Net Position	\$	48,964,030
Net OPEB Liability	\$	<u>455,055,174</u>
Plan fiduciary net position as a percentage of the total OPEB liability		9.7%

Schedule of Deferred Inflows/Outflows

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 20,830,302	\$ (6,653,363)
Change in assumptions/inputs	76,935,667	-
	<u>\$ 97,765,969</u>	<u>\$ (6,653,363)</u>

Amorization of Net Deferred Inflows/OutFlows

<u>Year</u>	<u>Amortization</u>
2022	\$ 22,289,255
2023	22,375,091
2024	22,338,009
2025	17,645,147
2026	6,465,105
	<u>\$ 91,112,607</u>

**CITY OF MIAMI BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

	Primary Government		
	Miami Beach OPEB TOTAL	Total Primary Government	Component Unit
Net OPEB Liability	\$ 455,055,174	\$ 454,261,790	\$ 793,384
Trust Assets	48,964,030	48,964,030	-
Deferred Outflows	97,765,969	97,595,515	170,454
Deferred Inflows	6,653,363	6,641,763	11,600
Pension Expense	25,235,258	25,166,600	68,658

Actuarial assumptions

Valuation Date	September 30, 2021
Discount Rate	2.56 per annum. This was based on combination of the estimated long term rate of return from the City's OPEB trust and 20 year GO Bond rate of return @ 9/30/2021.
Asset Valuation Method	Fair Market Value
Current Asset Mix	Currently the City is targeted to invest approximately 60% in equities and 39% in bonds, with the remainder as cash.
Salary Increase Rate	3.5% per annum
Inflation Rate	3.0% per annum
Medical Consumer Price Index	Chained-CPI of 2.0% per annum
Census Data	The census was provided by the City as of September, 2021
Marriage Rate	It is assumed that 40% of future retirees have a spouse. This is based on the current retiree demographic.
Spouse Age	Spouse dates of birth were provided by the City. Where this information is missing, male spouses are assumed to be three years older than female spouses.
Medicare Eligibility	All current and future retirees are assumed to be eligible for Medicare at age 65.
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Experience/Assumptions gains and losses are amortized over a closed period of 5.05 years starting the current fiscal year, equal to the average remaining service to expected retirement age of active and inactive plan members (who have no future service).
Plan Participation Percentage	The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 70% of future retirees will participate in the retiree medical plan and 100% participate in the life insurance plan. For those employees hired after 3/18/2006, and for FOP/IAFF employees hired after 07/14/2010, it is assumed that 70% continue on the plans post-Medicare. This assumes that a one-time irrevocable election to participate is made at retirement.
Mortality Rates	PUB-2010 Mortality Tables split by Teacher, Public Safety, and General, scaled using MP-2018 and applied on a gender-specific basis.

The health care cost trend assumptions are used to project the cost of health care in future years. The following annual trends are based on the current HCA Consulting trend study and are applied on a select and ultimate basis. Select trends are reduced 0.5% each year until reaching the ultimate trend rate.

**CITY OF MIAMI BEACH, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

<u>Expense Type</u>	<u>Select</u>	<u>Ultimate</u>
Pre-medicare Medical and Rx	6.0%	4.50%
Medicare Benefits	5.00	4.50
Stop Loss Fees	6.00	4.50
Administrative Fees	4.50	4.50

The Per Capita Health Claim Costs for expected retiree claim costs were developed using historical claim experience through September 2020. For the police and fire plans, the claims were developed based on the premium equivalents and age adjusted. The annual age 60 and 70 claim costs for retirees and their spouses are as follows:

<u>Per Capita Costs</u>	<u>Age 60</u>	<u>Age 70</u>
Police	\$ 11,353	\$ 5,795
Fire	10,254	5,764
Other	11,446	6,420

Sensitivity of the net OPEB liability to changes in the discount rate.

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current discount rate:

	<u>1% Decrease (1.56%)</u>	<u>Discount Rate (2.56%)</u>	<u>1% Increase (3.56%)</u>
Net OPEB Liability	\$ 541,632,489	\$ 455,055,174	\$ 386,946,609

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Current Trend</u>	<u>1% Increase</u>
Net OPEB Liability	\$ 388,342,758	\$ 455,055,174	\$ 538,977,255

**CITY OF MIAMI BEACH, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 18 – Restatement**

Restatement of GASB Statement No. 84

Effective October 1, 2020, the City implemented *GASB Statement No. 84, Fiduciary Activities*. In response to the Covid 19 pandemic, GASB issued Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance. Accordingly, GASB Statement No. 84, Fiduciary Activities became effective starting in fiscal year ending September 30, 2021.

This Statement establishes guidance regarding what constitutes fiduciary activities for accounting and financial reporting purposes. The focus of the criteria generally is on: (1) whether a government is controlling the assets of the fiduciary activity, and (2) the beneficiaries with whom a fiduciary relationship exists. The City identified and reviewed all Internal Funds and assessed whether these internal accounts should be reported in the custodial fund/fiduciary activities, or special revenue fund. Additional assessments resulted in the reclass of certain balances to the governmental and proprietary funds. See Summary of restatement of beginning balances as follows:

	<u>Governmental Activities - Net Position</u>	<u>Business Type Activities - Net Position</u>	<u>Total</u>	
September 30, 2020	\$ (104,284,103)	\$ 1,154,351,356	\$ 1,050,067,253	
Restatement for GASB 84	7,870,373	2,821,370	10,691,743	
October 1, 2020	<u>\$ (96,413,730)</u>	<u>\$ 1,157,172,726</u>	<u>\$ 1,060,758,996</u>	

<b>Governmental Funds</b>	<u>General Fund</u>	<u>Resort Tax</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>
September 30, 2020	\$ 94,729,393	\$ 22,175,065	\$ 260,171,774	\$ 99,677,666
Restatement for GASB 84	681,997	2,644	3,839,106	2,697,190
October 1, 2020	<u>\$ 95,411,390</u>	<u>\$ 22,177,709</u>	<u>\$ 264,010,880</u>	<u>\$ 102,374,856</u>

<b>Proprietary Funds</b>	<u>Building Fund</u>	<u>Internal Service Funds</u>
September 30, 2020	\$ 43,062,086	\$ 45,763,755
Restatement for GASB 84	2,821,370	649,436
October 1, 2020	<u>\$ 45,883,456</u>	<u>\$ 46,413,191</u>

**CITY OF MIAMI BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 19 – Subsequent Event**

On April 29, 2021, the City of Miami Beach issued Resolution No. 2021-31692 which authorized the issuance of not to exceed \$40,000,000 in aggregate principal amount of City of Miami Beach, Florida Water and Sewer Revenue Refunding Bonds, Series 2021A. On October 14, 2021, the City issued at par value \$32,480,000 Water and Sewer Revenue Refunding Bonds secure by the net revenues of the City's combined water and sewer system. The proceeds of the Series 2021A Bonds was used, together with other legally available moneys, to (i) refund and prepay the City's (a) \$10,000,000 outstanding principal amount of City of Miami Beach, Florida Water and Sewer Revenue Refunding Bonds, Taxable Series 2009J-1B and (b) \$30,000,000 outstanding principal amount of City of Miami Beach, Florida Water and Sewer Revenue Bonds, Taxable Series 2009J-1C and (ii) pay the costs of issuance of the Series 2021A Bonds and the refunding and prepayment of the Refunded Bonds. The Bonds were issued with interest rates of 3.00% to 5.00%, payable semi-annually on March 1 and September 1, and will mature serially through September 2047. The bonds will be repaid solely from the pledged revenues of the Water and Sewer System.

On May 4, 2022, the City of Miami Beach issued Resolution No. 2022-32157 which authorized the issuance not to exceed \$22,000,000 in aggregate principal amount of City of Miami Beach, Florida Parking Revenue Bonds, Series 2022A for the principal purpose of funding a portion of the 72<sup>nd</sup> Street Community Complex Parking Garage, and not to exceed \$70,000,000 in aggregate principal amount Revenue Refunding Bonds, taxable Series 2022B, for the principal purpose of refunding all or a portion of the City's outstanding Parking Revenue Bonds, Series 2015. These bonds were not issued as of the date of this report.

MIAMI BEACH

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**REQUIRED SUPPLEMENTARY  
INFORMATION (RSI)**



**CITY OF MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CONTRIBUTIONS BY EMPLOYER AND OTHER CONTRIBUTING ENTITIES**  
**RETIREMENT SYSTEM FOR FIREFIGHTERS AND POLICE OFFICERS (MBF&P)**  
**(Unaudited)**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	\$ 43,324,910	\$ 42,779,004	\$ 39,747,149	\$ 37,639,937	\$ 35,367,866	\$ 34,970,641	\$ 33,149,388	\$ 35,960,326	\$ 39,492,050	\$ 36,297,459
Actual contribution	\$ 43,324,910	42,779,004	39,747,149	37,639,937	35,367,866	34,970,641	33,149,388	35,960,326	39,492,050	36,297,459
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll (excluding DROP)	\$ 66,037,375	\$ 66,272,092	\$ 66,441,610	\$ 64,181,403	\$ 59,907,167	\$ 56,759,632	\$ 56,545,113	\$ 50,740,542	\$ 47,164,030	\$ 53,273,735
Actual contribution as a % of covered payroll	65.61%	64.55%	59.82%	58.65%	59.04%	61.61%	58.62%	70.87%	83.73%	68.13%

**Notes to Schedule of Contributions**

Valuation Date Actuarially determined contributions are calculated as of October 1st - two years prior to the fiscal year in which contributions are reported.  
Notes MBF&P actual contributions include certain Chapter 175/185 non-employer contribution amounts. These amounts are from the State of Florida.

**Methods and Assumptions Used to Determine Contribution Rates**

Actuarial Cost Method Entry Age Normal  
Amortization Method Level Percentage, Closed  
Remaining Amortization Period 30 years  
Asset Valuation Method 5-year smoothed market  
Inflation 3.00%  
Payroll Growth 2.80%  
Salary Increases 1.7% - 9.89%  
Investment Rate of Return 7.65%  
Retirement Age Experience-based table of rates that are specific to the type of eligibility condition  
Mortality For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Mortality Table, both sets forward one year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.  
For healthy participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward one year, with fully generational mortality improvements projected to each future decrement date with scale MP-2018.  
For disabled male participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.

Cost-of-Living Increases 1.50%, 2.00% or 2.50%

**CITY OF MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS**  
**MIAMI BEACH EMPLOYEES' RETIREMENT SYSTEM (MBERP)**  
**(Unaudited)**

	2021	2020	2019	2018	2017	2016	2015
<b>Total pension liability</b>							
Service cost	\$ 15,577,246	\$ 16,171,537	\$ 15,232,372	\$ 13,720,496	\$ 12,906,811	\$ 11,795,411	\$ 12,306,795
Interest	67,095,944	65,045,122	63,015,047	57,800,541	56,164,518	54,152,569	51,809,378
Benefit changes	-	-	-	-	-	-	(1,183,267)
Differences between expected and actual experience	(3,398,414)	1,117,690	18,961	(4,242,257)	(2,210,692)	-	4,909,738
Changes of assumptions	(8,618,033)	10,022,465	4,771,684	52,573,659	11,676,037	11,026,357	-
Benefit payments	(52,250,292)	(51,014,104)	(49,726,168)	(44,576,144)	(41,900,843)	(35,874,016)	(37,501,400)
Refunds	(1,177,837)	(1,571,361)	(1,381,297)	(905,574)	(948,535)	(941,310)	(1,143,866)
Other	-	-	-	-	-	311,076	311,077
Net change in total pension liability	17,228,614	39,771,349	31,930,599	74,370,721	35,687,296	40,470,087	29,508,455
Total pension liability - beginning	905,749,411	865,978,062	834,047,463	759,676,742	723,989,446	683,519,359	654,010,904
Total pension liability - ending	<u>\$ 922,978,025</u>	<u>\$ 905,749,411</u>	<u>\$ 865,978,062</u>	<u>\$ 834,047,463</u>	<u>\$ 759,676,742</u>	<u>\$ 723,989,446</u>	<u>\$ 683,519,359</u>
<b>Plan fiduciary net position</b>							
Contributions - employer	31,475,030	\$ 31,864,304	\$ 31,892,485	\$ 29,358,098	\$ 27,783,852	\$ 26,456,580	\$ 25,602,030
Contributions - member	8,665,597	8,512,207	8,242,590	7,871,072	7,341,533	7,310,183	7,373,407
Net investment income	60,053,751	23,328,881	51,285,893	70,646,599	55,818,905	(5,048,406)	51,773,646
Benefit payments	(52,250,292)	(51,014,104)	(49,726,168)	(44,576,144)	(41,900,843)	(35,874,016)	(37,501,400)
Refunds	(1,177,837)	(1,571,361)	(1,381,297)	(905,574)	(948,535)	(941,310)	(1,143,866)
Administrative expenses	(808,094)	(827,919)	(730,118)	(703,539)	(677,509)	(706,283)	(668,851)
Other	-	-	-	(68,222)	-	-	-
Net change in plan fiduciary net position	45,958,155	10,292,008	39,583,385	61,622,290	47,417,403	(8,803,252)	45,434,966
Plan fiduciary net position - beginning	666,499,619	656,207,611	616,624,226	555,001,936	507,584,533	516,387,785	470,952,819
Plan fiduciary net position - ending	<u>\$ 712,457,774</u>	<u>\$ 666,499,619</u>	<u>\$ 656,207,611</u>	<u>\$ 616,624,226</u>	<u>\$ 555,001,936</u>	<u>\$ 507,584,533</u>	<u>\$ 516,387,785</u>
City's net pension liability	\$ 210,520,251	\$ 239,249,792	\$ 209,770,451	\$ 217,423,237	\$ 204,674,806	\$ 216,404,913	\$ 167,131,574
Plan fiduciary net position as a percentage of the total pension liability	77.19%	73.59%	75.78%	73.93%	73.06%	70.11%	75.55%
Covered payroll	88,141,166	\$ 84,980,438	\$ 85,003,174	\$ 77,013,213	\$ 71,863,150	\$ 82,359,302	\$ 76,362,960
Net pension liability as a percentage of covered payroll	238.84%	281.54%	246.78%	282.32%	284.81%	262.76%	218.86%

**Notes to Schedule:** This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available. The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

From fiscal year 2020 to 2021, the discount rate used to determine the net pension liability decreased from 7.50% to 7.40%.  
From fiscal year 2019 to 2020, the discount rate used to determine the net pension liability decreased from 7.60% to 7.50%.  
From fiscal year 2018 to 2019, the discount rate used to determine the net pension liability decreased from 7.65% to 7.60%.  
From fiscal year 2017 to 2018, the discount rate used to determine the net pension liability decreased from 7.70% to 7.65%.  
From fiscal year 2016 to 2017, the discount rate used to determine the net pension liability decreased from 7.85% to 7.70%.

**CITY OF MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS**  
**RETIREMENT SYSTEM FOR FIREFIGHTERS AND POLICE OFFICERS (MBF&P)**  
**(Unaudited)**

	2021	2020	2019	2018	2017	2016	2015
<b>Total pension liability</b>							
Service cost	\$ 22,110,056	\$ 20,212,389	\$ 18,462,961	\$ 17,530,982	\$ 17,803,602	\$ 16,098,560	\$ 14,763,595
Interest	95,945,797	94,542,878	91,544,984	87,422,136	82,627,847	78,415,039	75,108,912
Benefit changes	922,043	-	-	(9,688,441)	-	-	-
Differences between expected and actual experience	(7,950,229)	7,883,134	11,814,591	141,740	14,588,712	12,428,547	7,685,043
Changes of assumptions	(16,924,385)	7,294,349	6,951,571	34,969,254	2,447,885	5,686,196	-
Benefit payments, including refunds of member contributions	(69,388,221)	(68,466,325)	(75,460,821)	(58,574,937)	(54,861,660)	(62,686,716)	(53,605,094)
Net change in total pension liability	24,715,061	61,466,425	53,313,286	71,800,734	62,606,386	49,941,626	43,952,456
Total pension liability - beginning	1,290,634,476	1,229,168,051	1,175,854,765	1,104,054,031	1,041,447,645	991,506,019	947,553,563
Total pension liability - ending	\$ 1,315,349,537	\$ 1,290,634,476	\$ 1,229,168,051	\$ 1,175,854,765	\$ 1,104,054,031	\$ 1,041,447,645	\$ 991,506,019
<b>Plan fiduciary net position</b>							
Contributions - City and State	42,779,004	\$ 39,747,149	\$ 37,639,937	\$ 35,367,866	\$ 34,970,641	\$ 33,149,388	\$ 35,960,326
Contributions - member	7,133,188	6,972,214	6,593,715	6,198,244	5,984,397	5,944,414	5,258,974
Net investment income	85,054,923	39,053,408	82,094,851	85,791,174	70,539,300	5,689,333	72,259,674
Benefit payments, including refunds of member contributions	(69,388,221)	(68,466,325)	(75,460,821)	(58,574,937)	(54,861,660)	(62,686,716)	(53,605,094)
Administrative expenses	(900,251)	(855,761)	(802,106)	(769,079)	(826,044)	(777,493)	(905,130)
Net change in plan fiduciary net position	64,678,623	16,450,685	50,065,576	68,013,268	55,806,634	(18,681,074)	58,968,750
Plan fiduciary net position - beginning	940,953,661	924,502,976	874,437,400	806,424,132	750,617,498	769,298,572	710,329,822
Plan fiduciary net position - ending	\$ 1,005,632,284	\$ 940,953,661	\$ 924,502,976	\$ 874,437,400	\$ 806,424,132	\$ 750,617,498	\$ 769,298,572
City's net pension liability	\$ 309,717,253	\$ 349,680,815	\$ 304,665,075	\$ 301,417,365	\$ 297,629,899	\$ 290,830,147	\$ 222,207,447
Plan fiduciary net position as a percentage of the total pension liability	76.45%	72.91%	75.21%	74.37%	73.04%	72.07%	77.59%
Covered payroll	\$ 66,272,092	\$ 66,441,610	\$ 64,181,403	\$ 59,907,167	\$ 56,759,632	\$ 56,545,113	\$ 57,545,593
Net pension liability as a percentage of covered payroll	467.34%	526.30%	474.69%	503.14%	524.37%	514.33%	386.14%

**Notes to Schedule:** This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available. The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

For September 30, 2021, investment rate of return decreased from 7.75% to 7.65%. For September 30, 2020, investment rate of return decreased from 7.8% to 7.75%. For September 30, 2019, investment return was decreased from 7.85% to 7.80%. There were no changes to the investment return for the period ending September 30, 2018. For September 30, 2017, investment return was decreased from 7.90% to 7.85% and the mortality assumptions were updated to the assumption used in the Florida Retirement System July 1, 2016 Actuarial Valuation. For September 30, 2016, investment return was decreased from 7.95% to 7.90%, withdrawal and retirement rates were updated, disability incidence was updated to 65% service incurred / 35% non service incurred and the load for compensation and rejected pensionable payroll was replaced with actual pensionable pay these changes first affect the contribution for fiscal year ended September 30, 2017.

**CITY OF MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE**  
**CITY'S NET OPEB LIABILITY AND RELATED RATIOS**  
**(unaudited) (\*)**

	2021	2020	2019	2018	2017
<b>Total OPEB Liability</b>					
Service Cost	\$ 9,033,753	\$ 9,129,624	\$ 4,235,229	\$ 3,921,508	\$ 3,074,151
Interest	13,167,573	15,167,033	14,606,184	14,345,708	13,700,847
Differences between expected and actual experience	(2,770,486)				
Changes of assumptions	11,341,135	70,563,191	212,252,691	(2,399,422)	
Benefit payments	(14,439,769)	(8,886,242)	(13,507,000)	(11,647,331)	(10,111,628)
<b>Net change in total OPEB Liability</b>	<b>16,332,206</b>	<b>85,973,606</b>	<b>217,587,104</b>	<b>4,220,463</b>	<b>6,663,370</b>
Total OPEB liability - beginning	487,686,998	401,713,392	184,126,288	179,905,825	173,242,455
Total OPEB liability - ending (a)	<u>\$ 504,019,204</u>	<u>\$ 487,686,998</u>	<u>\$ 401,713,392</u>	<u>\$ 184,126,288</u>	<u>\$ 179,905,825</u>
<b>Plan Fiduciary Net Position</b>					
Contributions - employer	\$ 16,270,068	\$ 9,373,242	\$ 13,996,031	\$ 1,039,279	\$ 438,000
Net investment income	6,865,781	4,268,202	886,546	2,540,698	3,302,688
Benefit payments	(14,439,769)	(8,886,242)	(13,507,000)		
Administrative expense	(130,422)	(57,699)	(88,918)	(65,711)	145,690
<b>Net Change in plan fiduciary net position</b>	<b>8,565,658</b>	<b>4,697,503</b>	<b>1,286,659</b>	<b>3,514,266</b>	<b>3,886,378</b>
Plan fiduciary net position - beginning	40,398,372	35,700,869	34,414,210	30,899,944	27,013,566
Plan fiduciary net position - ending (b)	<u>\$ 48,964,030</u>	<u>\$ 40,398,372</u>	<u>\$ 35,700,869</u>	<u>\$ 34,414,210</u>	<u>\$ 30,899,944</u>
<b>City's Net OPEB Liability - ending (a) - (b)</b>	<b>\$ 455,055,174</b>	<b>\$ 447,288,626</b>	<b>\$ 366,012,523</b>	<b>\$ 149,712,078</b>	<b>\$ 149,005,881</b>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	9.71%	8.28%	8.89%	18.69%	17.18%
Covered-employee payroll ^	134,165,565	\$ 156,013,000	150,737,233	\$ 147,122,000	\$ 142,146,603
<b>City's net OPEB liability as a percentage of covered payroll</b>	339.17%	286.70%	242.81%	101.76%	104.83%

\* - Fiscal year 2017 is the first year data is available. The City will accumulate a ten year schedule as data becomes available.

^ - Employees do not contribute towards OPEB.

**CITY OF MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF OTHER POST EMPLOYMENT BENEFITS - CITY CONTRIBUTIONS**  
**Last 10 Fiscal Years**  
**(unaudited) (\*)**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	\$ 30,441,643	\$ 29,169,845	\$ 33,576,019	\$ 15,055,943	\$ 15,055,943	\$ 27,783,852	\$ 26,317,983	\$ 25,602,030	\$ 21,222,051	\$ 17,583,191
Contributions in relation to the actuarially determined contributions	16,270,068	9,373,242	14,496,031	12,686,610	10,549,628	27,783,852	26,456,580	25,602,030	21,222,051	17,583,191
Contribution deficiency (excess)	\$ 14,171,575	\$ 19,796,603	\$ 19,079,988	\$ 2,369,333	\$ 4,506,315	\$ -	\$ (138,597)	\$ -	\$ -	\$ -
Covered-employee payroll	134,165,565	156,013,000	150,737,233	147,122,000	142,146,603	71,863,150	82,359,302	76,362,960	65,054,000	66,347,000
Contributions as a percentage of covered payroll	12.13%	6.01%	9.62%	8.62%	7.42%	38.66%	32.12%	33.53%	32.62%	26.50%

**Methods and Assumptions Used to Determine Contribution Rates**

Valuation Date	September 30, 2021
Discount Rate	2.56 per annum. This was based on combination of the estimated long term rate of return from the City's OPEB trust and 20 year GO Bond rate of return @ 9/30/2021.
Asset Valuation Method	Fair Market Value
Current Asset Mix	Currently the City is targeted to invest approximately 60% in equities and 39% in bonds, with the remainder as cash.
Salary Increase Rate	3.5% per annum
Inflation Rate	3.0% per annum
Medical Consumer Price Index	Chained-CPI of 2.0% per annum
Census Data	The census was provided by the City as of September, 2021
Marriage Rate	It is assumed that 40% of future retirees have a spouse. This is based on the current retiree demographic.
Spouse Age	Spouse dates of birth were provided by the City. Where this information is missing, male spouses are assumed to be three years older than female spouses.
Medicare Eligibility	All current and future retirees are assumed to be eligible for Medicare at age 65.
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Experience/Assumptions gains and losses are amortized over a closed period of 6.6 years starting the current fiscal year, equal to the average remaining service to expected retirement age of active and inactive members (who have no future service).
Plan Participation Percentage	The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 70% of future retirees will participate in the retiree medical plan and 30% will not participate in the life insurance plan. For those employees hired after 3/18/2006, and for FOP/IAFF employees hired after 07/14/2010, it is assumed that 70% continue on the plans post-Medicare. This assumption is based on the assumption that a 70% time irrevocable election to participate is made at retirement.
Mortality Rates	PUB-2010 generational table, split by Teacher, Public Safety, and General, scaled using MP-2018 and applied on a gender-specific basis.

**SCHEDULE OF INVESTMENT RETURNS**  
**Last 10 Fiscal Years (\*)**

	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	16.30%	11.80%	2.30%	8.00%	11.69%

\* Fiscal year 2017 is the first year data is available. The City will accumulate a ten year schedule as data becomes available.

**CITY OF MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Fiscal Year Ended September 30, 2021**  
**(Unaudited)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes:				
Property	\$ 196,635,000	\$ 196,635,000	\$ 195,317,543	\$ (1,317,457)
Sales, use and fuel taxes	1,108,000	1,108,000	955,935	(152,065)
Utility	12,117,000	12,117,000	12,123,114	6,114
Local business	4,706,000	4,706,000	3,706,743	(999,257)
Communication Service	3,504,000	3,504,000	3,500,665	(3,335)
Franchise fees	8,462,000	8,462,000	8,200,955	(261,045)
Permits	8,980,000	8,980,000	8,955,463	(24,537)
Intergovernmental	10,610,000	10,610,000	52,868,318	42,258,318
Charges for services	18,541,000	18,541,000	19,428,082	887,082
Rents and leases	5,491,000	5,491,000	5,305,163	(185,837)
Interest income	2,769,000	2,769,000	5,315,882	2,546,882
Fines and forfeits	1,067,000	1,067,000	1,281,019	214,019
Administrative fees	21,233,000	21,233,000	19,855,668	(1,377,332)
Other	1,148,000	1,148,000	3,152,641	2,004,641
Total revenues	<u>296,371,000</u>	<u>296,371,000</u>	<u>339,967,191</u>	<u>43,596,191</u>
<b>Expenditures</b>				
General government:				
Mayor and Commission	2,516,000	2,516,000	2,414,358	101,642
City Manager	3,953,500	3,953,500	3,693,293	260,207
City Clerk	1,828,000	1,843,000	1,735,971	107,029
Budget and Performance Management	2,483,000	2,584,000	1,955,816	628,184
Finance	6,290,000	6,350,829	6,255,791	95,038
Human Resources	2,793,000	2,792,782	2,566,343	226,439
Procurement	2,697,000	2,698,000	2,522,212	175,788
City Attorney	5,740,000	6,147,000	5,837,490	309,510
Grants and Intergovernmental Affairs	842,500	842,500	798,759	43,741
Planning	5,189,000	5,559,000	4,563,791	995,209
Media Relations	2,139,000	2,220,000	2,088,239	131,761
Public Works	4,341,000	4,357,892	4,050,431	307,461
Environment & Sustainability	3,400	3,550	2,476	1,074
Capital Improvement	5,459,000	5,466,000	4,810,049	655,951
Citywide/Unclassified	4,914,598	8,260,947	8,260,947	-
Total general government	<u>51,188,998</u>	<u>55,595,000</u>	<u>51,555,966</u>	<u>4,039,034</u>
Public safety:				
Code Compliance	6,453,000	6,474,000	6,085,875	388,125
Fire	89,606,000	92,296,764	92,246,988	49,776
Police	116,529,530	118,204,530	116,613,604	1,590,926
Emergency Management	1,195,000	1,217,050	1,021,106	195,944
Citywide/Unclassified	4,607,402	6,390,402	8,156,299	(1,765,897)
Total public safety	<u>218,390,932</u>	<u>224,582,746</u>	<u>224,123,872</u>	<u>458,874</u>
Physical Environment	4,416,600	4,480,537	3,898,767	581,770
Transportation	5,931,000	5,431,000	4,505,534	925,466
Economic Environment	2,460,523	2,727,523	2,386,150	341,373
Human Services	3,043,977	2,991,977	2,458,893	533,084
Culture and recreation	38,454,500	37,561,500	36,796,638	764,862
Capital Outlay	491,470	500,794	249,213	251,581
Debt service:				
Principal retirement	132,400	132,400	-	132,400
Interest and fiscal charges	223,600	223,600	7,123,719	(6,900,119)
Total expenditures	<u>324,734,000</u>	<u>334,227,077</u>	<u>333,098,752</u>	<u>1,128,325</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(28,363,000)</u>	<u>(37,856,077)</u>	<u>6,868,439</u>	<u>44,724,516</u>
<b>Other financing sources (uses)</b>				
Transfers in	23,053,000	23,053,000	11,370,984	(11,682,016)
Transfers out	(4,289,000)	(8,491,924)	(8,091,257)	400,667
Sale of capital assets	-	-	20,551	20,551
Total other financing sources	<u>18,764,000</u>	<u>14,561,076</u>	<u>3,300,278</u>	<u>(11,260,798)</u>
Net change in fund balances	<u>(9,599,000)</u>	<u>(23,295,001)</u>	<u>10,168,717</u>	<u>33,463,718</u>
Fund balances - beginning of year	103,016,521	90,257,250	94,729,393	-
Restatement for GASB 84	-	-	681,997	681,997
Fund Balance - as restated	<u>103,016,521</u>	<u>90,257,250</u>	<u>95,411,390</u>	<u>681,997</u>
Fund balances - end of year	<u>\$ 93,417,521</u>	<u>\$ 66,962,249</u>	<u>\$ 105,580,107</u>	<u>\$ 34,145,715</u>

The notes to this Budget and Actual statements are an integral part of this statement (page 117).



**CITY OF MIAMI BEACH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**BUDGETED MAJOR SPECIAL REVENUE FUNDS**  
**For the Fiscal Year Ended September 30, 2021**  
**(Unaudited)**

	Resort Tax Revenue Fund				Miami Beach Redevelopment Agency			
	Original	Final	Actual	Variance	Original	Final	Actual	Variance
	Budgeted	Budgeted		Favorable	Budgeted	Budgeted		Favorable
Amounts	Amounts	Amounts	(Unfavorable)	Amounts	Amounts	Amounts	(Unfavorable)	
<b>Revenues</b>								
Resort taxes	\$ 68,273,000	\$ 68,273,000	\$ 82,207,342	\$ 13,934,342	\$ -	\$ -	\$ -	\$ -
Tax increment	-	-	-	-	59,724,000	59,724,000	56,434,269	(3,289,731)
Rents and leases	-	-	-	-	-	-	-	-
Intergovernmental	-	-	391,479	391,479	-	-	319,041	319,041
Interest income	987,000	987,000	226,184	(760,816)	1,380,000	1,380,000	433,367	(946,633)
Special assessment	40,000	40,000	8,345	(31,655)	-	-	-	-
Other	30,000	30,000	26,283	(3,717)	-	-	3,688	3,688
<b>Total revenues</b>	<b>69,330,000</b>	<b>69,330,000</b>	<b>82,859,633</b>	<b>13,529,633</b>	<b>61,104,000</b>	<b>61,104,000</b>	<b>57,190,365</b>	<b>(3,913,635)</b>
<b>Expenditures</b>								
General government	2,871,500	2,871,500	1,069,710	1,801,790	21,599,785	19,588,622	1,710,000	17,878,622
Public safety	6,962,500	6,962,500	6,794,808	167,692	5,030,000	5,238,500	4,780,343	458,157
Transportation	1,000,000	1,000,000	10,165	989,835	109,215	109,215	109,215	-
Physical environment	-	-	-	-	3,994,000	6,005,163	6,005,163	-
Economic environment	-	-	-	-	7,022,000	7,022,000	6,471,433	550,567
Culture and recreation	12,065,000	12,065,000	11,706,855	358,145	1,273,500	1,273,500	1,119,216	154,284
Capital Outlay	-	-	-	-	400,000	400,000	1,964	398,036
Debt Service:								
Interest and fiscal charges	2,000	2,000	1,239	761	-	-	531,543	(531,543)
<b>Total expenditures</b>	<b>22,901,000</b>	<b>22,901,000</b>	<b>19,582,777</b>	<b>3,318,223</b>	<b>39,428,500</b>	<b>39,637,000</b>	<b>20,728,877</b>	<b>18,908,123</b>
Excess (deficiency) of revenues over (under) expenditures	46,429,000	46,429,000	63,276,856	16,847,856	21,675,500	21,467,000	36,461,488	14,994,488
<b>Other financing sources (uses)</b>								
Transfers out	(68,746,000)	(68,746,000)	(39,194,795)	29,551,205	(34,351,000)	(34,351,000)	(30,896,729)	3,454,271
<b>Total other financing sources (uses)</b>	<b>(68,746,000)</b>	<b>(68,746,000)</b>	<b>(39,194,795)</b>	<b>29,551,205</b>	<b>(34,351,000)</b>	<b>(34,351,000)</b>	<b>(30,896,729)</b>	<b>3,454,271</b>
<b>Net change in fund balances</b>	<b>(22,317,000)</b>	<b>(22,317,000)</b>	<b>24,082,061</b>	<b>46,399,061</b>	<b>(12,675,500)</b>	<b>(12,884,000)</b>	<b>5,564,759</b>	<b>18,448,759</b>
Fund balances - beginning of year	22,175,065	22,175,065	22,175,065	-	59,865,325	59,865,325	59,865,325	-
Restatement for GASB 84	-	-	2,644	-	-	-	-	-
Net position - as restated	22,175,065	22,175,065	22,177,709	-	-	-	-	-
<b>Fund balances - end of year</b>	<b>\$ (141,935)</b>	<b>\$ (141,935)</b>	<b>\$ 46,259,770</b>	<b>\$ 46,399,061</b>	<b>\$ 47,189,825</b>	<b>\$ 46,981,325</b>	<b>\$ 65,430,084</b>	<b>\$ 18,448,759</b>

The notes to this Budget and Actual statements are an integral part of this statement (page 118).

**CITY OF MIAMI BEACH, FLORIDA**  
**NOTES TO THE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE – BUDGET TO ACTUAL**  
**SEPTEMBER 30, 2021**

**1. Budgetary Policy**

**A. Budgetary Data**

The City is required to prepare, approve, adopt and execute an annual budget for such funds as may be required by law or by sound financial practices and generally accepted accounting principles.

The City' has legally adopted annual budgets for the General Fund, and the City's two (2) major special revenue funds which are the Resort Tax Fund and the Miami Beach Redevelopment Agency Fund (RDA). Budget to actual comparisons for the General Fund, Resort Tax Fund and RDA Fund are presented in the Required Supplementary Information section of this report.

Pursuant to the City's Charter, the City Manager shall make public a budget summary setting forth the proposed cost of each individual department and reflecting the personnel for each department. A citywide budget is also adopted for costs that are not readily identifiable to any specific department. For financial reporting purposes, the citywide appropriations and actual costs are reported under an identifiable function as citywide/ unclassified where details within the function are provided. Where no details are provided, it is included in the total of the function. At the appropriations level, the citywide budget can be allocated across functions.

The proposed budget includes anticipated expenditures and the means of financing them. After Commission review and public hearings, the budget is adopted prior to October 1st. The budgets are approved by fund and department and authorized at the department level. Management may transfer amounts between line items within a department as long as the transfer does not result in an increase in the department's budget. Increases to funds or department budgets and transfers between departments require City Commission approval.

There were fourteen (14) supplemental budgetary appropriations for the funds mentioned above; six (6) General Fund, two (2) Resort Tax and six (6) capital during fiscal year ended September 30, 2021.

Encumbrance accounting, under which purchase order commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds. Encumbrances outstanding at year-end are reported as commitments of fund balances, since they do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the City. Budgets are adopted on the modified accrual basis of accounting. All operating appropriations lapse at year end.

**B. Budget Variance**

**I. Public Safety - Citywide/ unclassified**

The general fund citywide public safety line had a negative budget variance of \$1.8 million. The excess costs resulted from the police and fire pension buyback option. The pension buyback option provided for all eligible sworn Police and Fire personnel, regardless of the pension service time, to purchase up to two years of service from July 1, 2021 through September 30, 2021 in accordance with the City's current collective

**CITY OF MIAMI BEACH, FLORIDA**  
**NOTES TO THE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE – BUDGET TO ACTUAL**  
**SEPTEMBER 30, 2021**

bargaining agreements. Historically, all general fund departments' use of accumulated leave time have been budgeted and expended in the citywide category. The police and fire buyback expenditures are based on employees using their available accumulated leave bank to cover some or all of their buyback costs and were treated in the same manner. The 6th general fund operating budget amendment appropriated \$1.8 million to cover the costs associated with the buyback, however, the final total buyback (which was difficult to predict) exceeded this line-item budget and resulted in a net negative variance. The overall general fund actual expenditures were less than the overall general fund expenditure budget.

**II. General fund – interest expense for unrealized losses**

As of September 30, 2021, the City's general fund has a negative variance on interest and fiscal charges due to investment transactions. The negative investment income was due to recording an unrealized loss of \$7.1 million in the City's investment securities to comply with GASB statement 31. However, as the City's investment practice is to hold investments until maturity the City does not budget for unrealized losses.

**III. RDA – interest expense for unrealized losses**

As of September 30, 2021, the City's Redevelopment Agency fund has a negative variance on interest and fiscal charges due to investment transactions. The negative investment income was due to recording an unrealized loss of \$531 thousand in the City's investment securities to comply with GASB statement 31. However, as the City's investment practice is to hold investments until maturity the City does not budget for unrealized losses.

**2. Miami Beach Employees' Retirement System (MBERP) Actuary Assumptions**

Please refer to page 109 for the actuary assumptions.

**3. Retirement System for Firefighters and Police Officers (MBF&P) Actuary Assumptions**

Please refer to page 110 for the actuary assumptions.

# **SUPPLEMENTARY INFORMATION**

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds:

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

**Community Development Block Grant Fund:** This fund accounts for the receipt and expenditure of funds under this Federal Program.

**State Housing Initiatives Partnership Fund:** This fund accounts for the receipt and expenditure of funds under this State Program.

**Parking Impact Fees Fund:** This fund accounts for impact fee revenue paid, primarily by owners of new and existing construction, in lieu of their ability to provide adequate parking spaces as defined by City Ordinance. The fund is also responsible for the disbursement of funds for various parking related projects in the impacted areas.

**Transportation Concurrency Management Fund:** This fund oversees, maintains, directs the City's concurrency management system, the land use/transportation planning and traffic management efforts and projects.

**Police Confiscation and Training Fund:** This fund accounts for revenues received that are restricted to police related expenditures with multiple restrictions.

**HOME Investment Partnership Program Grant Fund:** This fund accounts for revenues and expenditures that are governed by the HOME grant agreements between the Federal Government and the City.

**Other Special Revenue Fund:** This fund accounts for the revenues and expenditures of a series of small grants.

### Debt Service Funds:

Debt Service Funds account for the payment of interest and principal of the current portion on long-term debt, primarily from tax proceeds and earnings on temporary investments.

**General Obligation Fund:** This fund accounts for principal and interest payments made for general obligations.

**Pension Special Obligation Fund:** This fund accounts for principal and interest payments made for the Pension Special Obligation Bonds

**Gulf Breeze Special Obligation Fund:** This fund accounts for principal and interest payments made for the Gulf Breeze loan.

**Miami Beach Redevelopment Agency Fund:** This fund accounts for principal and interest payments made for the Tax Increment Revenue Special Obligation Bonds.

**Resort Tax Debt Service Fund:** This fund accounts for principal and interest payment on the Resort Tax bond.

**Energy Savings Debt Service Fund:** This fund accounts for principal and interest payment on the Ameresco loan.

**CITY OF MIAMI BEACH, FLORIDA  
COMBINED BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
September 30, 2021**

	<b>Total Nonmajor Special Revenue Funds</b>	<b>Total Nonmajor Debt Service Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>			
Cash and investments	\$ 166,368,963	\$ 2,164,141	\$ 168,533,104
Receivables, net	490,536	42,672	533,208
Due from other funds	746,979	-	746,979
Due from other governments	748,387	-	748,387
Prepays	27,466	-	27,466
<b>Total assets</b>	<b>\$ 168,382,331</b>	<b>\$ 2,206,813</b>	<b>\$ 170,589,144</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 5,700,557	\$ -	\$ 5,700,557
Retainage payable	1,126,525	-	1,126,525
Accrued expenditures	874,574	18,166	892,740
Unearned revenues	362,858	-	362,858
Due to other funds	1,554,485	-	1,554,485
Due to other governments	10,870	-	10,870
Deposits	1,045,828	-	1,045,828
<b>Total liabilities</b>	<b>10,675,697</b>	<b>18,166</b>	<b>10,693,863</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable other revenues	251,752	-	251,752
<b>Total deferred inflows of resources</b>	<b>251,752</b>	<b>-</b>	<b>251,752</b>
<b>FUND BALANCES</b>			
Nonspendable	27,466	-	27,466
Restricted	112,099,876	2,188,647	114,288,523
Committed	46,655,414	-	46,655,414
Assigned	-	-	-
Unassigned	(1,327,874)	-	(1,327,874)
<b>Total fund balances</b>	<b>157,454,882</b>	<b>2,188,647</b>	<b>159,643,529</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 168,382,331</b>	<b>\$ 2,206,813</b>	<b>\$ 170,589,144</b>

**CITY OF MIAMI BEACH, FLORIDA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended September 30, 2021**

	<b>Total Nonmajor Special Revenue Funds</b>	<b>Total Nonmajor Debt Service Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>			
Property taxes	\$ -	\$ 12,754,583	\$ 12,754,583
Sales , Use and Fuel Taxes	4,062,341	-	4,062,341
Utility taxes	954,145	-	954,145
Special taxing districts	647,007	-	647,007
Tax increment	22,346,578	-	22,346,578
Other taxes	2,315,627	-	2,315,627
Federal grants	3,022,362	-	3,022,362
State grants	573,917	-	573,917
Grants from other local units	2,661,295	-	2,661,295
Charges for services	4,177,451	-	4,177,451
Fines and forfeitures	441,895	-	441,895
Impact Fees	1,642,685	-	1,642,685
Interest income	372,594	13,057	385,651
Permits	525,679	-	525,679
Rent and leases	1,316,525	-	1,316,525
Miscellaneous	947,345	-	947,345
<b>Total revenues</b>	<b>46,007,446</b>	<b>12,767,640</b>	<b>58,775,086</b>
<b>EXPENDITURES</b>			
Current:			
General government	652,713	-	652,713
Public safety	10,454,521	-	10,454,521
Physical environment	2,318,445	-	2,318,445
Transportation	6,462,229	-	6,462,229
Economic environment	2,530,624	-	2,530,624
Human services	1,789,973	-	1,789,973
Culture and recreation	2,541,414	-	2,541,414
Capital Outlay	10,683,242	-	10,683,242
Debt Service:			
Principal	190,193	20,196,807	20,387,000
Interest	254,966	30,474,933	30,729,899
Other	-	7,592	7,592
<b>Total expenditures</b>	<b>37,878,320</b>	<b>50,679,332</b>	<b>88,557,652</b>
Excess (deficiency) of revenues over (under) expenditures	8,129,126	(37,911,692)	(29,782,566)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	48,481,380	38,841,248	87,322,628
Transfers out	(271,389)	-	(271,389)
<b>Total other financing sources</b>	<b>48,209,991</b>	<b>38,841,248</b>	<b>87,051,239</b>
<b>Net change in fund balances</b>	<b>56,339,117</b>	<b>929,556</b>	<b>57,268,673</b>
Fund balances - beginning of year	98,418,575	1,259,091	99,677,666
Restatement for GASB 84	2,697,190	-	2,697,190
Fund balance - as restated	101,115,765	1,259,091	102,374,856
<b>Fund balances - end of year</b>	<b>\$ 157,454,882</b>	<b>\$ 2,188,647</b>	<b>\$ 159,643,529</b>

**CITY OF MIAMI BEACH, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
September 30, 2021**

	Community Development Block Grant Fund	State Housing Initiatives Partnership Fund	Parking Impact Fees Fund	Transportation Concurrency Management Fund	Police Confiscation and Training Fund	HOME Investment Partnership Program Grant Fund	Other Special Revenue Fund	Total
<b>ASSETS</b>								
Cash and investments	\$ 2,743	\$ 421,387	\$ 27,427,595	\$ 20,713,135	\$ 488,198	\$ 185,495	\$ 117,130,410	\$ 166,368,963
Receivables, net	-	-	1,518	-	-	-	489,018	490,536
Due from other funds	-	-	-	-	-	-	746,979	746,979
Due from other governments	210,535	-	-	-	-	51,003	486,849	748,387
Prepays	-	-	-	-	-	-	27,466	27,466
Total assets	<u>\$ 213,278</u>	<u>\$ 421,387</u>	<u>\$ 27,429,113</u>	<u>\$ 20,713,135</u>	<u>\$ 488,198</u>	<u>\$ 236,498</u>	<u>\$ 118,880,722</u>	<u>\$ 168,382,331</u>
<b>LIABILITIES</b>								
Accounts payable	172,964	-	125,086	1,265,942	1,106	46,345	4,089,114	5,700,557
Retainage payable	21,375	-	16,042	169,278	-	5,149	914,681	1,126,525
Accrued expenditures	15,253	-	35,510	-	-	4,565	819,246	874,574
Unearned revenue	-	317,846	-	-	-	-	45,012	362,858
Due to other funds	22,291	-	-	-	-	192	1,532,002	1,554,485
Due to other governments	-	-	-	-	-	-	10,870	10,870
Deposits	-	-	-	-	-	-	1,045,828	1,045,828
Total liabilities	<u>231,883</u>	<u>317,846</u>	<u>176,638</u>	<u>1,435,220</u>	<u>1,106</u>	<u>56,251</u>	<u>8,456,753</u>	<u>10,675,697</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable other revenues	-	-	-	-	-	-	251,752	251,752
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>251,752</u>	<u>251,752</u>
<b>FUND BALANCES (deficits)</b>								
Nonspendable	-	-	-	-	-	-	27,466	27,466
Restricted	30	103,541	27,252,475	19,277,915	487,092	185,495	64,793,328	112,099,876
Committed	-	-	-	-	-	-	46,655,414	46,655,414
Assigned	-	-	-	-	-	-	-	-
Unassigned	(18,635)	-	-	-	-	(5,248)	(1,303,991)	(1,327,874)
Total fund balances (deficits)	<u>(18,605)</u>	<u>103,541</u>	<u>27,252,475</u>	<u>19,277,915</u>	<u>487,092</u>	<u>180,247</u>	<u>110,172,217</u>	<u>157,454,882</u>
Total liabilities, deferred inflows and fund balances (deficits)	<u>\$ 213,278</u>	<u>\$ 421,387</u>	<u>\$ 27,429,113</u>	<u>\$ 20,713,135</u>	<u>\$ 488,198</u>	<u>\$ 236,498</u>	<u>\$ 118,880,722</u>	<u>\$ 168,382,331</u>



**CITY OF MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS**  
**For the Fiscal Year Ended September 30, 2021**

	Community Development Block Grant Fund	State Housing Initiatives Partnership Fund	Parking Impact Fees Fund	Transportation Concurrency Management Fund	Police Confiscation and Training Fund	HOME Investment Partnership Program Grant Fund	Other Special Revenue Fund	Total
<b>Revenues:</b>								
Sales, Use and Fuel Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,062,341	\$ 4,062,341
Utility taxes	-	-	-	-	-	-	954,145	954,145
Special taxing districts	-	-	-	-	-	-	647,007	647,007
Tax increment	-	-	-	-	-	-	22,346,578	22,346,578
Other taxes	-	-	-	-	-	-	2,315,627	2,315,627
Federal grants	2,176,852	-	-	-	-	200,148	645,362	3,022,362
State grants	-	123,839	-	-	20,700	-	429,378	573,917
Grants from other local units	-	-	-	-	10,863	-	2,650,432	2,661,295
Charges for services	-	-	-	17,309	-	-	4,160,142	4,177,451
Fines and forfeitures	-	-	-	-	-	-	441,895	441,895
Impact Fees	-	-	415,802	249,715	-	-	977,168	1,642,685
Interest income	-	2,666	173,777	117,452	2,924	-	75,775	372,594
Permits	-	-	-	-	-	-	525,679	525,679
Rent and leases	-	-	-	-	-	-	1,316,525	1,316,525
Other Revenue	-	64,703	-	-	-	-	882,642	947,345
<b>Total revenues</b>	<b>2,176,852</b>	<b>191,208</b>	<b>589,579</b>	<b>384,476</b>	<b>34,487</b>	<b>200,148</b>	<b>42,430,696</b>	<b>46,007,446</b>
<b>Expenditures:</b>								
Current:								
General government	-	-	-	-	-	-	652,713	652,713
Public safety	-	-	-	-	151,146	-	10,303,375	10,454,521
Physical environment	-	-	-	-	-	-	2,318,445	2,318,445
Transportation	-	-	-	-	-	-	6,462,229	6,462,229
Economic environment	1,487,139	30,702	-	-	-	228,966	783,817	2,530,624
Human services	-	-	-	-	-	-	1,789,973	1,789,973
Culture and recreation	-	-	-	-	-	-	2,541,414	2,541,414
Capital Outlay	562,788	-	412,078	1,705,876	-	24,411	7,978,089	10,683,242
Debt Service:								
Principal	-	-	-	-	-	-	190,193	190,193
Interest	-	-	-	-	-	-	254,966	254,966
<b>Total expenditures</b>	<b>2,049,927</b>	<b>30,702</b>	<b>412,078</b>	<b>1,705,876</b>	<b>151,146</b>	<b>253,377</b>	<b>33,275,214</b>	<b>37,878,320</b>
Excess (deficiency) of revenues over (under) expenditures	126,925	160,506	177,501	(1,321,400)	(116,659)	(53,229)	9,155,482	8,129,126
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	-	-	125,000	48,356,380	48,481,380
Transfers out	-	(125,000)	-	-	-	-	(146,389)	(271,389)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(125,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>125,000</b>	<b>48,209,991</b>	<b>48,209,991</b>
<b>Net change in fund balances</b>	<b>126,925</b>	<b>35,506</b>	<b>177,501</b>	<b>(1,321,400)</b>	<b>(116,659)</b>	<b>71,771</b>	<b>57,365,473</b>	<b>56,339,117</b>
Fund balances (deficits) - beginning of year	(145,530)	68,035	27,074,974	20,599,315	603,751	108,476	50,109,554	98,418,575
Restatement for GASB 84	-	-	-	-	-	-	2,697,190	2,697,190
Fund Balabce - as restated	(145,530)	68,035	27,074,974	20,599,315	603,751	108,476	52,806,744	101,115,765
<b>Fund balances (deficits) - end of year</b>	<b>\$ (18,605)</b>	<b>\$ 103,541</b>	<b>\$ 27,252,475</b>	<b>\$ 19,277,915</b>	<b>\$ 487,092</b>	<b>\$ 180,247</b>	<b>\$ 110,172,217</b>	<b>\$ 157,454,882</b>

**CITY OF MIAMI BEACH, FLORIDA  
NONMAJOR DEBT SERVICE FUNDS  
COMBINING BALANCE SHEET  
September 30, 2021**

	General Obligation Debt Service Fund	Pension Loan Debt Service Fund	Gulf Breeze Special Obligation Debt Service Fund	Miami Beach Redevelopment Agency Debt Service Fund	Resort Tax Debt Service Fund	Energy Savings Debt Service Funds	Total
<b>ASSETS</b>							
Cash and investments	\$ 247,388	\$ 260,095	\$ -	-	\$ 1,047,433	\$ 609,225	\$ 2,164,141
Receivables, net	42,672	-	-	-	-	-	42,672
Total assets	<u>\$ 290,060</u>	<u>\$ 260,095</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,047,433</u>	<u>\$ 609,225</u>	<u>\$ 2,206,813</u>
<b>LIABILITIES</b>							
Accrued Expenses	\$ 17,697	\$ -	\$ -	\$ -	\$ -	\$ 469	\$ 18,166
Total liabilities	<u>17,697</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>469</u>	<u>18,166</u>
<b>FUND BALANCES</b>							
Restricted	272,363	260,095	-	-	1,047,433	608,756	2,188,647
Total fund balances	<u>272,363</u>	<u>260,095</u>	<u>-</u>	<u>-</u>	<u>1,047,433</u>	<u>608,756</u>	<u>2,188,647</u>
Total liabilities and fund balances	<u>\$ 290,060</u>	<u>\$ 260,095</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,047,433</u>	<u>\$ 609,225</u>	<u>\$ 2,206,813</u>

**CITY OF MIAMI BEACH, FLORIDA  
NONMAJOR DEBT SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE**

For the Fiscal Year Ended September 30, 2021

	General Obligation Debt Service Fund	Pension Loan Debt Service Fund	Gulf Breeze Special Obligation Debt Service Fund	Miami Beach Redevelopment Agency Debt Service Fund	Resort Tax Debt Service Fund	Energy Savings Debt Service Funds	Total
<b>Revenues</b>							
Property taxes	\$ 12,754,583	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,754,583
Interest income	13,057	-	-	-	-	-	13,057
Total revenues	<u>12,767,640</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,767,640</u>
<b>Expenditures</b>							
<b>Debt Service:</b>							
Principal	5,445,000	1,149,000	1,170,000	7,395,000	3,820,000	1,217,807	20,196,807
Interest	7,348,400	19,418	29,250	14,310,985	8,634,500	132,380	30,474,933
Other	871	-	5,600	744	377	-	7,592
Total expenditures	<u>12,794,271</u>	<u>1,168,418</u>	<u>1,204,850</u>	<u>21,706,729</u>	<u>12,454,877</u>	<u>1,350,187</u>	<u>50,679,332</u>
Excess of expenditures over revenues	<u>(26,631)</u>	<u>(1,168,418)</u>	<u>(1,204,850)</u>	<u>(21,706,729)</u>	<u>(12,454,877)</u>	<u>(1,350,187)</u>	<u>(37,911,692)</u>
Other financing sources (uses):							
Other financing sources							
Transfers in	<u>-</u>	<u>1,170,000</u>	<u>1,204,850</u>	<u>21,706,729</u>	<u>13,492,669</u>	<u>1,267,000</u>	<u>38,841,248</u>
Total other financing sources (uses)	<u>-</u>	<u>1,170,000</u>	<u>1,204,850</u>	<u>21,706,729</u>	<u>13,492,669</u>	<u>1,267,000</u>	<u>38,841,248</u>
Net change in fund balances	(26,631)	1,582	-	-	1,037,792	(83,187)	929,556
Fund balances - beginning of year	<u>298,994</u>	<u>258,513</u>	<u>-</u>	<u>-</u>	<u>9,641</u>	<u>691,943</u>	<u>1,259,091</u>
Fund balances - end of year	<u>\$ 272,363</u>	<u>\$ 260,095</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,047,433</u>	<u>\$ 608,756</u>	<u>\$ 2,188,647</u>

**CITY OF MIAMI BEACH, FLORIDA**  
**SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**BUDGETED NONMAJOR DEBT SERVICE FUNDS**  
**For the Fiscal Years Ended September 30, 2021**  
**(Unaudited)**

	General Obligation Debt Service Fund			Miami Beach Redevelopment Agency Special Obligation Debt Service Fund			Resort Tax Debt Service Fund		
	Original & Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)	Original & Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)	Original & Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>Revenues</b>									
Property taxes	\$ 12,798,000	\$ 12,754,583	\$ (43,417)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	-	13,057	13,057	-	-	-	-	-	-
Total revenues	<u>12,798,000</u>	<u>12,767,640</u>	<u>(30,360)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>									
Debt Service:									
Principal	5,445,000	5,445,000	-	7,395,000	7,395,000	-	3,820,000	3,820,000	-
Interest	7,349,000	7,348,400	600	14,311,000	14,310,985	15	8,635,000	8,634,500	500
Other	4,000	871	3,129	3,000	744	2,256	2,000	377	1,623
Total expenditures	<u>12,798,000</u>	<u>12,794,271</u>	<u>3,729</u>	<u>21,709,000</u>	<u>21,706,729</u>	<u>2,271</u>	<u>12,457,000</u>	<u>12,454,877</u>	<u>2,123</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(26,631)</u>	<u>(26,631)</u>	<u>(21,709,000)</u>	<u>(21,706,729)</u>	<u>2,271</u>	<u>(12,457,000)</u>	<u>(12,454,877)</u>	<u>2,123</u>
Other financing sources (uses):									
Transfers in	-	-	-	21,709,000	21,706,729	(2,271)	12,457,000	13,492,669	1,035,669
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,709,000</u>	<u>21,706,729</u>	<u>(2,271)</u>	<u>12,457,000</u>	<u>13,492,669</u>	<u>1,035,669</u>
Net change in fund balances	<u>-</u>	<u>(26,631)</u>	<u>(26,631)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,037,792</u>	<u>1,037,792</u>
Fund balances - beginning of year	<u>298,994</u>	<u>298,994</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,641</u>	<u>9,641</u>	<u>-</u>
Fund balances - end of year	<u>\$ 298,994</u>	<u>\$ 272,363</u>	<u>\$ (26,631)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,641</u>	<u>\$ 1,047,433</u>	<u>\$ 1,037,792</u>

**CITY OF MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**September 30, 2021**

	Sanitation Fund	Building Fund	Miami Beach Redevelopment Agency's Parking Fund	Miami Beach Redevelopment Agency's Leasing Fund	Totals
<b>ASSETS</b>					
Current assets:					
Cash and investments	\$ 14,668,191	\$ 15,453,058	\$ 15,563,849	\$ 12,573,606	\$ 58,258,704
Accounts receivable (net of allowance for uncollectibles)	648,653	-	1,750	-	650,403
Due from other funds	-	-	313,072	321,000	634,072
Prepaid expenses	-	-	114,596	-	114,596
Total current assets	<u>15,316,844</u>	<u>15,453,058</u>	<u>15,993,267</u>	<u>12,894,606</u>	<u>59,657,775</u>
Noncurrent assets:					
Cash and investments					
Customer deposits and advance sales	-	1,352,295	70,059	126,289	1,548,643
Capital assets:					
Land	405,680	-	2,793,052	210,230	3,408,962
Buildings and structures	1,579,353	-	54,343,067	2,397,145	58,319,565
Machinery and equipment	3,780,558	447,919	950,835	-	5,179,312
Construction in progress	174,990	1,082,014	8,035	-	1,265,039
Less accumulated depreciation	(2,916,286)	(22,821)	(13,296,330)	(1,146,281)	(17,381,718)
Total capital assets (net of accumulated depreciation)	<u>3,024,295</u>	<u>1,507,112</u>	<u>44,798,659</u>	<u>1,461,094</u>	<u>50,791,160</u>
Total noncurrent assets	<u>3,024,295</u>	<u>2,859,407</u>	<u>44,868,718</u>	<u>1,587,383</u>	<u>52,339,803</u>
Total assets	<u>18,341,139</u>	<u>18,312,465</u>	<u>60,861,985</u>	<u>14,481,989</u>	<u>111,997,578</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pensions - MBERP	3,124,653	3,063,241	-	-	6,187,894
OPEB	2,359,821	1,660,728	-	-	4,020,549
Total deferred outflows of resources	<u>5,484,474</u>	<u>4,723,969</u>	<u>-</u>	<u>-</u>	<u>10,208,443</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	438,090	246,392	117,558	6,984	809,024
Retainage payable	560	38,916	48,875	-	88,351
Accrued expenses	416,324	379,076	7,000,000	5,912,207	13,707,607
Due to other funds	-	-	463,929	327,593	791,522
Deposits	-	229,236	6,910	46,381	282,527
Accrued compensated absences	545,614	483,510	-	-	1,029,124
Environmental remediation liability	15,000	-	-	-	15,000
Unearned revenues	-	-	63,149	-	63,149
Total current liabilities	<u>1,415,588</u>	<u>1,377,130</u>	<u>7,700,421</u>	<u>6,293,165</u>	<u>16,786,304</u>
Noncurrent liabilities:					
Deposits	-	1,123,059	-	79,908	1,202,967
Accrued compensated absences	416,920	724,729	-	-	1,141,649
Net pension liability - MBERP	13,116,135	12,858,350	-	-	25,974,485
Net OPEB liability	10,983,868	7,729,915	-	-	18,713,783
Total noncurrent liabilities	<u>24,516,923</u>	<u>22,436,053</u>	<u>-</u>	<u>79,908</u>	<u>47,032,884</u>
Total liabilities	<u>25,932,511</u>	<u>23,813,183</u>	<u>7,700,421</u>	<u>6,373,073</u>	<u>63,819,188</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pensions - MBERP	642,984	630,346	-	-	1,273,330
OPEB	160,595	113,019	-	-	273,614
Total deferred inflows of resources	<u>803,579</u>	<u>743,365</u>	<u>-</u>	<u>-</u>	<u>1,546,944</u>
<b>NET POSITION</b>					
Net investment in capital assets	3,023,735	1,468,196	44,749,784	1,461,094	50,702,809
Unrestricted	(5,934,212)	(2,988,310)	8,411,780	6,647,822	6,137,080
Total net position (deficit)	<u>\$ (2,910,477)</u>	<u>\$ (1,520,114)</u>	<u>\$ 53,161,564</u>	<u>\$ 8,108,916</u>	<u>\$ 56,839,889</u>

**CITY OF MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**For the Fiscal Year Ended September 30, 2021**

	Sanitation Fund	Building Fund	Miami Beach Redevelopment Agency's Parking Fund	Miami Beach Redevelopment Agency's Leasing Fund	Totals
<b>Operating revenues:</b>					
Charges for services	\$ 10,246,416	\$ 6,255	\$ 3,029,411	\$ -	\$ 13,282,082
Permits, rentals, and other	5,971,727	12,867,842	376,326	298,185	19,514,080
<b>Total operating revenues</b>	<b>16,218,143</b>	<b>12,874,097</b>	<b>3,405,737</b>	<b>298,185</b>	<b>32,796,162</b>
<b>Operating expenses:</b>					
Personal services	11,838,814	12,001,195	-	-	23,840,009
Operating supplies	112,111	135,916	447	-	248,474
Contractual services	3,774,791	1,862,811	8,425,843	6,187,301	20,250,746
Utilities	23,970	58,689	189,454	22,653	294,766
Internal charges	2,154,082	1,806,000	510,000	91,563	4,561,645
Depreciation	467,543	22,821	1,295,519	77,352	1,863,235
Administrative fees	1,684,000	1,501,000	171,000	12,000	3,368,000
Other operating	305,640	26,271	263,060	33,221	628,192
<b>Total operating expenses</b>	<b>20,360,951</b>	<b>17,414,703</b>	<b>10,855,323</b>	<b>6,424,090</b>	<b>55,055,067</b>
<b>Operating income (loss)</b>	<b>(4,142,808)</b>	<b>(4,540,606)</b>	<b>(7,449,586)</b>	<b>(6,125,905)</b>	<b>(22,258,905)</b>
<b>Nonoperating revenues</b>					
<b>(expenses):</b>					
Intergovernmental	1,516,218	36,469	128	-	1,552,815
Gain on disposal of capital assets	131,411	-	-	-	131,411
Interest income	67,758	86,236	48,093	41,079	243,166
<b>Total nonoperating expenses</b>	<b>1,715,387</b>	<b>122,705</b>	<b>48,221</b>	<b>41,079</b>	<b>1,927,392</b>
<b>Income (loss) before transfers</b>	<b>(2,427,421)</b>	<b>(4,417,901)</b>	<b>(7,401,365)</b>	<b>(6,084,826)</b>	<b>(20,331,513)</b>
Capital contribution	-	3,187	23,847,952	-	23,851,139
Transfers in	6,638,000	834,918	-	-	7,472,918
Transfers out	(27,111)	(9,000)	-	-	(36,111)
<b>Change in net position</b>	<b>4,183,468</b>	<b>(3,588,796)</b>	<b>16,446,587</b>	<b>(6,084,826)</b>	<b>10,956,433</b>
Net position (deficit) - beginning of year	(7,093,945)	(752,688)	36,714,977	14,193,742	43,062,086
Restatement for GASB 84	-	2,821,370	-	-	2,821,370
Net position - beginning as restated	(7,093,945)	2,068,682	36,714,977	14,193,742	45,883,456
<b>Net position (deficit) - ending of year</b>	<b>\$ (2,910,477)</b>	<b>\$ (1,520,114)</b>	<b>\$ 53,161,564</b>	<b>\$ 8,108,916</b>	<b>\$ 56,839,889</b>

**CITY OF MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
**For the Fiscal Year Ended September 30, 2021**

	Sanitation Fund	Building Fund	Miami Beach Redevelopment Agency's Parking Fund	Miami Beach Redevelopment Agency's Leasing Fund	Totals
<b>Cash flows from operating activities:</b>					
Receipts received from customers	\$ 10,388,095	\$ 1,358,549	\$ 2,910,259	\$ 879,313	\$ 15,536,216
Payments to suppliers	(4,115,442)	(1,837,294)	(1,824,850)	(287,351)	(8,064,937)
Payments on behalf and to employees	(11,315,407)	(10,106,593)	-	-	(21,422,000)
Payments for interfund services used	(3,838,082)	(3,307,000)	(528,822)	(103,563)	(7,777,467)
Receipts for other operating revenue	5,971,727	12,867,842	376,326	-	19,215,895
Net cash provided by (used in) operating activities	<u>(2,909,109)</u>	<u>(1,024,496)</u>	<u>932,913</u>	<u>488,399</u>	<u>(2,512,293)</u>
<b>Cash flows for non-capital financing activities:</b>					
Contributions from other governments	1,516,218	36,469	128	-	1,552,815
Transfers in	6,638,000	834,918	-	-	7,472,918
Transfers out	(27,111)	(9,000)	-	-	(36,111)
Net cash provided by non-capital financing activities	<u>8,127,107</u>	<u>862,387</u>	<u>128</u>	<u>-</u>	<u>8,989,622</u>
<b>Cash flows from capital and related financial activities:</b>					
Purchase of capital assets	(636,422)	(1,487,830)	(160,951)	-	(2,285,203)
Proceeds from sale of capital assets	179,597	-	-	-	179,597
Net cash used in capital and related financial activities	<u>(456,825)</u>	<u>(1,487,830)</u>	<u>(160,951)</u>	<u>-</u>	<u>(2,105,606)</u>
<b>Cash flows from investing activities:</b>					
Interest on investments	67,758	86,236	48,093	41,079	243,166
Net cash provided by investing activities	<u>67,758</u>	<u>86,236</u>	<u>48,093</u>	<u>41,079</u>	<u>243,166</u>
Net change in cash and investments	4,828,931	(1,563,703)	820,183	529,478	4,614,889
Cash and investments - beginning of year	9,839,260	15,547,686	14,813,725	12,170,417	52,371,088
Restatement (Note 18)	-	2,821,370	-	-	2,821,370
Cash and investments - beginning as restated	<u>9,839,260</u>	<u>18,369,056</u>	<u>14,813,725</u>	<u>12,170,417</u>	<u>55,192,458</u>
Cash and investments - end of year	<u>\$ 14,668,191</u>	<u>\$ 16,805,353</u>	<u>\$ 15,633,908</u>	<u>\$ 12,699,895</u>	<u>\$ 59,807,347</u>
<b>Classified as:</b>					
Current assets	\$ 14,668,191	\$ 15,453,058	\$ 15,563,849	\$ 12,573,606	\$ 58,258,704
Restricted assets	-	1,352,295	70,059	126,289	1,548,643
Total cash and investments	<u>\$ 14,668,191</u>	<u>\$ 16,805,353</u>	<u>\$ 15,633,908</u>	<u>\$ 12,699,895</u>	<u>\$ 59,807,347</u>
<b>Non-cash transactions affecting financial position:</b>					
Change in construction and related related liabilities	\$ (29,000)	\$ 38,916	\$ (136,467)	\$ -	\$ (126,551)
Capital contributions of capital assets	-	3,187	23,847,952	-	23,851,139
Total non-cash transactions affecting financial position:	<u>\$ (29,000)</u>	<u>\$ 42,103</u>	<u>\$ 23,711,485</u>	<u>\$ -</u>	<u>\$ 23,724,588</u>

(continued)

**CITY OF MIAMI BEACH, FLORIDA  
OPERATING ACTIVITIES  
NONMAJOR ENTERPRISE FUNDS  
For the Fiscal Year Ended September 30, 2021  
(continued)**

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:**

	Sanitation Fund	Building Fund	Miami Beach Redevelopment Agency's Parking Fund	Miami Beach Redevelopment Agency's Leasing Fund	Totals
Operating income (loss)	\$ (4,142,808)	\$ (4,540,606)	\$ (7,449,586)	\$ (6,125,905)	\$ (22,258,905)
Adjustments to reconcile operating income (loss) to cash provided by (used in) operating activities:					
Depreciation	467,543	22,821	1,295,519	77,352	1,863,235
Provision for uncollectible accounts	(249,582)	-	-	(157)	(249,739)
Changes in assets/liabilities and deferred inflows:					
(Increase) decrease in pension deferred inflow	523,778	521,150	-	-	1,044,928
(Increase) decrease in OPEB deferred inflow	113,214	82,840	-	-	196,054
(Increase) decrease in pension deferred outflow	1,431,132	1,109,984	-	-	2,541,116
(Increase) decrease in OPEB deferred outflow	199,144	(30,854)	-	-	168,290
(Increase) decrease in pension liability	(2,413,580)	(1,367,297)	-	-	(3,780,877)
(Increase) decrease in OPEB liability	637,676	1,140,147	-	-	1,777,823
(Increase) decrease in accounts receivable	391,262	-	-	690,877	1,082,139
(Increase) decrease in due from other funds	-	-	(182,597)	(63,456)	(246,053)
(Increase) decrease in prepaid expense	-	-	(2,967)	12,045	9,078
Increase (decrease) in accounts payable	94,070	246,392	56,921	(7,104)	390,279
Increase (decrease) in accrued expenses	73,529	315,292	7,000,000	5,912,207	13,301,028
Increase (decrease) in deposits	-	1,352,295	(410)	(46,136)	1,305,749
Increase (decrease) in due to other governments	-	-	-	38,676	38,676
Increase (decrease) in due to other funds	-	-	334,775	-	334,775
Increase (decrease) in environmental remediation liability	7,000	-	-	-	7,000
Increase (decrease) in unearned revenues	-	-	(118,742)	-	(118,742)
Increase (decrease) in accrued compensated absences	(41,487)	123,340	-	-	81,853
Total adjustments	1,233,699	3,516,110	8,382,499	6,614,304	19,746,612
Net cash provided by (used in) operating activities	\$ (2,909,109)	\$ (1,024,496)	\$ 932,913	\$ 488,399	\$ (2,512,293)



**CITY OF MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**September 30, 2021**

	Fleet Management Fund	Property Management Fund	Central Services Fund	Risk Insurance Fund	Health Insurance Fund	Communications Fund	Office of Inspector General Fund	Total
<b>ASSETS</b>								
Current assets:								
Cash and investments	\$ 11,150,535	\$ 5,789,259	\$ 1,731,141	\$ 53,529,833	\$ 19,572,986	\$ 20,021,059	\$ 617,932	\$ 112,412,745
Cash with fiscal agent	-	-	-	250,000	-	-	-	250,000
Accounts receivable, net	9,592	-	-	-	7,130	-	-	16,722
Due from other governments	-	-	-	-	-	12,472	-	12,472
Prepaid expenses	-	-	-	3,078,020	-	230,857	-	3,308,877
Inventories	312,849	170,388	22,704	-	-	73,857	-	579,798
Total current assets	<u>11,472,976</u>	<u>5,959,647</u>	<u>1,753,845</u>	<u>56,857,853</u>	<u>19,580,116</u>	<u>20,338,245</u>	<u>617,932</u>	<u>116,580,614</u>
Noncurrent assets:								
Capital assets:								
Land	608,520	-	-	-	-	-	-	608,520
Buildings and structures	2,636,262	19,276	-	-	-	-	-	2,655,538
Machinery and equipment	45,339,155	2,472,215	76,826	100,736	-	18,443,870	-	66,432,802
Construction in progress	-	249,070	-	-	-	626,675	-	875,745
Less accumulated depreciation	(33,452,426)	(1,860,649)	(61,102)	(100,736)	-	(11,706,255)	-	(47,181,168)
Total capital assets (net of accumulated depreciation)	<u>15,131,511</u>	<u>879,912</u>	<u>15,724</u>	<u>-</u>	<u>-</u>	<u>7,364,290</u>	<u>-</u>	<u>23,391,437</u>
Total noncurrent assets	<u>15,131,511</u>	<u>879,912</u>	<u>15,724</u>	<u>-</u>	<u>-</u>	<u>7,364,290</u>	<u>-</u>	<u>23,391,437</u>
Total assets	<u>26,604,487</u>	<u>6,839,559</u>	<u>1,769,569</u>	<u>56,857,853</u>	<u>19,580,116</u>	<u>27,702,535</u>	<u>617,932</u>	<u>139,972,051</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>								
Pensions - MBERP	555,302	1,025,405	112,444	298,842	80,441	1,890,361	375,391	4,338,186
OPEB	534,569	690,203	118,417	81,200	43,984	920,271	142,101	2,530,745
Total deferred outflows of resources	<u>1,089,871</u>	<u>1,715,608</u>	<u>230,861</u>	<u>380,042</u>	<u>124,425</u>	<u>2,810,632</u>	<u>517,492</u>	<u>6,868,931</u>
<b>LIABILITIES</b>								
Current liabilities:								
Accounts payable	856,225	1,042,548	-	1,622,533	1,050,684	1,713,488	1,678	6,287,156
Accrued expenses	115,901	135,849	16,629	35,592	1,053,278	239,926	49,525	1,646,700
Accrued compensated absences	114,467	156,198	12,777	33,534	5,653	186,958	50,079	559,666
Loans/ leases payable	2,221,210	-	-	-	-	299,166	-	2,520,376
Insurance claims incurred but not reported	-	-	-	-	2,109,000	-	-	2,109,000
Pending insurance claims	-	-	-	8,431,000	-	-	-	8,431,000
Total current liabilities	<u>3,307,803</u>	<u>1,334,595</u>	<u>29,406</u>	<u>10,122,659</u>	<u>4,218,615</u>	<u>2,439,538</u>	<u>101,282</u>	<u>21,553,898</u>
Noncurrent liabilities:								
Accrued compensated absences	35,933	137,986	47,073	152,879	21,722	792,768	67,456	1,255,817
Net pension liability - MBERP	2,330,950	4,304,271	471,999	1,254,429	337,661	7,935,034	1,575,752	18,210,096
Net OPEB liability	2,488,172	3,212,576	551,177	377,950	204,723	4,283,435	661,413	11,779,446
Loans/ leases payable	6,909,385	-	-	-	-	-	-	6,909,385
Pending insurance claims	-	-	-	7,741,343	-	-	-	7,741,343
Insurance claims incurred but not reported	-	-	-	23,632,099	-	-	-	23,632,099
Total noncurrent liabilities	<u>11,764,440</u>	<u>7,654,833</u>	<u>1,070,249</u>	<u>33,158,700</u>	<u>564,106</u>	<u>13,011,237</u>	<u>2,304,621</u>	<u>69,528,186</u>
Total liabilities	<u>15,072,243</u>	<u>8,989,428</u>	<u>1,099,655</u>	<u>43,281,359</u>	<u>4,782,721</u>	<u>15,450,775</u>	<u>2,405,903</u>	<u>91,082,084</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Other unearned revenue	-	-	-	-	-	12,472	-	12,472
Pensions - MBERP	114,269	211,006	23,138	61,495	16,553	388,994	77,247	892,702
OPEB	36,380	46,971	8,059	5,526	2,993	62,628	9,671	172,228
Total deferred inflows of resources	<u>150,649</u>	<u>257,977</u>	<u>31,197</u>	<u>67,021</u>	<u>19,546</u>	<u>464,094</u>	<u>86,918</u>	<u>1,077,402</u>
<b>NET POSITION</b>								
Net investment in capital assets	6,000,916	879,912	15,724	-	-	7,065,124	-	13,961,676
Unrestricted	6,470,550	(1,572,150)	853,854	13,889,515	14,902,274	7,533,174	(1,357,397)	40,719,820
Total net position (deficit)	<u>\$ 12,471,466</u>	<u>\$ (692,238)</u>	<u>\$ 869,578</u>	<u>\$ 13,889,515</u>	<u>\$ 14,902,274</u>	<u>\$ 14,598,298</u>	<u>\$ (1,357,397)</u>	<u>\$ 54,681,496</u>

**CITY OF MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**For the Fiscal Year Ended September 30, 2021**

	Fleet Management Fund	Property Management Fund	Central Services Fund	Risk Insurance Fund	Health Insurance Fund	Communications Fund	Office of Inspector General Fund	Total
<b>Operating revenues:</b>								
Charges for services	\$ 12,711,807	\$ 10,123,101	\$ 1,010,064	\$ 20,475,000	\$ 35,581,751	\$ 15,551,754	\$ 1,988,000	\$ 97,441,477
Permits, rentals, and other	116,525	-	-	845,425	2,479,881	211,358	-	3,653,189
<b>Total operating revenues</b>	<b>12,828,332</b>	<b>10,123,101</b>	<b>1,010,064</b>	<b>21,320,425</b>	<b>38,061,632</b>	<b>15,763,112</b>	<b>1,988,000</b>	<b>101,094,666</b>
<b>Operating expenses:</b>								
Personal services	2,238,270	4,071,511	405,470	999,766	262,717	7,399,581	1,268,883	16,646,198
Operating supplies	2,176,971	70,878	4,491	4,677	-	957,013	12,757	3,226,787
Contractual services	1,487,257	5,061,974	390,734	2,883,688	895,913	5,442,235	43,496	16,205,297
Utilities	75,904	586,923	618	1,488	-	1,579,063	567	2,244,563
Internal charges	572,293	702,000	79,000	130,000	-	588,768	118,000	2,190,061
Administrative fees	-	-	-	1,242,000	-	-	-	1,242,000
Depreciation	3,557,062	164,410	4,907	3,127	-	1,915,480	-	5,644,986
Insurance	-	-	-	6,001,914	12,240,788	-	-	18,242,702
Claims and judgments	-	-	-	3,628,745	24,798,486	-	-	28,427,231
Other operating	9,405	18,411	33,258	293,358	53,417	35,122	433	443,404
<b>Total operating expenses</b>	<b>10,117,162</b>	<b>10,676,107</b>	<b>918,478</b>	<b>15,188,763</b>	<b>38,251,321</b>	<b>17,917,262</b>	<b>1,444,136</b>	<b>94,513,229</b>
<b>Operating income (loss)</b>	<b>2,711,170</b>	<b>(553,006)</b>	<b>91,586</b>	<b>6,131,662</b>	<b>(189,689)</b>	<b>(2,154,150)</b>	<b>543,864</b>	<b>6,581,437</b>
<b>Nonoperating revenues (expenses):</b>								
Intergovernmental	482	210,440	-	-	-	156,995	1,023	368,940
Interest and fiscal charges	(110,976)	-	-	-	-	(18,010)	-	(128,986)
Gain on sale of capital assets	384,450	128,412	-	-	-	10,337	-	523,199
Interest income	38,441	32,349	9,538	610,884	104,202	104,120	-	899,534
<b>Total nonoperating revenues (expenses)</b>	<b>312,397</b>	<b>371,201</b>	<b>9,538</b>	<b>610,884</b>	<b>104,202</b>	<b>253,442</b>	<b>1,023</b>	<b>1,662,687</b>
<b>Income (loss) before contributions and transfers</b>	<b>3,023,567</b>	<b>(181,805)</b>	<b>101,124</b>	<b>6,742,546</b>	<b>(85,487)</b>	<b>(1,900,708)</b>	<b>544,887</b>	<b>8,244,124</b>
Capital contributions	14,181	-	-	-	-	-	-	14,181
Transfers in	-	-	-	-	-	300,000	-	300,000
Transfers out	(9,000)	(275,000)	-	-	-	(5,000)	(1,000)	(290,000)
<b>Change in net position</b>	<b>3,028,748</b>	<b>(456,805)</b>	<b>101,124</b>	<b>6,742,546</b>	<b>(85,487)</b>	<b>(1,605,708)</b>	<b>543,887</b>	<b>8,268,305</b>
Net position - beginning	9,442,718	(235,433)	768,454	6,497,533	14,987,761	16,204,006	(1,901,284)	45,763,755
Restatement for GASB 84	-	-	-	649,436	-	-	-	649,436
Net position - beginning as restated	9,442,718	(235,433)	768,454	7,146,969	14,987,761	16,204,006	(1,901,284)	46,413,191
<b>Net position (deficit) - ending</b>	<b>\$ 12,471,466</b>	<b>\$ (692,238)</b>	<b>\$ 869,578</b>	<b>\$ 13,889,515</b>	<b>\$ 14,902,274</b>	<b>\$ 14,598,298</b>	<b>\$ (1,357,397)</b>	<b>\$ 54,681,496</b>

**CITY OF MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS**  
**For the Fiscal Year Ended September 30, 2021**

	Fleet Management Fund	Property Management Fund	Central Services Fund	Risk Insurance Fund	Health Insurance Fund	Communications Fund	Office of Inspector General Fund	Totals
<b>Cash flows from operating activities:</b>								
Receipts from users	\$ 12,827,966	\$ 10,123,101	\$ 1,010,064	\$ 21,320,425	\$ 38,104,262	\$ 15,763,112	\$ 1,988,000	\$ 101,136,930
Payments to suppliers	(5,998,678)	(5,355,637)	(430,015)	(7,712,439)	(12,156,325)	(6,728,943)	(54,688)	(38,436,725)
Payments on behalf of and to employees	(2,277,630)	(3,561,077)	(432,897)	(1,022,620)	(248,404)	(6,081,527)	(1,196,515)	(14,820,670)
Payments for claims and judgments	-	-	-	(8,498,230)	(24,045,486)	-	-	(32,543,716)
Payments for interfund services used	(572,293)	(702,000)	(79,000)	(1,372,000)	-	(588,768)	(118,888)	(3,432,949)
<b>Net cash provided by (used in) operating activities</b>	<b>3,979,365</b>	<b>504,387</b>	<b>68,152</b>	<b>2,715,136</b>	<b>1,654,047</b>	<b>2,363,874</b>	<b>617,909</b>	<b>11,902,870</b>
<b>Cash flows for non-capital financing activities:</b>								
Contributions from other governments	482	210,440	-	-	-	156,995	1,023	368,940
Transfers in	-	-	-	-	-	300,000	-	300,000
Transfers out	(9,000)	(275,000)	-	-	-	(5,000)	(1,000)	(290,000)
<b>Net cash provided by (used in) non-capital financing activities</b>	<b>(8,518)</b>	<b>(64,560)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>451,995</b>	<b>23</b>	<b>378,940</b>
<b>Cash flows from capital and related financial activities:</b>								
Proceeds from loan	5,086,424	-	-	-	-	-	-	5,086,424
Payment on loan/lease	(1,952,645)	-	-	-	-	(290,297)	-	(2,242,942)
Interest and fiscal charges	(111,597)	-	-	-	-	(18,010)	-	(129,607)
Purchase of capital assets	(4,029,182)	(307,346)	-	-	-	(951,017)	-	(5,287,545)
Proceeds from sale of capital assets	454,942	128,411	-	-	-	10,337	-	593,690
<b>Net cash used in capital and related financial activities</b>	<b>(552,058)</b>	<b>(178,935)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,248,987)</b>	<b>-</b>	<b>(1,979,980)</b>
<b>Cash flows from investing activities:</b>								
Interest on investments	38,441	32,349	9,538	610,884	104,202	104,120	-	899,534
<b>Net cash provided by investing activities</b>	<b>38,441</b>	<b>32,349</b>	<b>9,538</b>	<b>610,884</b>	<b>104,202</b>	<b>104,120</b>	<b>-</b>	<b>899,534</b>
<b>Net change in cash and investments</b>	<b>3,457,230</b>	<b>293,241</b>	<b>77,690</b>	<b>3,326,020</b>	<b>1,758,249</b>	<b>1,671,002</b>	<b>617,932</b>	<b>11,201,364</b>
Cash and investments - beginning of year	7,693,305	5,496,018	1,653,451	49,804,377	17,814,737	18,350,057	-	100,811,945
Restatement (Note 18)	-	-	-	649,436	-	-	-	649,436
Cash and investments - beginning as restated	7,693,305	5,496,018	1,653,451	50,453,813	17,814,737	18,350,057	-	101,461,381
<b>Cash and investments - end of year</b>	<b>\$ 11,150,535</b>	<b>\$ 5,789,259</b>	<b>\$ 1,731,141</b>	<b>\$ 53,779,833</b>	<b>\$ 19,572,986</b>	<b>\$ 20,021,059</b>	<b>\$ 617,932</b>	<b>\$ 112,662,745</b>
<b>Classified as:</b>								
Cash and investments-current and Cash with Fiscal agent	\$ 11,150,535	\$ 5,789,259	\$ 1,731,141	\$ 53,779,833	\$ 19,572,986	\$ 20,021,059	\$ 617,932	\$ 112,044,813
<b>Non-cash transactions affecting</b>								
Assets relating to capital leases	-	-	-	-	-	-	-	-
Change in construction and related liabilities	\$ (5,460)	\$ (11,380)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (16,840)
<b>Total Non-cash transactions affecting financial position</b>	<b>\$ (5,460)</b>	<b>\$ (11,380)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (16,840)</b>

(continued)

**CITY OF MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS**  
**For the Fiscal Year Ended September 30, 2021**  
**(continued)**

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES:**

	Fleet Management Fund	Property Maintenance Fund	Central Services Fund	Risk Insurance Fund	Health Insurance Fund	Communications Fund	Office of Inspector General Fund	Totals
Operating income (loss)	\$ 2,711,170	\$ (553,006)	\$ 91,586	\$ 6,131,662	\$ (189,689)	\$ (2,154,150)	\$ 543,864	\$ 6,581,437
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Depreciation	3,557,062	164,410	4,907	3,127	-	1,915,480	-	5,644,986
Provision for uncollectible accounts	-	-	(2,076)	-	-	-	-	(2,076)
Changes in assets and liabilities:								
(Increase) decrease in pension deferred inflow	90,844	174,765	18,188	49,814	13,716	325,292	64,163	736,782
(Increase) decrease in OPEB deferred inflow	26,399	33,522	5,581	4,039	2,214	45,356	6,132	123,243
(Increase) decrease in pension deferred outflow	339,950	359,645	76,728	147,579	28,001	544,170	124,649	1,620,722
(Increase) decrease in OPEB deferred outflow	4,477	36,171	15,389	(917)	(1,931)	12,546	49,050	114,785
(Increase) decrease in pension liability	(720,777)	(417,075)	(172,848)	(267,327)	(31,997)	(363,774)	(128,779)	(2,102,577)
(Increase) decrease in OPEB liability	308,747	275,762	10,185	53,355	34,697	511,947	(111,433)	1,083,260
(Increase) decrease in inventories	(24,321)	(20,642)	2,267	-	-	(56,630)	-	(99,326)
(Increase) decrease in accounts receivable	(366)	-	2,076	-	42,630	-	-	44,340
Increase in prepaid expense	-	-	-	303,173	-	-	-	303,173
Increase (decrease) in accounts payable	(2,268,486)	409,159	(3,179)	1,169,511	(10,256)	1,341,121	1,678	639,548
Increase (decrease) in accrued compensated absences	(135,517)	26,609	17,108	(7,307)	(29,982)	190,186	26,798	87,895
Increase (decrease) in pending insurance claims	-	-	-	234,963	-	-	-	234,963
(Decrease) in insurance claims incurred but not reported	-	-	-	(5,104,448)	753,000	-	-	(4,351,448)
Increase (decrease) in accrued expenses	90,183	15,067	2,240	(2,088)	1,043,644	52,330	41,787	1,243,163
Total adjustments	1,268,195	1,057,393	(23,434)	(3,416,526)	1,843,736	4,518,024	74,045	5,321,433
Net cash provided by operating activities	\$ 3,979,365	\$ 504,387	\$ 68,152	\$ 2,715,136	\$ 1,654,047	\$ 2,363,874	\$ 617,909	\$ 11,902,870

**CITY OF MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**PENSION AND OPEB TRUST FUNDS**  
**September 30, 2021**

	Employees' Retirement System	Retirement System for Firefighters and Police Officers	Firemen's Relief and Pension Fund	Policemen's Relief and Pension Fund	Postemployment Benefits Other Than Pension (OPEB)	Totals
<b>Assets</b>						
Cash and cash equivalents	\$ 4,564,380	\$ 20,000	\$ 207,406	\$ 338,716	\$ 331,794	\$ 5,462,296
Accrued interest receivable	-	1,588,832	39,445	13,651	-	1,641,928
Contribution receivable	-	2,759,522	-	722,644	1,000,000	4,482,166
Other receivables	154,563	-	-	-	-	154,563
Investments:						
Short-term investments	3,032,967	36,569,041	2,038,698	1,234,320	-	42,875,026
U.S. Government securities	-	41,711,709	946,347	1,096,336	-	43,754,392
Corporate bonds and other municipal obligations	-	177,988,469	4,990,050	1,451,885	-	184,430,404
Bond Funds	159,166,695	-	-	-	-	159,166,695
Foreign Bonds and private placements	-	54,374,608	-	-	-	54,374,608
Common stocks and index funds	398,477,622	591,621,005	14,412,152	7,137,553	-	1,011,648,332
Foreign Stocks	154,298,932	63,064,932	-	-	-	217,363,864
Real estate funds	73,281,509	166,490,381	1,800,004	1,675,825	-	243,247,719
Infrastructure investments	39,432,012	-	-	-	-	39,432,012
Hedge Fund	-	11,528,987	-	-	-	11,528,987
Mutual funds	16,659,388	37,127,938	-	-	47,632,236	101,419,562
Total investments	<u>844,349,125</u>	<u>1,180,477,070</u>	<u>24,187,251</u>	<u>12,595,919</u>	<u>47,632,236</u>	<u>2,109,241,601</u>
Total assets	<u>849,068,068</u>	<u>1,184,845,424</u>	<u>24,434,102</u>	<u>13,670,930</u>	<u>48,964,030</u>	<u>2,120,982,554</u>
<b>Liabilities</b>						
Accounts payable	322,593	820,649	1,240	6,006	-	1,150,488
Total liabilities	<u>322,593</u>	<u>820,649</u>	<u>1,240</u>	<u>6,006</u>	<u>-</u>	<u>1,150,488</u>
<b>Net Position</b>						
Restricted for pension and OPEB benefits	<u>\$ 848,745,475</u>	<u>\$ 1,184,024,775</u>	<u>\$ 24,432,862</u>	<u>\$ 13,664,924</u>	<u>\$ 48,964,030</u>	<u>\$ 2,119,832,066</u>

**CITY OF MIAMI BEACH, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION AND OPEB TRUST FUNDS**  
**For the Fiscal Year Ended September 30, 2021**

	Employees' Retirement System	Retirement System for Firefighters and Police Officers	Firemen's Relief and Pension Fund	Policemen's Relief and Pension Fund	Postemployment Benefits Other Than Pension (OPEB)	Totals
<b>Additions:</b>						
Contributions -						
Employer	\$ 30,699,942	\$ 43,324,910	\$ -	\$ -	\$ 15,853,028	\$ 89,877,880
Employee	8,521,037	16,200,745	-	-	-	24,721,782
State of Florida	-	120,549	1,543,103	651,975	-	2,315,627
<b>Total contributions</b>	<b>39,220,979</b>	<b>59,646,204</b>	<b>1,543,103</b>	<b>651,975</b>	<b>15,853,028</b>	<b>116,915,289</b>
Investment income -						
Net increase (decrease) in fair value of investments	140,287,434	180,819,230	3,060,059	1,828,298	5,744,977	331,739,998
Interest and dividends income	16,356,923	21,503,568	357,661	234,065	1,537,844	39,990,061
Other income	-	20,786	-	-	-	20,786
	156,644,357	202,343,584	3,417,720	2,062,363	7,282,821	371,750,845
Investment management expenses	(3,200,862)	(4,868,025)	(99,166)	(60,556)	-	(8,228,609)
<b>Net investment income</b>	<b>153,443,495</b>	<b>197,475,559</b>	<b>3,318,554</b>	<b>2,001,807</b>	<b>7,282,821</b>	<b>363,522,236</b>
<b>Total additions</b>	<b>192,664,474</b>	<b>257,121,763</b>	<b>4,861,657</b>	<b>2,653,782</b>	<b>23,135,849</b>	<b>480,437,525</b>
<b>Deductions:</b>						
Benefit paid	54,280,486	77,460,046	1,244,799	666,021	14,439,769	148,091,121
Contributions refunded	1,398,325	310,901	-	-	-	1,709,226
Administrative expenses	697,962	958,325	42,594	56,660	130,422	1,885,963
<b>Total deductions</b>	<b>56,376,773</b>	<b>78,729,272</b>	<b>1,287,393</b>	<b>722,681</b>	<b>14,570,191</b>	<b>151,686,310</b>
<b>Net increase</b>	<b>136,287,701</b>	<b>178,392,491</b>	<b>3,574,264</b>	<b>1,931,101</b>	<b>8,565,658</b>	<b>328,751,215</b>
Net position - amount restricted for pension and OPEB benefits - beginning of year	712,457,774	1,005,632,284	20,858,598	11,733,823	40,398,372	1,791,080,851
<b>Net position - amount restricted for pension and OPEB benefits - end of year</b>	<b>\$ 848,745,475</b>	<b>\$ 1,184,024,775</b>	<b>\$ 24,432,862</b>	<b>\$ 13,664,924</b>	<b>\$ 48,964,030</b>	<b>\$ 2,119,832,066</b>

**CITY OF MIAMI BEACH, FLORIDA**  
**STATEMENT OF NET POSITION**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**September 30, 2021**

	Miami Beach Visitor and Convention Authority	Miami Beach Health Facilities Authority	Total
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 4,706,774	\$ 9,128	\$ 4,715,902
Due from primary government	421,939	181	422,120
Total current assets	<u>5,128,713</u>	<u>9,309</u>	<u>5,138,022</u>
Non-current assets			
Capital assets, net of accumulated depreciation	84,958	-	84,958
Total non-current assets	<u>84,958</u>	<u>-</u>	<u>84,958</u>
Total assets	<u>5,213,671</u>	<u>9,309</u>	<u>5,222,980</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows - OPEB	170,454	-	170,454
Deferred outflows - pension	171,778	-	171,778
Total deferred outflows of resources	<u>342,232</u>	<u>-</u>	<u>342,232</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	1,983	-	1,983
Accrued expenses	7,062	-	7,062
Accrued grants	265,833	-	265,833
Total current liabilities	<u>274,878</u>	<u>-</u>	<u>274,878</u>
Non-current liabilities			
Net OPEB liability	793,384	-	793,384
Net pension liability	721,061	-	721,061
Compensated absences	21,817	-	21,817
Total non-current liabilities	<u>1,536,262</u>	<u>-</u>	<u>1,536,262</u>
Total liabilities	<u>1,811,140</u>	<u>-</u>	<u>1,811,140</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows - OPEB	11,600	-	11,600
Deferred inflows - pension	35,348	-	35,348
Total deferred inflows of resources	<u>46,948</u>	<u>-</u>	<u>46,948</u>
<b>NET POSITION</b>			
Net investment in capital assets	84,958	-	84,958
Unrestricted	3,612,857	9,309	3,622,166
Total net position	<u>\$ 3,697,815</u>	<u>\$ 9,309</u>	<u>\$ 3,707,124</u>

**CITY OF MIAMI BEACH, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**For the Fiscal Year Ended September 30, 2021**

	Expenses	Program Revenues	Net (Expense) Revenue and Changes in Net Position		Totals
		Operating Grants and Contributions	Visitor and Convention Authority	Health Facilities Authority	
<b>Miami Beach Visitor and Convention Authority</b>					
Cultural - grant program	\$ 653,302	\$ -	\$ (653,302)	\$ -	\$ (653,302)
General administrative	1,195,561	-	(1,195,561)	-	(1,195,561)
<b>Total Miami Beach Visitor and Convention Authority</b>	<b>1,848,863</b>	<b>-</b>	<b>(1,848,863)</b>	<b>-</b>	<b>(1,848,863)</b>
<b>Miami Beach Health Facilities Authority</b>					
General administrative	175	-	-	(175)	(175)
Donations & contributions	78,000	-	-	(78,000)	(78,000)
<b>Total Miami Beach Health Facility Authority</b>	<b>78,175</b>	<b>-</b>	<b>-</b>	<b>(78,175)</b>	<b>(78,175)</b>
<b>Total component units</b>	<b>\$ 1,927,038</b>	<b>\$ -</b>			<b>(1,927,038)</b>
General revenues:					
Resort tax allocation			1,439,832	-	1,439,832
Miscellaneous			-	10,000	10,000
Interest Income			4,307	356	4,663
<b>Total general revenues</b>			<b>1,444,139</b>	<b>10,356</b>	<b>1,454,495</b>
Change in net position			(404,724)	(67,819)	(472,543)
Net position - beginning			4,102,539	77,128	4,179,667
Net position - ending			<b>\$ 3,697,815</b>	<b>\$ 9,309</b>	<b>\$ 3,707,124</b>



# **STATISTICAL SECTION**

# STATISTICAL SECTION

This part of the City of Miami Beach's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

## Contents

### Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

### Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

### Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.

### Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

### Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

**CITY OF MIAMI BEACH, FLORIDA**  
**NET POSITION BY COMPONENT (Unaudited)**  
**LAST TEN FISCAL YEARS**  
*(accrual basis of accounting - Unaudited)*

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental activities</b>										
Net investment in capital assets	\$ 428,246,552	\$ 429,859,674	\$ 429,989,670	\$ 491,485,745	\$ 558,538,326	\$ 712,557,077	\$ 632,998,945	\$ 536,178,257	\$ 638,914,567	\$ 616,294,671
Restricted	108,516,557	129,615,957	146,377,701	172,033,018	191,637,742	196,069,003	196,553,344	201,930,677	175,187,510	176,868,528
Unrestricted	118,779,886	131,579,116	160,427,999	(175,574,362)	(231,946,281)	(383,459,279)	(301,135,963)	(301,959,558)	(918,386,180)	(867,347,561)
Total net position for governmental activities	<u>655,542,995</u>	<u>691,054,747</u>	<u>736,795,370</u>	<u>487,944,401</u>	<u>518,229,787</u>	<u>525,166,801</u>	<u>528,416,326</u>	<u>436,149,376</u>	<u>(104,284,103)</u>	<u>(74,184,362)</u>
<b>Business-type activities</b>										
Net investment in capital assets	375,703,323	382,255,186	343,218,833	410,865,702	474,091,817	438,446,944	411,086,647	388,123,514	864,486,887	903,480,355
Restricted	41,491,319	40,085,381	88,568,103	48,205,531	159,759,212	135,521,099	72,476,675	70,589,612	73,752,744	73,662,621
Unrestricted	146,511,507	161,059,156	168,294,644	135,968,387	26,903,541	49,706,270	133,972,500	185,944,956	216,111,725	200,691,046
Total net position for business-type activities	<u>563,706,149</u>	<u>583,399,723</u>	<u>600,081,580</u>	<u>595,039,620</u>	<u>660,754,570</u>	<u>623,674,313</u>	<u>617,535,822</u>	<u>644,658,082</u>	<u>1,154,351,356</u>	<u>1,177,834,022</u>
<b>Primary government</b>										
Net investment in capital assets	803,949,875	812,114,860	773,208,503	902,351,447	1,032,630,143	1,151,004,021	1,044,085,592	924,301,771	1,503,401,454	1,519,775,026
Restricted	150,007,876	169,701,338	234,945,804	220,238,549	351,396,954	331,590,102	269,030,019	272,520,289	248,940,254	250,531,149
Unrestricted	265,291,393	292,638,272	328,722,643	(39,605,975)	(205,042,740)	(333,753,009)	(167,163,463)	(116,014,602)	(702,274,455)	(666,656,515)
Total net position for primary government	<u>\$ 1,219,249,144</u>	<u>\$ 1,274,454,470</u>	<u>\$ 1,336,876,950</u>	<u>\$ 1,082,984,021</u>	<u>\$ 1,178,984,357</u>	<u>\$ 1,148,841,114</u>	<u>\$ 1,145,952,148</u>	<u>\$ 1,080,807,458</u>	<u>\$ 1,050,067,253</u>	<u>\$ 1,103,649,660</u>

\* STATEMENT OF NET POSITION

**CITY OF MIAMI BEACH, FLORIDA**  
**CHANGES IN NET POSITION (Unaudited)**  
**LAST TEN FISCAL YEARS**  
*(accrual basis of accounting)*

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
Governmental activities:										
General government	\$ 41,088,006	\$ 45,986,648	\$ 43,365,675	\$ 47,397,904	\$ 52,618,959	\$ 66,172,986	\$ 59,544,525	\$ 60,119,029	\$ 62,224,763	\$ 62,199,963
Public safety	175,282,705	188,420,690	197,239,550	192,976,434	220,109,566	246,568,234	244,304,594	274,381,814	292,092,564	268,822,518
Physical environment	2,412,040	2,739,664	3,168,494	4,198,730	5,548,076	7,053,251	6,939,057	17,587,864	14,581,897	13,088,813
Transportation	16,084,458	11,842,989	14,386,802	17,448,894	18,120,846	24,832,644	34,843,267	31,086,013	24,206,724	22,109,953
Economic environment	4,406,521	4,537,985	4,876,697	5,611,831	6,535,179	6,669,550	10,247,677	9,041,856	12,112,613	11,821,777
Human services	2,218,460	2,138,763	2,212,540	2,783,057	3,332,947	3,247,822	3,529,909	4,052,075	4,468,149	4,441,728
Culture and recreation	43,713,126	49,424,532	53,476,429	59,368,604	63,385,681	64,872,655	69,371,471	70,958,679	66,385,409	78,882,523
Interest on long-term debt	9,739,449	9,467,996	8,819,846	8,242,353	30,627,226	25,017,810	23,790,283	29,300,376	31,726,759	38,361,329
Total governmental activities expenses	<u>294,944,765</u>	<u>314,559,267</u>	<u>327,546,033</u>	<u>338,027,807</u>	<u>400,278,480</u>	<u>444,434,952</u>	<u>452,570,783</u>	<u>496,527,706</u>	<u>507,798,878</u>	<u>499,728,604</u>
Business-type activities:										
Stormwater	6,713,885	7,651,595	7,876,993	10,418,758	9,508,836	13,375,369	22,269,049	23,112,842	25,392,320	25,429,684
Water	27,124,273	28,797,909	28,965,261	29,255,282	30,317,357	29,813,596	30,977,477	30,479,946	27,892,435	29,117,982
Sewer	28,205,784	31,186,853	31,373,772	35,733,735	38,583,070	44,612,955	44,472,734	43,845,155	41,735,473	45,510,290
Parking	28,773,051	33,137,387	37,071,518	38,123,221	43,015,148	46,634,653	50,696,556	51,425,608	39,266,530	33,962,993
Convention Center	17,666,204	17,153,279	17,417,988	16,190,590	14,495,430	18,255,990	12,039,318	22,505,093	25,791,880	36,413,801
Other	19,688,052	20,029,662	20,132,046	21,516,603	21,993,702	25,717,476	27,384,254	26,848,507	43,327,707	55,241,293
Total business-type activities expenses	<u>128,171,249</u>	<u>137,956,685</u>	<u>142,837,578</u>	<u>151,238,189</u>	<u>157,913,543</u>	<u>178,410,039</u>	<u>187,839,388</u>	<u>198,217,151</u>	<u>203,406,345</u>	<u>225,676,043</u>
Total primary government expenses	<u>\$ 423,116,014</u>	<u>\$ 452,515,952</u>	<u>\$ 470,383,611</u>	<u>\$ 489,265,996</u>	<u>\$ 558,192,023</u>	<u>\$ 622,844,991</u>	<u>\$ 640,410,171</u>	<u>\$ 694,744,857</u>	<u>\$ 711,205,223</u>	<u>\$ 725,404,647</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 55,699,107	\$ 67,605,958	\$ 72,088,018	\$ 75,232,828	\$ 80,758,157	\$ 81,694,256	\$ 85,678,600	\$ 88,589,598	\$ 59,790,297	\$ 66,551,294
Public safety	7,934,329	8,146,390	8,101,151	9,073,918	10,190,087	10,165,262	9,014,798	10,078,686	8,142,676	7,173,188
Culture and recreation	7,284,999	7,708,231	8,120,209	8,497,903	8,744,939	8,396,344	9,434,770	10,056,119	7,695,901	10,994,907
Other	17,745	29,211	42,993	1,723,853	35,917	27,390	400	800	-	-
Operating grants and contributions	25,061,223	19,528,573	19,206,319	27,376,359	17,240,055	17,671,894	21,130,005	27,573,712	21,837,953	65,697,520
Capital grants and contributions	4,899,293	3,449,389	3,937,362	13,830,485	1,913,922	1,022,828	6,744,866	17,096,292	7,667,032	7,740,231
Total governmental activities program revenue	<u>100,896,696</u>	<u>106,467,752</u>	<u>111,496,052</u>	<u>135,735,346</u>	<u>118,883,077</u>	<u>118,977,974</u>	<u>132,003,439</u>	<u>153,395,207</u>	<u>105,133,859</u>	<u>158,157,140</u>
Business-type activities:										
Charges for services:										
Stormwater	11,612,237	11,671,714	11,715,299	21,258,353	21,490,894	28,570,734	29,293,550	30,669,228	30,887,007	32,133,712
Water	33,172,990	32,788,878	33,403,046	33,870,737	35,403,282	34,308,346	35,106,688	36,407,786	32,616,071	34,285,379
Sewer	35,091,105	35,409,042	36,737,566	42,169,257	45,389,228	50,534,934	51,077,411	53,255,772	48,907,482	53,544,198
Parking	38,185,494	40,302,744	40,049,313	42,672,887	51,499,302	47,285,421	48,350,420	49,013,328	31,760,569	37,467,080
Convention Center	9,969,719	9,494,760	8,302,873	17,147,941	5,937,041	2,719,642	2,499,387	7,971,861	16,752,351	9,298,472
Other	15,046,388	17,467,720	20,820,772	20,486,111	21,509,417	22,418,979	22,053,067	22,305,162	30,463,100	32,796,162
Operating grants and contributions	10,659,421	10,025,165	10,622,366	12,000,851	7,741,012	2,915,802	18,842,689	12,374,003	9,896,005	9,121,213
Capital grants and contributions	-	-	-	-	38,982,120	10,037,561	-	-	-	-
Total business-type activities program revenue	<u>153,737,354</u>	<u>157,160,023</u>	<u>161,651,235</u>	<u>189,606,137</u>	<u>227,952,296</u>	<u>198,791,419</u>	<u>207,223,212</u>	<u>211,997,140</u>	<u>201,282,585</u>	<u>208,646,216</u>
Total primary government program revenue	<u>\$ 254,634,050</u>	<u>\$ 263,627,775</u>	<u>\$ 273,147,287</u>	<u>\$ 325,341,483</u>	<u>\$ 346,835,373</u>	<u>\$ 317,769,393</u>	<u>\$ 339,226,651</u>	<u>\$ 365,392,347</u>	<u>\$ 306,416,444</u>	<u>\$ 366,803,356</u>

\*STATEMENT OF ACTIVITIES

**CITY OF MIAMI BEACH, FLORIDA**  
**CHANGES IN NET POSITION (Unaudited)**  
**LAST TEN FISCAL YEARS**  
*(accrual basis of accounting)*

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (194,048,069)	\$ (208,091,515)	\$ (216,049,981)	\$ (202,292,461)	\$ (281,395,403)	\$ (325,456,978)	\$ (320,567,344)	\$ (343,132,499)	\$ (402,665,019)	\$ (341,571,464)
Business-type activities	25,566,105	19,203,338	18,813,657	38,367,948	70,038,753	20,381,380	19,383,824	13,779,989	(2,123,760)	(17,029,827)
Total primary government net expense	<u>\$ (168,481,964)</u>	<u>\$ (188,888,177)</u>	<u>\$ (197,236,324)</u>	<u>\$ (163,924,513)</u>	<u>\$ (211,356,650)</u>	<u>\$ (305,075,598)</u>	<u>\$ (301,183,520)</u>	<u>\$ (329,352,510)</u>	<u>\$ (404,788,779)</u>	<u>\$ (358,601,291)</u>
<b>General Revenues and Other Changes in net position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 116,004,442	\$ 117,163,758	\$ 121,595,988	\$ 133,099,279	\$ 147,504,790	\$ 167,206,453	\$ 183,296,970	\$ 188,988,491	\$ 199,908,875	\$ 207,774,487
Resort taxes	53,920,167	58,617,992	61,760,518	67,999,916	82,633,144	81,910,032	87,595,052	88,246,170	54,972,321	82,207,342
Tax increment	42,411,382	43,297,433	49,962,380	38,094,108	44,974,888	51,843,091	72,235,505	72,524,651	56,577,471	78,780,847
Utility taxes	10,293,270	11,391,955	12,364,114	12,192,935	12,308,962	12,582,522	12,837,343	13,269,326	12,720,319	13,077,259
Communication service	5,443,905	4,583,368	4,678,905	4,519,938	4,963,225	3,745,968	5,592,363	3,561,838	3,517,226	3,500,665
Local business tax	4,404,357	4,411,851	4,493,950	4,629,996	4,098,786	5,029,398	4,075,570	5,455,327	5,381,019	3,706,743
Miscellaneous	883,457	982,771	1,154,512	1,437,032	2,162,942	2,037,864	3,989,438	1,979,049	1,412,181	1,858,242
Unrealized loss on investments	-	(5,241,121)	-	-	-	-	-	-	-	-
Unrestricted investment earnings	4,749,664	3,494,199	3,088,992	5,264,909	4,415,405	5,786,366	6,731,596	23,294,793	18,886,768	7,456,194
Insurance proceeds relating to impairments	-	-	-	-	-	-	1,311,745	-	-	-
Gain or (loss) on disposal of capital assets	259,635	491,394	200,295	387,671	409,907	13,699	-	-	3,171	543,750
Extraordinary Expense	-	-	-	-	(1,858,400)	769,066	1,089,334	-	-	-
Transfers	8,328,465	4,409,667	4,663,756	9,763,889	10,067,140	1,469,533	6,106,910	(1,080,419)	(491,147,811)	(35,104,697)
Total governmental activities	<u>246,698,744</u>	<u>243,603,267</u>	<u>263,963,410</u>	<u>277,389,673</u>	<u>311,680,789</u>	<u>332,393,992</u>	<u>384,861,826</u>	<u>396,239,226</u>	<u>(137,768,460)</u>	<u>363,800,832</u>
Business-type activities:										
Tax increment	3,046,200	3,671,000	3,671,000	-	3,671,000	-	-	-	14,060,262	-
Resort Taxes	-	-	-	-	-	11,425,128	-	-	-	-
Unrealized gain on investments	-	(178,004)	(12,388)	297,864	-	-	-	81,444	41,298	2,031,291
Unrestricted investment earnings	1,391,120	1,333,480	1,114,406	777,943	1,661,658	1,482,014	6,538,780	9,436,364	6,567,663	555,135
Gain (Loss) on disposal of capital assets	114,222	73,427	107,809	170,013	410,679	(68,899,246)	118,745	-	-	37,691,123
Transfers	(8,328,465)	(4,409,667)	(4,663,756)	(9,763,889)	(10,067,140)	(1,469,533)	(6,106,910)	1,080,419	491,147,811	(35,104,697)
Total business-type activities	<u>(3,776,923)</u>	<u>490,236</u>	<u>217,071</u>	<u>(8,518,069)</u>	<u>(4,323,803)</u>	<u>(67,461,637)</u>	<u>550,615</u>	<u>10,598,227</u>	<u>511,817,034</u>	<u>37,691,123</u>
Total primary government	<u>\$ 242,921,821</u>	<u>\$ 244,093,503</u>	<u>\$ 264,180,481</u>	<u>\$ 268,871,604</u>	<u>\$ 307,356,986</u>	<u>\$ 274,932,355</u>	<u>\$ 385,412,441</u>	<u>\$ 406,837,453</u>	<u>\$ 374,048,574</u>	<u>\$ 401,491,955</u>
<b>Change in net position</b>										
Governmental activities	\$ 52,650,675	\$ 35,511,752	\$ 47,913,429	\$ 75,097,212	\$ 30,285,386	\$ 6,937,014	\$ 64,294,482	\$ 53,106,727	\$ (540,433,479)	\$ 22,229,368
Business-type activities	21,789,182	19,693,574	19,030,728	29,849,879	65,714,950	(37,080,257)	19,934,439	24,378,216	509,693,274	20,661,296
Total primary government	<u>\$ 74,439,857</u>	<u>\$ 55,205,326</u>	<u>\$ 66,944,157</u>	<u>\$ 104,947,091</u>	<u>\$ 96,000,336</u>	<u>\$ (30,143,243)</u>	<u>\$ 84,228,921</u>	<u>\$ 77,484,943</u>	<u>\$ (30,740,205)</u>	<u>\$ 42,890,664</u>

\*STATEMENT OF ACTIVITIES

CITY OF MIAMI BEACH, FLORIDA  
 FUND BALANCES, GOVERNMENTAL FUNDS (Unaudited)  
 LAST TEN FISCAL YEARS  
 (modified accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Fund</b>										
Nonspendable	\$ 10,558	\$ 332	\$ -	\$ 19,765	\$ 1,268	\$ -	\$ 23,255	\$ 1,541,257	\$ 9,255	\$ 9,255
Restricted	5,188,291	7,289,291	4,752,809	8,328,543	10,436,543	11,447,181	11,447,181	18,489,336	-	-
Committed	3,915,257	3,048,458	29,505,725	48,151,901	48,307,433	59,243,040	45,607,227	63,837,375	64,701,035	63,758,745
Assigned	47,506,132	43,800,099	16,244,357	2,791,000	3,139,732	500,000	500,000	4,777,000	18,721,680	34,705,480
Unassigned	4,232,166	-	-	-	-	-	30,871,817	26,523,824	11,297,423	7,106,627
<b>Total general fund</b>	<b>\$ 60,852,404</b>	<b>\$ 54,138,180</b>	<b>\$ 50,502,891</b>	<b>\$ 59,291,209</b>	<b>\$ 61,884,976</b>	<b>\$ 71,190,221</b>	<b>\$ 88,449,480</b>	<b>\$ 115,168,792</b>	<b>\$ 94,729,393</b>	<b>\$ 105,580,107</b>
<b>All Other Governmental Funds</b>										
Nonspendable	\$ 4,490	\$ 4,490	\$ -	\$ -	\$ -	\$ 52,500	\$ 24,418	\$ 30,067	\$ 34,385	\$ 27,466
Restricted	231,046,613	250,022,626	266,604,162	278,623,633	671,137,967	448,306,775	340,281,737	433,953,552	386,046,771	417,836,312
Committed	39,723,193	39,141,545	43,288,503	38,450,565	47,915,741	41,600,188	40,176,679	68,363,818	65,551,285	74,784,885
Assigned	42,116	165,534	752,927	-	-	-	1,286,969	-	94,319	-
Unassigned	(4,596,490)	(4,537,581)	(2,360,199)	(1,675,799)	(2,430,061)	(14,771,011)	(20,607,779)	(17,027,781)	(9,836,930)	(26,620,962)
<b>Total all other governmental funds</b>	<b>\$ 266,219,922</b>	<b>\$ 284,796,614</b>	<b>\$ 308,285,393</b>	<b>\$ 315,398,399</b>	<b>\$ 716,623,647</b>	<b>\$ 475,188,452</b>	<b>\$ 361,162,024</b>	<b>\$ 485,319,656</b>	<b>\$ 441,889,830</b>	<b>\$ 466,027,701</b>

**CITY OF MIAMI BEACH, FLORIDA**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (Unaudited)**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**

Fiscal Year Ended September 30,

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Taxes	\$ 240,478,321	\$ 246,332,649	\$ 261,527,060	\$ 269,294,092	\$ 303,445,683	\$ 329,005,151	\$ 372,057,484	\$ 380,556,002	\$ 339,984,347	\$ 397,325,892
Franchise fees	9,261,120	7,775,685	8,206,099	8,361,063	8,067,568	8,323,438	8,173,295	8,364,567	7,909,621	8,200,955
Permits	15,825,051	17,897,983	19,638,114	23,123,876	24,166,916	25,505,418	23,928,957	29,440,672	11,086,973	9,481,142
Intergovernmental	20,726,490	17,468,596	17,290,372	18,169,906	17,232,200	15,092,659	21,005,380	20,584,517	35,266,791	63,839,705
Charges for services	15,793,374	16,547,096	21,520,543	23,191,434	23,896,852	23,207,231	24,352,314	25,742,250	20,151,891	23,605,533
Rents & leases	6,154,965	6,821,959	6,801,937	7,134,082	6,935,619	6,927,962	7,153,820	7,045,294	5,662,637	6,621,688
Interest	4,471,754	3,266,782	2,857,175	5,044,062	4,186,774	5,688,621	5,773,754	21,314,181	17,250,298	6,556,660
Fines and forfeitures	3,391,565	3,276,222	3,143,282	2,690,178	2,556,092	2,435,516	2,855,687	2,522,310	1,385,622	1,722,914
Administrative fees	15,018,027	15,595,882	14,446,790	15,027,026	19,017,177	18,722,193	20,810,564	21,241,512	14,498,675	19,855,668
Special assessment	697,000	737,063	647,145	282,647	238,294	225,639	211,482	187,092	33,780	18,427
Impact fees	5,319,311	2,340,350	4,439,358	10,377,988	2,208,524	3,208,281	3,486,229	3,521,962	1,194,875	1,642,685
Other revenues	4,090,875	3,938,918	2,881,720	4,145,958	1,941,465	2,658,893	5,926,942	7,586,493	1,913,058	5,458,612
<b>Total revenues</b>	<b>341,227,853</b>	<b>341,999,185</b>	<b>363,399,595</b>	<b>386,842,312</b>	<b>413,893,164</b>	<b>441,001,002</b>	<b>495,735,908</b>	<b>528,106,852</b>	<b>456,338,568</b>	<b>544,329,881</b>
<b>Expenditures</b>										
General government	44,345,488	43,932,077	44,948,607	48,528,841	54,034,457	54,784,677	55,184,621	53,840,780	53,762,855	55,126,579
Public safety	169,615,823	178,483,658	184,316,059	190,560,357	202,413,979	218,797,756	230,175,631	238,143,940	230,212,540	247,386,987
Physical environment	2,134,541	2,414,724	2,765,742	3,822,556	4,835,660	6,641,109	6,384,051	15,994,493	14,101,149	12,841,469
Transportation	5,489,882	5,083,060	5,944,005	9,120,845	10,106,470	15,975,480	22,828,290	20,998,999	13,950,207	12,481,947
Economic environment	5,536,866	5,480,964	4,528,992	5,287,707	6,237,203	6,306,965	9,780,237	8,513,706	11,434,312	11,388,207
Human services	2,216,627	2,103,404	2,222,204	2,892,116	3,206,331	3,181,696	3,476,075	3,948,214	4,090,299	4,248,866
Culture and recreation	41,056,256	42,468,693	45,973,463	52,123,363	55,685,165	55,723,327	59,628,074	61,500,406	54,041,419	68,104,214
Capital Outlay	38,137,968	25,145,843	33,489,057	44,556,879	152,900,118	270,877,710	168,225,667	77,387,666	64,682,175	37,749,575
Debt service										
Principal	13,920,633	15,632,156	15,719,650	16,781,013	21,018,490	19,990,093	20,912,606	21,423,687	22,058,149	20,387,000
Interest	9,863,906	14,567,063	8,706,129	8,066,696	28,398,933	27,940,540	27,182,895	27,220,674	31,665,188	38,393,992
Other	-	-	-	-	-	174,056	114,590	-	-	-
<b>Total expenditures</b>	<b>332,317,990</b>	<b>335,311,642</b>	<b>348,613,908</b>	<b>381,740,373</b>	<b>538,836,806</b>	<b>680,393,409</b>	<b>603,892,737</b>	<b>528,972,565</b>	<b>499,998,293</b>	<b>508,108,836</b>
Excess of revenue over (under) expenditures	8,909,863	6,687,543	14,785,687	5,101,939	(124,943,642)	(239,392,407)	(108,156,829)	(865,713)	(43,659,725)	36,221,045
<b>Other Financing Sources (Uses)</b>										
Refunding Bonds Issued	34,840,000	-	-	-	518,824,800	3,034,478	1,362,339	162,225,000	-	-
Premium on refunding bonds issued	3,117,141	-	-	-	52,632,633	19,679,000	-	18,529,252	7,155,665	-
Payment to escrow agent	(37,957,141)	-	-	-	(50,954,074)	(19,215,000)	-	(28,358,050)	(7,131,002)	-
Proceeds from loan	-	-	-	313,000	-	-	-	-	-	-
Sale of assets	34,321	30,478	20,850	13,392	18,220	8,338	594,270	-	2,171	20,551
Impairment	-	-	-	-	-	-	(1,311,745)	-	-	-
Insurance recovery	-	-	-	-	-	-	1,311,745	-	-	-
Transfers in	91,924,389	87,275,289	101,957,775	80,751,364	635,933,939	93,919,605	127,239,318	280,059,706	85,462,844	103,228,659
Transfers out	(89,712,235)	(82,130,842)	(96,910,822)	(70,278,371)	(625,834,461)	(90,933,030)	(118,895,601)	(280,713,251)	(105,699,178)	(111,702,607)
<b>Total other financing sources (uses)</b>	<b>2,246,475</b>	<b>5,174,925</b>	<b>5,067,803</b>	<b>10,799,385</b>	<b>530,621,057</b>	<b>6,493,391</b>	<b>10,300,326</b>	<b>151,742,657</b>	<b>(20,209,500)</b>	<b>(8,453,397)</b>
<b>EXTRAORDINARY ITEM</b>										
Extraordinary expense	-	-	-	-	(1,858,400)	769,066	1,089,334	-	-	-
<b>Net change in fund balances</b>	<b>\$ 11,156,338</b>	<b>\$ 11,862,468</b>	<b>\$ 19,853,490</b>	<b>\$ 15,901,324</b>	<b>\$ 403,819,015</b>	<b>\$ (232,129,950)</b>	<b>\$ (96,767,169)</b>	<b>\$ 150,876,944</b>	<b>\$ (63,869,225)</b>	<b>\$ 27,767,648</b>
Debt service as a percentage of noncapital expenditures	8.09%	9.74%	7.75%	7.37%	12.80%	11.70%	11.04%	10.77%	12.34%	12.50%

**CITY OF MIAMI BEACH, FLORIDA**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY (Unaudited)**  
**LAST TEN FISCAL YEARS**  
*(in thousands of dollars)*

Fiscal Year Ended September 30,	Real Property				Value of Taxable Property	Exemptions			Total Taxable Assessed Value	Total Direct Tax Rate <sup>B</sup>
	Residential Property	Commercial Property	Industrial Property	Other Property		Real property-Amendment 10 Excluded Value <sup>A</sup>	Less: Tax-Exempt Property	Other Adjustments to Just Value		
2012	\$ 18,370,666	\$ 5,909,382	\$ 48,770	\$ 2,643,427	\$ 26,972,245	\$ 1,740,330	\$ 2,614,791	\$ 638,834	\$ 21,978,290	6.4539
2013	20,334,542	6,246,840	38,810	2,713,143	29,333,335	2,311,720	2,615,045	1,334,248	23,072,322	6.3477
2014	22,262,896	6,870,554	34,051	2,776,696	31,944,197	2,787,123	2,507,009	1,993,488	24,656,577	6.1163
2015	26,372,550	7,457,822	31,671	3,004,039	36,866,082	3,888,518	2,478,873	3,394,820	27,103,871	6.0237
2016	31,699,064	9,389,064	43,114	3,516,886	44,648,127	5,649,696	2,504,591	5,795,949	30,697,891	5.9123
2017	36,227,540	10,081,176	55,583	4,012,695	50,376,994	6,835,074	2,601,055	6,243,108	34,697,757	5.8888
2018	36,319,906	11,028,601	54,118	3,956,081	51,358,706	6,236,526	2,642,773	5,082,345	37,397,062	5.8888
2019	35,233,234	11,631,382	52,018	4,360,443	51,277,077	5,033,773	2,756,878	3,387,534	40,098,892	5.8888
2020	34,930,988	12,108,591	53,204	4,453,591	51,546,374	4,425,609	3,061,436	2,316,331	41,742,998	6.0221
2021	35,505,640	11,165,123	59,878	4,378,893	51,109,534	4,467,511	3,069,788	1,705,561	41,866,674	6.0515

Source: 2021 Tax Roll for Miami-Dade County

Note: Increases in assessed value for homesteaded property is limited to 3% per year or CPI whichever is less and for non-homesteaded property the increase is limited to 10% per year.

Note: Exemptions for real property include: \$25,000 homestead exemption; an additional \$25,000 homestead exemption (excluding School Board taxes) starting in FY 2009; widows/widowers exemption; governmental exemption; disability/blind age 65 and older exemption; institutional exemption; economic development exemption and other exemptions as allowed by law.

<sup>A</sup> Amendment 10 was an amendment to the Florida Constitution in 1992 which capped the assessed value of properties with homestead exemption to increases of 3% per year or the Consumer Price Index, whichever is less (193,155, F.S.)



**CITY OF MIAMI BEACH, FLORIDA**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES (Unaudited)**  
**LAST TEN FISCAL YEARS**  
*(rate per \$1,000 of assessed value)*

Fiscal Year Ended September 30,	City of Miami Beach Direct Rates			Overlapping Rates <sup>A</sup>			Total
	Operating Millage	Debt Service Millage	Total Direct Millage	School District Millage	County Millage	State Millage	
2012	6.1655	0.2884	6.4539	8.0050	5.7695	0.4708	20.6992
2013	6.0909	0.2568	6.3477	7.9980	5.6610	0.4634	20.4701
2014	5.8634	0.2529	6.1163	7.9770	5.7980	0.4455	20.3368
2015	5.7942	0.2295	6.0237	7.9740	5.9009	0.4187	20.3173
2016	5.7092	0.2031	5.9123	7.6120	5.9009	0.3871	19.8123
2017	5.7092	0.1796	5.8888	7.3220	5.8509	0.3627	19.4244
2018	5.7224	0.1664	5.8888	6.9940	5.8182	0.3420	19.0430
2019	5.7288	0.1600	5.8888	6.7330	5.8568	0.3256	18.8042
2020	5.7288	0.2933	6.0221	7.1480	5.8969	0.3115	19.3785
2021	5.7288	0.3227	6.0515	7.1290	5.8796	0.2995	19.3596

**Source:** Miami-Dade County, Florida; Department of Property Appraisal  
2020 Millage Table and The City of Miami Beach 2020/2021  
Adopted Budget Book.

**State Legislated Operating millage Requirements**

Pursuant to recently enacted State legislation, the City may elect to approve millage rates above the roll-back rate up to the constitutional cap of 10 mills subject to the following votes by the Commission or referendum:

Option I: A majority of the Commission Millage is required to approve a millage up to 8.1906 (equivalent to 100.55% of prior year maximum as valorem proceeds allowed by a majority vote, net of the impact of the Tax Increment Districts). The adjustment of 100.55% reflects the statewide per capita personal income increase for the prior year.

Option II: A two-thirds approval (5 of 7 votes) of the Commission is required to approve a millage up to 9.0097 (equivalent to a 10% increase in the ad valorem revenues above Option I).

Option III: A unanimous approval of the Commission or referendum is required to approve a millage above 9.0097 up to the 10 mill cap

<sup>A</sup> Overlapping rates are those of local and county governments that apply to owners within the City of Miami Beach. Not all overlapping rates apply to all Miami Beach property owners.

**CITY OF MIAMI BEACH, FLORIDA  
PRINCIPAL PROPERTY TAX PAYERS (Unaudited)  
CURRENT YEAR AND NINE YEARS AGO**

2021			2012		
Taxpayer	Taxable Assessed Value	Percentage of The City's Certified Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Percentage of The City's Certified Taxable Assessed Value
Fountainbleau Florida Hotel LLC	\$ 420,166,732	1.00 %	Fountainbleau Florida Hotel LLC	\$ 289,947,584	1.32 %
PDS Development LLC	366,951,649	0.88	2201 Collins Fee LLC	220,373,730	1.24
MB Redevelopment INC	266,000,000	0.64	MB Redev. Inc./Loews Hotel	195,300,000	1.07
Florida Power & Light Company	241,570,548	0.58	Sandy Lane Residential LLC	159,142,793	0.98
SB Hotel Owner	186,943,698	0.45	Florida Power & Light Co	158,530,880	0.72
Playa Retail Investments	163,991,928	0.39	Di Lido Beach Hotel Corp.	100,600,000	0.58
2201 Collins Fee LLC	160,899,793	0.38	MCZ/ Centrum Flamingo II LLC	88,800,000	0.49
4701 North Meridian	157,889,282	0.38	Eden Roc LLP	87,560,000	0.49
Eden Roc LLP	131,254,090	0.31	MCZ/ Centrum Flamingo III LLC	74,600,000	0.48
3201 Hotel LLC	128,825,040	0.31	RP Hotel Holdings LLC	70,716,951	0.40
	<u>\$ 2,224,492,760</u>	<u>5.31 %</u>		<u>\$ 1,445,571,938</u>	<u>7.77 %</u>

**Source:** 2021 and 2012 Miami-Dade County, Florida Ad Valorem Assessment Roll for the City of Miami Beach.

**CITY OF MIAMI BEACH, FLORIDA**  
**PROPERTY TAX LEVIES AND COLLECTIONS (Unaudited)**  
**FISCAL YEARS 2012 THRU 2021**

Fiscal Year Ended September 30,	Taxes levied for the fiscal year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 134,753,401	\$ 129,572,937	96.16 %	3,168,493	\$ 132,741,430	98.51 %
2013	139,133,369	130,317,166	93.66	2,562,135	132,879,301	95.50
2014	143,266,670	139,729,175	97.53	3,511,436	143,240,611	99.98
2015	155,102,311	151,761,695	97.85	4,781,139	156,542,834	100.93
2016	172,420,383	168,150,832	97.52	7,041,985	175,192,817	101.61
2017	194,111,744	187,054,786	96.36	7,648,547	194,703,333	100.30
2018	209,212,631	195,128,303	93.27	7,513,185	202,641,488	96.86
2019	217,551,576	201,846,093	92.78	12,965,987	214,812,080	98.74
2020	238,811,488	217,016,119	90.87	8,130,436	225,146,555	94.28
2021	236,515,128	230,229,805	97.34	-	230,229,805	97.34

**Sources:** Millage and taxable value table, the City of Miami Beach adopted budget book, Miami-Dade County real estate delinquent tax system and the City of Miami Beach finance department.

**Note:** Assessments as of January 1 of the year listed; bills mailed in October of that year; taxes become delinquent at the end of April of the subsequent year.

For the City of Miami Beach, the period for which levied coincides with the fiscal year.

**CITY OF MIAMI BEACH**  
**RATIOS OF OUTSTANDING DEBT BY TYPE (Unaudited)**  
**LAST TEN FISCAL YEARS**  
*(in thousands of dollars)*

Governmental Activities <sup>A</sup>									
Fiscal Year	General Obligation Bonds	Resort Tax Revenue Bonds	Gulf Breeze Government Loan Program	Pension Obligation Bonds	Redevelopment Agency Tax Increment Revenue Bonds	Loans Payable <sup>D</sup>	Other Obligations	Total Governmental Activities	
2012	\$ 64,045	\$ -	\$ 17,128	\$ 33,995	\$ 70,375	\$ 11,815	\$ 14,780	\$ 212,138	
2013	61,745	-	14,386	30,550	66,058	12,374	13,551	198,664	
2014	59,338	-	11,510	26,935	60,365	13,558	12,882	184,588	
2015	55,419	-	8,484	23,160	54,990	11,779	11,801	165,633	
2016	51,425	213,288	5,310	19,215	350,692	8,551	11,002	659,483	
2017	47,363	208,906	4,350	-	342,669	25,843	10,121	639,252	
2018	43,234	204,411	3,340	-	334,479	21,344	9,153	615,961	
2019	191,593 <sup>C</sup>	199,772	2,280	-	326,089	18,958	8,089	746,781	
2020	186,154 <sup>C</sup>	194,986	1,170	-	317,464	14,327	7,155	721,256	
2021	179,589 <sup>C</sup>	190,039	-	-	308,574	15,382	6,236	699,820	
Business-type activities <sup>A</sup>						Total		Percentage of Personal Income	Per Capita <sup>B</sup>
Fiscal Year	Storm Water Revenue Bonds	Sewer Revenue Bonds	Parking Revenue Bonds	Loan Payable	Total Business Activities	Total Primary Government			
2012	\$ 94,646	\$ 121,507	\$ 44,040	\$ 2,025	\$ 262,218	\$ 474,356	\$ 13.55	\$ 5,2649	
2013	93,108	117,272	42,059	1,793	254,232	452,896	11.85	4.9862	
2014	92,487	114,492	40,686	1,271	248,936	433,524	11.99	4.7848	
2015	190,545	109,569	38,476	1,143	339,733	505,366	13.24	5.5133	
2016	187,619	105,810	101,620	770	395,819	1,055,302	24.51	11.5253	
2017	184,169	99,406	99,658	276	383,509	1,022,761	22.70	11.1270	
2018	286,294	178,317	97,640	-	562,251	1,178,212	25.95	12.7641	
2019	281,263	173,484	95,564	-	550,311	1,297,092	26.58	14.1422	
2020	276,034	168,442	63,893	32,431 <sup>E</sup>	540,800	1,262,056	24.41	13.4032	
2021	\$ 270,642	\$ 163,285	\$ 63,500	\$ 32,431 <sup>E</sup>	\$ 529,858	\$ 1,229,678	\$ 25.96	\$ 14.8539	

**Note:** Details regarding the city's outstanding debt can be found in the notes to the financial statements.

<sup>A</sup> Net of Premium and discount

<sup>B</sup> See Demographic and Economic Statistics page for population information

<sup>C</sup> New debt issued in fiscal year 2019 and 2020

<sup>D</sup> Includes the Pension loan, loans payable and capital leases

<sup>E</sup> The \$ 32,431,335 million of debt is reported on the Enterprise Funds - Parking Statement of Net Position , however the pledge repayment source is non ad -valorem general revenue subject to budget and appropriation.

**CITY OF MIAMI BEACH**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING (Unaudited)**  
**LAST TEN FISCAL YEARS**  
*(in thousands of dollars)*

Fiscal Year	Net Bonded Debt						Percentage of Actual Taxable Value of Property		Debt Per Capita <sup>A</sup>
	General Obligation Bonds	Gulf Breeze Fixed Rate Bonds <sup>C</sup>	Pension Refunding Bonds/Loan	Total	Fund Balance Reduction	Net Total			
2012	\$ 62,491	\$ 15,499	\$ 33,995	\$ 111,985	\$ (10,083)	\$ 101,902	0.51	%	1.2429
2013	59,692	12,583	30,550	102,825	(9,852)	92,973	0.45		1.1318
2014	56,519	9,455	26,935	92,909	(9,973)	82,936	0.38		1.0207
2015 <sup>B</sup>	55,419	8,484	23,160	87,063	(9,851)	77,212	0.32		0.9491
2016 <sup>B</sup>	51,425	5,310	19,215	75,950	(21,390)	54,560	0.25		0.8295
2017 <sup>B</sup>	47,363	4,350	-	51,713	(7,577)	44,136	0.15		0.5626
2018 <sup>B</sup>	43,234	3,340	-	46,574	(812)	45,762	0.12		0.5046
2019 <sup>B</sup>	191,593	2,280	-	193,873	(774)	193,099	0.48		2.1138
2020 <sup>B</sup>	186,154	1,170	-	187,324	(299)	187,025	0.45		1.9894
2021 <sup>B</sup>	179,589	-	-	179,589	(272)	179,317	0.43		2.1693

**Note:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.

<sup>A</sup> See Demographic and Economic Statistics page for population information.

<sup>B</sup> Debt net of premium and discount

<sup>C</sup> These bonds are pledged from general non ad-valorem funds. See Note 10 for more details.

Note: RDA & Resort Tax debt is excluded as it is pledged RDA & Resort Tax revenue respectively.

**CITY OF MIAMI BEACH, FLORIDA**  
**LEGAL DEBT MARGIN INFORMATION (Unaudited)**  
**LAST TEN FISCAL YEARS**

	Fiscal Year				
	2012	2013	2014	2015	2016
Debt limit	\$ 3,296,743,489	\$ 3,460,848,297	\$ 3,698,486,533	\$ 4,065,580,713	\$ 4,604,683,630
Total net debt applicable to limit	62,490,554	60,722,308	56,518,915	52,080,035	48,840,920
Legal Debt margin	<u>\$ 3,234,252,935</u>	<u>\$ 3,400,125,989</u>	<u>\$ 3,641,967,618</u>	<u>\$ 4,013,500,678</u>	<u>\$ 4,555,842,710</u>
Total net debt applicable to the limit as a percentage of debt limit	1.90%	1.75%	1.53%	1.28%	1.06%
	Fiscal Year				
	2017	2018	2019	2020	2021
Debt limit	\$ 5,204,663,566	\$ 5,609,559,374	\$ 5,833,419,165	\$ 6,143,498,044	\$ 6,171,113,594
Total net debt applicable to limit	44,772,315	42,422,703	190,818,618	185,855,751	179,316,871
Legal Debt margin	<u>\$ 5,159,891,251</u>	<u>\$ 5,567,136,671</u>	<u>\$ 5,642,600,547</u>	<u>\$ 5,957,642,293</u>	<u>\$ 5,991,796,723</u>
Total net debt applicable to the limit as a percentage of debt limit	0.86%	0.76%	3.27%	3.03%	2.91%

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed value	\$ 41,140,757,296
Debt limit (15% of assessed value)	6,171,113,594
Debt applicable to limit:	
General obligation bonds	179,589,234
Less: Amount set aside for repayment of general obligation debt	<u>272,363</u>
Total net debt applicable to limit	<u>179,316,871</u>
Legal debt margin	<u>\$ 5,991,796,723</u>

Note: Assessed value is the certified taxable value as of January 1, 2020.

**CITY OF MIAMI BEACH, FLORIDA**  
**PLEGGED-REVENUE COVERAGE (Unaudited)**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Revenue	Less:		Net available Revenue	Debt Service		Coverage
		Operating Expenses			Principal	Interest	
<b>Parking Revenue Bonds</b>							
2012	\$ 40,254,446	\$ 20,364,735		\$ 19,889,711	\$ 1,909,458	\$ 2,121,143	4.93
2013	41,608,717	22,099,777		19,508,940	1,972,110	2,050,454	4.85
2014	40,423,375	25,631,104		14,792,271	2,049,762	1,977,231	3.67
2015	42,740,752	28,094,275		14,646,477	1,405,000	1,834,663	4.52
2016	52,263,779	31,863,161		20,400,618	2,230,508	3,882,226	3.34
2017	47,420,407	32,519,424		14,900,983	1,600,000	4,652,713	2.38
2018	48,575,322	34,314,433		14,260,889	1,670,000	4,579,713	2.28
2019	49,251,672	35,564,086		13,687,586	1,740,000	4,512,913	2.19
2020	33,293,212	26,155,956		7,137,256	80,000	4,444,112	1.58
2021	37,035,158	22,140,681		14,894,477	85,000	2,921,800	4.95

Note: Revenue includes operating revenues but excludes interest earned on bond proceeds as per the official bond statement. Operating expenses excludes depreciation expense and administrative fees. The revenue pledged to the 2020 refunding loan is non-ad valorem covenant to budget and appropriated funding, however, the loan is paid with parking revenues and reported on the parking fund statement of net position. The parking fund debt covenant calculation does not include the debt for the 2020 refunding loan, it only includes the debt service for the 2015 Series bonds. The 5th & Alton and 7th Street Garages are not included as part of the Parking Systems Funds.

<b>Water &amp; Sewer Revenue Bonds</b>							
2012	\$ 68,622,998	\$ 46,769,683	\$ 21,853,315	\$ 4,100,000	\$ 5,801,135		2.21
2013	68,382,564	49,737,831	18,644,733	4,285,000	5,633,434		1.88
2014	69,399,550	49,242,030	20,157,520	3,185,000	5,476,073		2.33
2015	76,118,870	53,527,238	22,591,632	4,935,000	5,299,541		2.21
2016	80,863,818	57,123,647	23,740,171	3,770,000	5,111,733		2.67
2017	84,740,505	62,870,251	21,870,254	6,415,000	4,889,445		1.93
2018	87,212,562	59,819,813	27,392,749	7,330,000	6,532,843		1.98
2019	91,353,611	59,639,739	31,713,872	4,170,000	7,548,581		2.71
2020	82,966,677	54,173,737	28,792,940	4,360,000	7,367,338		2.46
2021	88,366,766	59,408,154	28,958,612	4,455,000	7,272,794		2.47

Note: Revenue includes operating revenues and operating interest income but excludes interest earned on bond proceeds and water and sewer impact fees as per the official bond statement. Operating expenses excludes depreciation expense and administrative fees.

<b>Stormwater Revenue Bonds</b>							
2012	\$ 11,754,024	\$ 3,770,907	\$ 7,983,117	\$ 1,500,000	\$ 3,337,013		1.65
2013	11,778,578	3,011,708	8,766,870	1,545,000	4,302,595		1.50
2014	11,938,937	3,287,102	8,651,835	1,590,000	4,258,872		1.48
2015	21,321,751	4,804,628	16,517,123	2,620,000	4,208,297		2.42
2016	21,833,308	4,467,788	17,365,520	2,720,000	8,516,865		1.55
2017	28,587,321	6,903,636	21,683,685	3,250,000	8,111,226		1.91
2018	29,743,251	6,140,735	23,602,516	4,213,026	9,964,373		1.66
2019	31,301,193	7,077,471	24,223,722	4,025,000	11,988,659		1.51
2020	31,601,867	8,332,325	23,269,542	4,185,000	11,817,582		1.45
2021	32,392,519	8,714,351	23,678,168	4,350,000	11,630,206		1.48

Note: Revenue includes operating revenues and operating interest income but excludes interest earned on bond proceeds as per the official bond statement. Operating expenses excludes depreciation expense and administrative fees. Debt service excludes the State Revolving Loan - refer to Note 10.

The ratio including the State Revolving Loan in FY2021 is 1.45.

<b>Redevelopment Agency</b>							
2012	\$ 84,906,486	\$ 500,000	\$ 84,406,486	\$ 4,660,000	\$ 3,733,816		10.06
2013	90,690,478	500,000	90,190,478	4,885,000	3,512,766		10.74
2014	37,456,562	500,000	36,956,562	4,885,000	3,513,000		4.40
2015	36,251,898	-	36,251,898	5,375,000	3,039,103		4.31
2016	42,216,634	-	42,216,634	7,985,000	13,744,597		1.94
2017	49,332,005	-	49,332,005	7,985,000	13,744,597		2.27
2018	49,920,277	-	49,920,277	7,985,000	13,744,597		2.30
2019	53,142,078	-	53,142,078	7,985,000	13,744,597		2.45
2020	56,577,471	-	56,577,471	7,985,000	13,744,597		2.60
2021	56,434,269	-	56,434,269	7,985,000	13,744,597		2.60

Note: "Trust Fund Revenues" shall mean the revenues derived from Redevelopment area and received by the Agency for deposit in the Trust Fund. Per the bond documents, debt service coverage is "Trust Fund Revenues" as defined above divided by the maximum annual debt service requirement. Therefore, no operating expense is included in the net revenue calculation.

<b>Resort Tax</b>							
2016	\$ 82,754,779	\$ -	\$ 82,754,779	\$ 8,505,000	\$ 3,949,750		6.64
2017	81,910,032	-	81,910,032	8,505,000	3,949,750		6.58
2018	87,595,052	-	87,595,052	8,505,000	3,949,750		7.03
2019	88,246,170	-	88,246,170	8,505,000	3,949,750		7.09
2020	54,972,321	-	54,972,321	8,505,000	3,949,750		4.41
2021	82,207,342	-	82,207,342	8,505,000	3,949,750		6.60

Note: Per the bond documents, "Resort Tax Revenues" are all municipal taxes imposed, levied, and collected pursuant to the Resort Tax regulations. The revenues do not include special assessment revenues. Per the bond documents, debt service coverage is "Resort Tax Revenues" as defined above divided by the maximum annual debt service requirement. Therefore, no operating expense is included in the net revenue calculation.

**CITY OF MIAMI BEACH, FLORIDA**  
**COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT (Unaudited)**  
**SEPTEMBER 30, 2021**

<b>DIRECT DEBT</b>			
General obligation indebtedness			
Public improvement bonds			162,990,000
Premium/(Discount)			<u>16,599,234</u>
Total General obligation indebtedness			<u>\$ 179,589,234</u>
Non-self-supporting indebtedness (net of premium/discount): <sup>A</sup>			
Bonds (net of premium):			
Tax Increment Revenue Bonds	\$	308,574,952	
Resort Tax Bonds		190,039,549	
Loans and leases:			
2020 Parking refunding loan (series 2010 bonds)		32,431,335	
2020 Energy Savings Obligation		5,937,858	
Equipment Loan		9,130,595	
Clean Water State Revolving Loan		6,252,155	
Capital Lease Obligation		299,166	
Total non-self-supporting indebtedness			<u>552,665,610</u>
Total direct indebtedness			<u>\$ 732,254,844</u>
<b>OVERLAPPING DEBT <sup>B</sup></b>			
Miami-Dade County			
Total general obligation indebtedness	\$	2,339,295,760	
Percent applicable to City <sup>C</sup>		12.388%	289,791,959
Total school district obligation indebtedness		847,572,000	
Percent applicable to City <sup>C</sup>		12.388%	104,997,219
Total net non-self-supporting indebtedness		3,186,867,760	
Percent applicable to City <sup>C</sup>		12.388%	<u>394,789,178</u>
Total overlapping debt			<u>789,578,356</u>
	2008		
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>			<u><u>\$ 1,521,833,200</u></u>

<sup>A</sup> Excludes self-supporting debt obligations.

<sup>B</sup> All debt listed as Overlapping Debt is secured either solely from a tax source or from a combination of self-supporting revenues and a tax source.

<sup>C</sup> Based upon 2020 assessed valuation figures for the City and Dade County.



**CITY OF MIAMI BEACH  
DEMOGRAPHIC AND ECONOMIC STATISTICS (Unaudited)  
LAST TEN CALENDAR YEARS**

Miami-Dade County							
Year	Miami Beach Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Auto Tags	Bank Deposits (Thousands)	School Age Population	Unemployment Rate
2011	90,097	\$ 96,657	\$ 37,834	2,007,052	\$ 82,935	349,945	11.3
2012	90,848	100,688	38,860	1,691,167	<sup>B</sup> 91,040	353,152	9.3
2013	91,026	104,373	39,880	-	<sup>A</sup> 95,058	355,268	8.4
2014	91,732	111,529	41,883	-	<sup>A</sup> 102,382	355,913	6.8
2015	91,564	116,553	47,026	-	<sup>A</sup> 114,771	356,480	5.1
2016	91,917	121,447	49,018	-	<sup>A</sup> 124,922	356,086	4.6
2017	92,307	126,715	49,185	-	<sup>A</sup> 128,390	354,172	3.6
2018	91,718	138,139	53,213	-	<sup>A</sup> 131,441	350,040	3.1
2019	93,988	149,166	54,902	-	<sup>A</sup> 152,062	347,069	7.9
2020	94,161	154,891	57,213	-	<sup>A</sup> 179,203	334,400	1.4

**Source:** Florida Statistical Abstract, US Census American Community Survey, Bureau of Labor Statistics, FDIC - Branch Office Deposits, Dade County School District

<sup>A</sup> Data not available

<sup>B</sup> Does not include mobile homes, trailers or vessels, dealer or transporter license plates, half-year truck/tractor registrations or permanent government license plates.

**MIAMI-DADE COUNTY  
PRINCIPAL EMPLOYERS (Unaudited)  
CURRENT YEAR AND NINE YEARS AGO**

Ten Largest Public Employers					
<u>Employer</u>	2016*			2008	
	<u>Employees</u>	<u>Rank</u>	Percentage of Total County Employment	<u>Employees</u>	<u>Rank</u>
Miami-Dade County Public Schools	33,477	1	1.22 %	54,861	1
Miami-Dade County	25,502	2	0.93	33,653	2
Federal Government	19,200	3	0.70	20,400	3
Florida State Government	17,100	4	0.62	17,000	4
Jackson Health System	9,797	5	0.36	11,875	5
City of Miami	3,997	6	0.15	4,600	8
Florida International University	3,534	7	0.13	8,500	6
Homestead AFB	3,250	8	0.12		
Miami VA Medical Center	2,500	9	0.09	2,310	10
Miami Dade College	2,390	10	0.09	5,865	7
City of North Miami Beach				3,878	9

Ten Largest Private Employers					
<u>Employer</u>	2016*			2008	
	<u>Employees</u>	<u>Rank</u>	Percentage of Total County Employment	<u>Employees</u>	<u>Rank</u>
University of Miami	12,818	1	0.47 %	12,765	1
Baptist Health South Florida	11,353	2	0.41	11,615	3
American Airlines	11,031	3	0.40	9,000	4
Carnival Cruise Lines	3,500	4 (t)	0.13		
Miami Children's Hospital	3,500	4 (t)	0.13		
Mount Sinai Medical Center	3,321	6	0.12		
Florida Power and Light	3,011	7	0.11		
Royal Caribbean	2,989	8	0.11		
Wells Fargo	2,050	9	0.07		
Bank of America Merrill Lynch	2,000	10	0.07		
Publix Super Markets				11,760	2
Precision Response Corporation				5,000	7
Bellsouth/AT&T				4,100	9
Winn-Dixie Stores				8,000	5
Florida Power & Light Co.				3,952	10
United Parcel Service				5,144	6
The Home Depot				4,500	8

**Source:** Employer and employees information provided by the Beacon Council. Miami Dade's Official Economic Development Partnership. Percentage of total County employment was calculated based on total County employment of 2,751,796 as provided by US Census American Community Survey.

\*The principal employer data for fiscal years 2017-2020 are not available as of the date of this report.

**CITY OF MIAMI BEACH, FLORIDA**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM (Unaudited)**  
**LAST TEN FISCAL YEARS**

Function/Program	Full-time Equivalent Employees as of September 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General government:</b>										
Mayor and Commission	18	18	18	20	19	20	20	21	21	21
City Manager	10	10	13	15	16	16	16	16	16	18
Office of Communications	5	5	4	9	9	14	14	13	12	12
Office of Management & Budget	18	18	18	20	20	20	20	11	11	8
Organization Development and Performance Initiatives				2	2	2	3	3	3	2
Office of Inspector General <sup>D</sup>								14	14	14
Finance	37	37	37	50	50	64	65	63	63	59
Information Technology	36	37	36	38	39	44	44	44	44	46
Human Resources	14	14	15	23	27	28	29	28	28	28
Risk Management <sup>A</sup>	7	7	6							
City Clerk	14	13	14	14	15	15	15	15	15	15
Procurement	8	8	8	12	16	17	18	19	19	19
City Attorney	19	19	19	21	22	22	24	24	24	24
<b>Economic Development and Cultural Arts:</b>										
Real Estate, Housing and Comm. Development	13	13	11	11	15	27	23	26	26	23
Economic Development <sup>E</sup>								6	6	5
Building	73	73	73	86	85	88	88	84	84	84
Environment & Sustainability <sup>B</sup>						10	12	11	11	10
Planning	25	25	25	26	26	27	27	27	27	27
Tourism & Cultural Development <sup>E</sup>	11	11	13	17	18	18	18	10	10	11
Bass Museum	8	8	8	8	2	2	2	2	2	2
<b>Operations:</b>										
Community Services	4	4	4	4	4	4	4	4	4	4
Code Compliance	41	41	42	57	58	61	61	59	56	56
Parks & Recreation	173	173	167	152	150	151	162	163	158	153
Public Works	41	40	42	57	70	68	78	78	75	75
Sanitation	179	178	178	169	172	171	172	169	162	152
Property Management	50	50	50	33	34	34	34	36	36	45
Capital Improvement Projects	37	37	36	34	36	36	34	34	34	34
Parking	116	110	111	107	114	115	113	108	105	77
Sewer	35	34	34	34	37	37	30	30	30	30
Stormwater	21	21	21	29	32	32	30	30	33	33
Water	52	52	52	52	53	53	48	48	47	47
Fleet Management	20	20	22	22	22	21	21	21	21	19
Transportation Management <sup>C</sup>				6	9	16	15	15	11	9
<b>Public safety:</b>										
Police - Officers	370	381	381	385	409	408	408	414	415	414
Police - Civilians	138	144	158	92	78	97	100	97	97	99
Fire - Officers	200	200	200	201	200	213	213	213	213	213
Fire - Civilians	27	27	27	27	30	31	32	30	29	29
Ocean Rescue	76	76	76	78	92	91	91	91	95	95
Emergency Management				72	73	78	75	73	73	72
<b>Total</b>	<b>1,896</b>	<b>1,904</b>	<b>1,919</b>	<b>1,983</b>	<b>2,054</b>	<b>2,152</b>	<b>2,159</b>	<b>2,150</b>	<b>2,130</b>	<b>2,085</b>

**Source:** City of Miami Beach Budget Department

**Note:** In FY 2011 the City reduced its FTE by 133, this is due to adopted efficiencies and service reductions.

<sup>A</sup> Risk Management merged with Human Resources in 2015

<sup>B</sup> Ordinance 2016-3997 was passed in 2016 to creating the Environment & Sustainability Department, previously part of the Building Department.

<sup>C</sup> Ordinance 2014-3865 was passed in May 2014 creating the Transportation Management Department.

<sup>D</sup> Ordinance 2019-4239 was passed February 2019 creating the Office of Inspector General, which includes Office of Internal Audit, previously reported under Office of Management & Budget.

<sup>E</sup> During FY2019, the Tourism, Culture, and Economic Development Department was separated into two departments; Tourism and Cultural Development and Economic Development.

**CITY OF MIAMI BEACH, FLORIDA**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM (Unaudited)**  
**LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General government:</b>										
Mayor and commission										
Ordinances approved	35	26	73	69	72	97	79	94	60	122
Resolutions approved	230	266	382	383	435	428	479	561	430	371
City manager										
Better Place Requests Open and Closed	42	2	7	58	N/A	N/A	N/A	N/A	N/A	N/A
Total Egov Requests Received	N/A	N/A	N/A	N/A	27,855	39,092	10,946	7,206	7,836	8,671
Total Egov Requests Completed	N/A	N/A	N/A	N/A	27,605	37,735	10,926	7,172	7,701	8,674
Budget and performance improvement										
Audits performed	235	198	187	155	174	187	224	210	-	-
Grants awarded	\$ 2,869,671	\$ 3,574,486	\$ 3,447,853	\$ 3,146,417	\$ 8,002,420	\$ 5,974,620	\$ 8,123,083	\$ 9,308,595	\$ 7,962,274	\$ 7,282,286
Finance										
Utility customer accounts	10,062	10,070	10,075	10,085	10,125	10,123	10,075	10,095	10,054	10,059
Licenses issued	6,592	6,496	6,943	7,555	7,928	8,489	7,912	7,672	6,774	6,417
Lien statements	6,326	7,355	6,734	6,298	4,750	4,267	4,950	4,862	4,144	7,650
Annual resort tax accounts	1,066	1,087	1,054	1,058	1,049	1,030	1,005	1,016	1,006	942
Human resources										
Employees	1,824	1,905	1,930	1,960	2,054	2,152	2,159	2,150	2,129	2,085
Hires	154	176	163	218	258	380	308	376	132	212
Building										
Building and trade permits processed/issued	13,272	13,881	14,071	14,076	12,645	11,045	10,575	9,889	6,637	8,685
Certificates	417	529	536	558	587	597	481	528	384	450
Tourism & cultural development										
Film & print and special events permits	1,225	1,190	1,141	1,249	1,041	1,184	1,050	1,152	750	805
Bass Museum Visitors	36,708	47,162	64,323	53,093	21,570	9,716	111,470	87,108	36,300	14,703
Theater Events (Byron/Colony)	222	237	172	90	1,049	958	1,157	1,355	146	181
<b>Operations:</b>										
Parking										
Residential Parking Permits	13,720	12,523	14,566	13,539	13,647	13,663	12,439	12,232	10,732	10,201
Municipal Parking Permits	44,418	47,600	51,230	43,014	41,422	43,188	37,889	38,770	28,561	23,371
Total Vehicle Entries - Garages	2,582,466	2,887,722	3,310,093	3,121,623	3,172,477	2,895,615	2,714,033	2,519,252	1,577,632	1,717,696
Parks & recreation										
Summer Camp	2,561	2,568	2,653	2,689	3,230	2,457	2,281	2,648	544	983
After and Play School Participants	3,276	3,056	3,139	3,091	1,405	1,316	1,073	1,056	786	366
Athletics	2,042	2,104	2,215	2,143	2,718	5,226	6,021	7,319	1,916	1,437
Pool Attendance	138,005	128,852	133,373	118,553	173,228	150,021	156,640	172,110	52,500	85,000
Golf course patrons <sup>A</sup>	71,528	76,230	79,532	75,542	74,237	71,807	78,654	79,673	76,280	73,987
Public Works-Engineering/Water/Sewer/Streets										
Right-of-Way permits issued	822	801	967	1,144	1,247	1,227	1,132	1,329	1,000	970
Cleaning and inspection of sewer lines	824,212	937,000	N/A	N/A	N/A	N/A	N/A	N/A	188 miles	112 miles
Stormwater structures cleaned	97,425	N/A	N/A	N/A	N/A	7,092	7,891	7,891	7,891	7,891
Sanitation										
Residential Waste (tons per year)	10,233	8,920	8,972	8,278	8,036	8,036	8,028	8,029	8,956	9,197
Litter Cans	2,735	2,765	2,787	2,376	2,424	2,479	2,361	2,495	2,399	3,372
Mechanized Sweeping (miles per day)	20	20	20	20	20	20	20	20	20	4
Mobile Sweeping (miles per day)	156	156	156	156	156	156	156	156	156	160
Fleet Management										
Fuel consumed - diesel and unleaded (gallons)	858,767	698,280	849,400	847,359	862,970	899,289	935,173	921,178	778,563	8,212,234
Preventive maintenance jobs	3,174	3,519	3,153	3,334	3,549	4,334	3,725	3,732	3,435	2,987
Police										
Total number of arrests	9,890	10,577	8,280	6,644	6,458	5,790	4,993	5,428	3,422	5,385
Traffic Violations	48,344	50,590	71,562	64,478	57,488	46,695	39,368	37,116	14,020	32,916
Fire										
Emergency responses	22,263	22,948	23,415	25,185	25,384	26,081	25,771	23,746	21,362	27,188
Existing building inspections	773	961	1,985	1,461	3,248	3,056	7,069	6,035	15,729	21,430
Night club inspections	1,957	2,477	1,775	333	23	81	8	120	54	248
Site inspections	7,369	9,047	9,736	10,868	8,531	9,337	6,899	7,345	5,375	2,254
On duty inspections	187	1233	1,774	1,946	2,086	N/A	N/A	N/A	N/A	N/A
Ocean rescue - victims rescued	531	733	575	788	886	495	785	1,168	253	708
Ocean rescue prevention	250,310	273,543	208,027	217,367	228,294	232,017	339,128	248,039	66,573	524,401

N/A - Information not available or service is not longer being performed.

Source: Various City of Miami Beach departments and Departmental Workplans.

<sup>A</sup> Decrease is due to Bass Museum renovation.

**CITY OF MIAMI BEACH, FLORIDA**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM (Unaudited)**  
**LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Zone offices	4	4	4	4	4	4	4	4	4	4
Vehicles assigned to the police department	530	530	530	530	530	548	586	589	629	629
Fire stations	4	4	4	4	4	4	4	4	4	4
<b>Water</b>										
Water mains (miles)	180	180	180	180	180	180	180	180	180	180
Water valves	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000
Fire hydrants	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009
Fire lines	717	717	717	717	717	717	717	717	717	717
Meters	12,460	12,460	12,460	12,460	12,460	12,460	12,460	12,460	12,460	12,460
Water pumping stations	5	5	5	5	5	5	6	6	6	6
Storage capacity (millions of gallons)	12,000	12,000	12,000	12,000	12,000	14,000	14,000	14,000	14,000	14,000
<b>Stormwater</b>										
Stormwater pipes (miles)	59	59	59	99	99	99	99	99	99	99
Drainage basins	172	172	172	471	471	471	471	471	471	471
Stormwater catch basins	6,000	6,000	6,000	4,779	4,779	4,779	4,779	4,779	4,779	4,779
Manholes	2,161	2,161	2,161	2,616	2,616	2,616	2,616	2,616	2,616	2,616
Outfalls	-	-	-	-	-	-	-	367	367	367
Stormwater Pump stations	-	-	-	-	-	-	49	49	49	49
<b>Sewer</b>										
Sanitary gravity sewer pipes (miles)	152	152	152	122	122	122	122	122	122	122
Force main pipes (miles)	21	21	21	22	22	22	22	22	22	22
Manholes	3,293	3,293	3,293	3,160	3,160	3,160	3,160	3,160	3,160	3,160
Wastewater pump stations	23	23	23	23	23	23	23	23	23	23
<b>Other public works</b>										
Streets (miles)	140	140	140	140	140	140	140	140	140	140
Sidewalks (miles)	242	242	242	242	242	242	242	242	242	242
Curb and gutter (miles)	200	200	200	200	200	200	200	200	200	200
Alleys (miles)	33	33	33	33	33	33	33	33	33	33
Seawalls (linear feet)	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300
Streetlights	6,893	6,893	6,893	6,893	6,893	7,200	7,200	7,200	7,487	7,487
Street lights cable (miles)	263	263	263	263	263	263	263	263	286	286
Up-lights	-	-	-	-	-	-	1,200	1,200	1,275	1,275
<b>Parking</b>										
Parking Lots & Garages	76	76	76	76	77	77	77	73	74	74
Parking Spaces	8,592	8,424	8,424	8,424	8,424	9,677	9,677	9,642	9,605	9,605
<b>Parks and recreation</b>										
Recreational open space (acres)	727	727	727	526	526	524	520	524	524	524
Playground tot-lots	19	19	19	20	21	21	23	23	23	22
Stadiums	2	2	2	1	1	1	2	2	2	2
Sports fields	7	7	7	5	5	5	6	7	7	7
Tennis sites	7	7	7	6	6	6	5	7	7	7
Basketball court sites	10	10	10	10	10	10	10	10	10	10
Ice Rink	1	1	1	1	1	1	1	1	1	1
Pools	3	3	3	3	3	3	3	3	3	3
Youth/Community centers	3	3	3	2	2	2	6	6	6	6
Bark parks	4	4	5	9	9	9	7	7	7	8
Parks - passive and staffed	26	36	36	42	41	41	40	41	43	43
Municipal regulation golf courses	2	2	2	2	2	2	2	2	2	2
Trucks, off-road, and other vehicles	N/A	N/A	N/A	84	87	87	87	88	88	73
Amphitheater	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2	2	2
Outdoor Fitness Gym/Trails	N/A	N/A	N/A	N/A	N/A	N/A	N/A	11	11	13
Skatepark	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1	1	1
Kayak Launches	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2	3	3
<b>Sanitation</b>										
Sweepers	6	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Front end loader										
Trucks, Vans, and other vehicles	90	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Pressure washers	7	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Transit-minibuses										

Source: Various City of Miami Beach departments.

N/A- Data not available

# SINGLE AUDIT REPORTS

- 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
- Report on Compliance for each Major Federal Program and State Project; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards and State Financial Assistance And Chapter 10.550, Rules Of The Auditor General

# **City of Miami Beach, Florida**

*Single Audit Reports in Accordance with  
Uniform Guidance and Chapter 10.550,  
Rules of the Florida Auditor General*

Fiscal Year Ended September 30, 2021

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RSM US LLP

**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***

**Independent Auditor's Report**

Honorable Mayor and Members  
of the City Commission  
City of Miami Beach, 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 governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Miami Beach, Florida (the City), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 17, 2022. Our report included a reference to other auditors who audited the financial statements of the City of Miami Beach Employees' Retirement Plan, City of Miami Beach Pension fund for Firefighters and Police Officers, City of Miami Beach Police Officer's Relief and Pension Fund, and the City of Miami Beach Firefighters' Relief Pension Fund. This report does not include the results of the other auditors' testing on internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the City of Miami Beach Police Officer's Relief and Pension were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal controls over financial reporting or instances of reportable noncompliance associated with the City of Miami Beach Police Officer's Relief and Pension.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing 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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a material weakness.

**Report on Compliance and Other Matters**

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

**City's Response to Finding**

The City's response to the findings identified in our audit is described in the accompanying *schedule of findings and questioned costs*. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*RSM US LLP*

Miami, Florida  
June 17, 2022



RSM US LLP

**Report on Compliance for Each Major Federal Program and State Project; Report on Internal Control Over Compliance; and Report on the Schedules of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Florida Auditor General***

**Independent Auditor's Report**

Honorable Mayor and City Commissioners  
City of Miami Beach, Florida

**Report on Compliance for Each Major Federal Program and Major State Project**

We have audited the City of Miami Beach, Florida's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the Florida Department of *Financial Services' State Project Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs and state projects for the year ended September 30, 2021. The City's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal awards and state financial assistance applicable to its federal programs and state projects.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the City's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Florida Auditor General*. Those standards and the Uniform Guidance and Chapter 10.550, *Rules of the Florida Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or major state project occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the City's compliance.

**Opinion on Each Major Federal Program and Major State Project**

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2021.

## **Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and major state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Florida Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Florida Auditor General*. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and Schedule of State Financial Assistance Required by Chapter 10.550, *Rules of the Florida Auditor General***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 17, 2022, which contained an unmodified opinion on those financial statements, and included a reference to other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.550, *Rules of the Florida Auditor General* and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 expenditures of federal awards and schedule of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

**RSM US LLP**

Miami, Florida  
June 17, 2022

**City of Miami Beach, Florida**

**Schedule of Expenditures of Federal Awards  
Fiscal Year Ended September 30, 2021**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Grant/Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Agriculture</b>				
Hurricane Irma Emergency Watershed Protection	10.923	NR184209XXXXC012	\$ -	\$ (33,618)
<b>Total U.S. Department of Agriculture</b>			<u>-</u>	<u>(33,618)</u>
<b>U.S. Department of Housing and Urban Development</b>				
Covid-19 -Community Development Block Grant/ Entitlement Grants	14.218	B-19-MC-12-0014/B-20-MW-12-0014	200,948	200,948
Community Development Block Grant/ Entitlement Grants	14.218	B-17-MC-12-0014	116,520	120,371
Community Development Block Grant/ Entitlement Grants	14.218	B-14-MC-12-0014	108,082	108,082
Community Development Block Grant/ Entitlement Grants	14.218	B-18-MC-12-0014	278,033	303,927
Community Development Block Grant/ Entitlement Grants	14.218	B-11-MC-12-0014	-	8,987
Covid-19- Community Development Block Grant/ Entitlement Grants	14.218	B-20-MC-12-0014	1,017,144	1,017,144
Community Development Block Grant/ Entitlement Grants	14.218	B-15-MC-12-0014	17,238	17,238
Community Development Block Grant/ Entitlement Grants	14.218	B-16-MC-12-0014	217,926	273,258
<b>Total Community Development Block Grant - Entitlement Grants Cluster</b>			<u>1,955,891</u>	<u>2,048,955</u>
Home Investment Partnerships Program	14.239	M-09-MC120212	-	-
Home Investment Partnerships Program	14.239	M-10-MC120212	4,743	4,743
Home Investment Partnerships Program	14.239	M-16-MC120212	-	-
Home Investment Partnerships Program	14.239	M-19-MC120212/M-15-MC120212	123,598	123,598
Home Investment Partnerships Program	14.239	M-12-MC120212/M-20-MC120212	58,329	58,329
Home Investment Partnerships Program	14.239	M-14-MC120212	37,342	41,601
Home Investment Partnerships Program*	14.239	M-17-MC120212	8,904	14,971
Home Investment Partnerships Program	14.239	M-18-MC120212	10,135	10,135
<b>Total HOME Investment Partnerships Program</b>			<u>243,051</u>	<u>253,377</u>
Pass-Through Miami-Dade County, Florida:				
Supportive Housing Program - FY 2019/Continuum of Care - City of Miami Beach Outreach Program	14.267	FL0177L4D001912	-	42,061
<b>Total Supportive Housing Program - Continumm of Care</b>			<u>-</u>	<u>42,061</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u>2,198,942</u>	<u>2,345,393</u>

**City of Miami Beach, Florida**

**Schedule of Expenditures of Federal Awards  
Fiscal Year Ended September 30, 2021**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Grant/Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Justice</b>				
Pass-Through Office of The Florida Attorney General: VICTIMS OF CRIME ACT 2020/21	16.575	VOCA-2020-MBPD-00525	-	434,470
National Crime Victims' Rights Week Community Awareness Project	16.582	2018-V3-GX-K016	-	4,410
Pass-Through Florida Department of Law Enforcement: Edward Byrne Memorial Justice Assistance Grant - Officer Safety and Wellness Edward Byrne Memorial Justice Assistance Grant - Reducing Violent Crimes	16.738 16.738	2021-JAGC-DADE-6-5R-119 2020-JAGC-DADE-16-Y5-159	- -	8,644 9,007
<b>Total Florida Department of Law Enforcement</b>				<b>17,651</b>
Miami Beach Coronavirus Emergency Program	16.034	2020-VD-BX-0503	-	4,900
Cops Office Law Enforcement Mental Health and Wellness Act Program-Miami Beach Peer Support Project	16.710	2020-MH-WX-K013	-	17,590
Federal Equitable Sharing Agreement	16.922	FL0130700	-	51,931
<b>Total U.S. Department of Justice</b>			<b>-</b>	<b>530,952</b>
<b>U.S. Department of Transportation</b>				
Pass-Through the Florida Department of Transportation:				
State and Community Highway Traffic Safety Program-Motorcycle Safety Campaign	20.600	G1R47	-	75,000
State and Community Highway Traffic Safety Program-Speed/Aggressive Driving Initiative	20.600	G1S20	-	37,799
National Priority Safety Program-Impaired Driving Initiative	20.616	G1S67	-	73,002
National Priority Safety Program-Miami Beach Occupant Protection and Child Passenger Initiative	20.616	G1U78	-	25,952
<b>Total Highway Safety Cluster</b>			<b>-</b>	<b>211,753</b>
Highway Planning and Construction-Northshore Open Space Beachwalk	20.205	G1P47	-	329,501
Highway Planning and Construction-Middle Beach Recreational Corridor Phase III	20.205	G1552	-	200,000
<b>Total Highway Planning and Construction Cluster</b>			<b>-</b>	<b>529,501</b>
<b>Total U.S. Department of Transportation</b>			<b>-</b>	<b>741,254</b>
COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund - Medicare and Medicaid Services	93.461	75-0140-0-1-550	-	33,537
<b>Total Health Resources and Services Administration</b>			<b>-</b>	<b>33,537</b>

**City of Miami Beach, Florida**

**Schedule of Expenditures of Federal Awards  
Fiscal Year Ended September 30, 2021**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Grant/Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Homeland Security</b>				
Pass-Through the State of Florida Division of Emergency Management: Hurricane Irma	97.036	08-45025-00	-	5,444,235
Emergency Food and Shelter Program - Phase 35	97.024	159400-076	-	15,186
Emergency Food and Shelter Program - Phase 36	97.024	159400-076	-	11,825
Pass-Through the State of Florida Division of Emergency Management: Hazard Mitigation Grant Program - Wind Retrofit	97.039	FEMA-DR-4337-FL	-	(4,286)
Hazard Mitigation Grant Program - Wind Retrofit	97.039	FEMA-DR-4337-FL	-	19,806
Hazard Mitigation Grant Program - Wind Retrofit	97.039	FEMA-DR-4337-FL	-	16,575
			-	32,095
Homeland Security Grant Program -Urban Areas Security Initiative 2019	97.067	EMW-2019-SS-00049	-	39,473
<b>Total U.S. Department of Homeland Security</b>			-	5,542,814
<b>U.S. Department of The Treasury</b>				
Pass-Through Miami-Dade County, Florida: Covid-19- Coronavirus Relief Fund - CARES Act (Covid-19)	21.019	20-1892-0-1-806	-	38,976,791
<b>Total Coronavirus Relief Fund - CARES Act (Covid-19)</b>			-	38,976,791
Covid-19- Coronavirus Relief Fund - CARES Act (Covid-19)	21.019	B-20-MW-12-0014	-	410,472
<b>Total Coronavirus Relief Fund - CARES Act (Covid-19)</b>			-	410,472
<b>Total U.S. Department of Treasury</b>			-	39,387,263
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			\$ 2,198,942	\$ 48,547,595

See notes to schedule of expenditures of federal awards and state financial assistance.

**City of Miami Beach, Florida**

**Schedule of Expenditures of State Financial Assistance  
For the Fiscal Year Ended September 30, 2021**

State Grantor/Program	Grant/Pass-Through Entity Identifying Number	State CSFA Number	Total State Expenditures
<b>State of Florida, Department of Environmental Protection</b>			
Statewide Surface Water Restoration and Wastewater Projects - Miami Beach Water Line Replacement on Alton Road from Michigan Ave to North Bay Rd. and 43rd Street to 63rd Street Project	LP13134/LP13135	37.039	94,322
<b>Total State of Florida, Department of Environmental Protection</b>			<b>94,322</b>
<b>State of Florida, Housing Finance Corporation</b>			
State Housing Initiatives Partnership (SHIP) Program	N/A	40.901	155,702
<b>Total State of Florida, Housing Finance Corporation</b>			<b>155,702</b>
<b>Florida Department of Transportation</b>			
A1A Indian Creek Corridor	AS-343/439228-2-58-01	55.000	4,173,819
Locally Funded Agreement - Transportation Management Initiative Agreement	422239-2-12-01	55.039	3,727
Miami Beach Atlantic Trail Greenway Corridor from South Pointe Park to 87th Terrace	G0Q53	55.038	1,341,667
Public Transit Service Development Program - South Beach Loop Trolley Route	G1C66	55.012	876,971
<b>Total Florida Department of Transportation</b>			<b>6,396,184</b>
<b>Florida Department of Health</b>			
Pass-Through Miami-Dade County, Florida: Emergency Medical Services	M9062	64.005	24,708
<b>Total Florida Department of Health</b>			<b>24,708</b>
<b>Florida Department of Law Enforcement</b>			
FY 19-20 Identity Theft and Fraud Grant Program	2020-SFA-ITF-43-2D-002	71.042	8,366
<b>Total Florida Department of Law Enforcement</b>			<b>8,366</b>
<b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE</b>			<b>\$ 6,679,282</b>

See notes to schedules of expenditures of federal awards and state financial assistance.



**City of Miami Beach, Florida**

**Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance  
Fiscal Year Ended September 30, 2021**

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**Note 1. Basis of Presentation**

The accompanying schedules of expenditures of federal awards and state financial assistance (the Schedules) include the federal and state award activity of the City of Miami Beach, Florida (the City) under programs of the Federal government and the State of Florida for the year ended September 30, 2021. The information in the Schedules are presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Florida Auditor General*. Because the Schedules present only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in fund balance/net position, or cash flows of the City.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedules are reported on the modified accrual basis of accounting for expenditures accounted for in the governmental funds and on the accrual basis of accounting for expenses of the proprietary fund types, which are described in Note 1 to the City's basic financial statements. Such expenditures/expenses are recognized following the cost principles contained in the Uniform Guidance and Chapter 10.550, *Rules of the Florida Auditor General*, wherein certain types of expenditures/expenses are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**Note 3. Indirect Cost Recovery**

The City has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note 4. Loans Outstanding**

On November 12, 2014, the City of Miami Beach entered into the Clean Water State Revolving Fund Loan Agreement with the State of Florida Department of Environment Protection. On November 24, 2020, Amendment No.1 to the Loan Agreement was executed. The semiannual loan payment amount is based on the total amount of \$7,697,180, which consist of the Loan principal, accrued Capitalized Interest plus the Loan Service Fee. Loan payments commenced on February 15, 2018 and semiannually thereafter on August 15 and February 15 of each year until all amounts due have been fully paid. The interest rate on this loan is 1.62% per annum. Loan disbursements from the State to the City will be made for reimbursements of allowable costs. The loan is recorded as a loan payable in the governmental activities of the City's government wide statements. As of September 30, 2021, \$7.5 million of allowable costs have been incurred by the City and \$7.5 million has been reimbursed from the State. The loan is secured by the Stormwater fund's pledged revenues and will be repaid with such funds. The outstanding principal balance reported at September 30, 2021, is \$6,252,155, which consist of Loan Principal and Service Fee.

**City of Miami Beach, Florida**

**Schedule of Findings and Questioned Costs  
Fiscal Year Ended September 30, 2021**

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**Section I . Summary of Auditors' Results**

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u>    X    </u> Yes	<u>          </u> No
Significant deficiency(ies) identified?	<u>          </u> Yes	<u>    X    </u> None reported
Noncompliance material to financial statements noted?	<u>          </u> Yes	<u>    X    </u> No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?	<u>          </u> Yes	<u>    X    </u> No
Significant deficiency(ies) identified?	<u>          </u> Yes	<u>    X    </u> None reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	<u>          </u> Yes	<u>    X    </u> No
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Identification of major federal programs:

<u>Federal Assistance Listing No.</u>	<u>Name of Federal Program or Cluster</u>
21.019	Coronavirus Relief Fund - CARES Act (Covid-19)

Dollar threshold used to distinguish between type A and type B programs:

\$1,456,428

Auditee qualified as low-risk auditee?

<u>          </u> Yes	<u>    X    </u> No
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(Continued)

**City of Miami Beach, Florida**

**Schedule of Findings and Questioned Costs  
Fiscal Year Ended September 30, 2021 (Continued)**

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State Financial Assistance :

Internal control over major projects:

Material weakness(es) identified?	_____	Yes	_____	X	No
Significant deficiency(ies) identified?	_____	Yes	_____	X	None reported

Type of auditor's report issued on compliance for major projects:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, *Rules of the Auditor General*?

_____	Yes	_____	X	No
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Identification of major state projects:

State Assistance Listing No.

Name of State Project

55.000

A1A Indian Creek Corridor

Dollar threshold used to distinguish between type A and type B projects:

\$750,000

(Continued)

**City of Miami Beach, Florida**

**Schedule of Findings and Questioned Costs  
Fiscal Year Ended September 30, 2021 (Continued)**

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**Section II. Financial Statement Findings**

**IC 2021-001 – Financial Reporting – Material Weakness**

**Criteria:** Internal control policies and procedures should provide reasonable assurance regarding the reliability of the financial reporting process, including the accurate recording and disclosure of accounting transactions.

**Condition:** Material accounting adjustments were made by management to the financial statements to comply with generally accepted accounting principles. This included a material adjustment to the Capital Projects fund and the Aggregate Nonmajor Fund relating to a legal settlement obligation. In addition, a material adjustment to the Convention Center fund to eliminate intercompany transactions between the City and the Convention Center.

**Cause:** Established controls requiring the reconciliation and review of account balances failed to identify the errors noted and the recognition of outstanding obligations were not recorded in the correct period.

**Effect or potential effect:** An adjusting entry for \$14.2 million was recorded to the Capital Projects Fund and \$12.9 million to the Aggregate Nonmajor Fund to record a liability relating to the legal settlement. Transactions between the City and the Convention Center for \$1 million were recorded to eliminate intercompany balances on the City's annual comprehensive financial report.

**Recommendation:** We recommend that management review the design of established controls and implement the changes necessary to allow for the accurate recording and disclosure of accounting transactions. Necessary controls should include review of possible losses and/or obligations by appropriate levels of management across critical areas in the City.

**Views of Responsible Officials and Planned Corrective Action:** Management has an established procedure in place to review risk and liabilities cases quarterly to ensure appropriate inclusion in estimates. Additionally, Management will establish an annual end of year review of all open and recently closed legal/risk matters exceeding an established materiality threshold to determine if additional obligations should be recorded at year end. Finally, the City will continue to closely review post-closing entries, payments, and year end checklists to ensure proper inclusion/exclusion of obligations in financial reporting.

**Section III. Federal Awards and State Projects Findings and Questioned Costs**

No matters to report.

City of Miami Beach, Florida

**Summary Schedule of Prior Year Audit Findings  
Fiscal Year Ended September 30, 2021**

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MIAMIBEACH

City Of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139 [www.miamibeachfl.gov](http://www.miamibeachfl.gov)

**Summary of Prior Year Findings**

**Audit Finding Number:** IC 2020-0001 Worker's Compensation Liability - Significant Deficiency

**Audit Finding:** A material accounting adjustment was made by management to the financial statements to comply with generally accepted accounting principles with regard to the recording of the worker's compensation (WC) liability to the self-insurance fund to adjust and eliminate an excess reserve provided by the actuary base method, which was not consistent with past practices.

**Status of Finding:** Corrected. Matter Not repeated.

MIAMI BEACH

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# **MANAGEMENT LETTER**

- Management Letter
- Independent Accountant's Report On Compliance With Section 218.415, Florida Statutes

# **City of Miami Beach, Florida**

Management Letter in Accordance  
With Chapter 10.550, *Rules of the Auditor General*  
of the State of Florida

Year Ended September 30, 2021



## Contents

Management letter in accordance with the <i>Rules of the Auditor General of the State of Florida</i>	1-2
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Appendix A—Current year’s recommendations to improve financial management	4
Independent Accountants Report on Compliance with Section 218.415 <i>Florida Statutes</i>	5



RSM US LLP

**Management Letter in Accordance With the  
Rules of the Auditor General of the State of Florida**

Honorable Mayor and  
Members of the City Commissioners  
City of Miami Beach, Florida

**Report on the Financial Statements**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Miami Beach, Florida (the City) as of and for the fiscal year ended September 30, 2021 and have issued our report thereon dated June 17, 2022. Our report includes a reference to other auditors who audited the funds listed below. This management letter does not include the results of the other auditors' testing on internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General.

We did not audit the financial statements of the City of Miami Beach Florida Employees' Retirement Plan, the City of Miami Beach Pension Fund for Firefighters and Police Officers, City of Miami Beach Policemen's Relief and Pension Fund and the City of Miami Beach Firefighters' Relief and Pension Fund which collectively represent 81% of total assets/deferred outflows, 86% of total net position/fund balance and 65% of total revenues/additions of the aggregate remaining fund information opinion unit. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Miami Beach Florida Employees' Retirement Plan, the City of Miami Beach Pension Fund for Firefighters and Police Officers, City of Miami Beach Policemen's Relief and Pension Fund and the City of Miami Beach Firefighters' Relief and Pension Fund, is based solely on the reports of the other auditors.

**Other Reporting Requirements**

We have issued our 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*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance, Schedule of Findings and Questioned Costs, and Independent Accountant's Reports on an examination conducted in accordance With *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 17, 2022, should be considered in conjunction with this management letter.

**Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report.

**Official Title and Legal Authority**

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The information is disclosed in Note 1 to the City’s financial statements.

**Financial Condition and Management**

Sections 10.554(1)(i)5.a, and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management’s responsibility to monitor the City’s financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. The recommendations to improve the City’s financial management have been addressed in “Current Year’s Recommendations to Improve Financial Management” in Appendix A to this letter. Management’s responses to the recommendations to improve the City’s financial management have been addressed in “Current Year’s Recommendations to Improve Financial Management” in Appendix A to this letter.

**Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

**Purpose of This Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Honorable Mayor and City Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*RSM US LLP*

Miami, Florida  
June 17, 2022

**City of Miami Beach, Florida**

**Index of Current Year Findings**

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**No.                      Current Year's Observations and Recommendations**

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ML 2021-001 Financial Reporting

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**ML 2021-001 Financial Reporting**

**Criteria:** Internal control policies and procedures should provide reasonable assurance regarding the reliability of the financial reporting process, including the accurate recording and disclosure of accounting transactions.

**Condition:** Accounting adjustments were made by management to the financial statements to comply with generally accepted accounting principles. A reclass entry for \$11.7 was completed to reclassify the funding from unavailable revenues to unearned revenues since the eligibility requirements had not been met as the City had not determined how it intended to utilize the American Rescue Plan Act funds as of fiscal year end.

**Cause:** Established controls requiring the reconciliation and review of account balances failed to identify the errors noted. Additionally, due to the effects of the pandemic and some staff turnover, the Finance Department had less accounting personnel in key roles to perform all necessary functions in a timely and accurate manner. As a result, the Finance Department relied heavily on a few key employees to perform certain critical accounting functions.

**Effect or potential effect:** Unearned revenues were understated and deferred inflows were overstated until the entry was made however they would not have a significant effect as they are similar in nature at the fund level.

**Recommendation:** We recommend that management review the design of established controls and implement the changes necessary to allow for the accurate recording and disclosure of accounting transactions. Additionally, the Finance Department should work with City management to assess the needs of the department and consider the need for additional resource changes or additions to staffing, additional training, etc. to fill the open positions that are vital to their operations.

**Views of Responsible Officials and Planned Corrective Action:** The City will continue to closely review post-closing entries, payments, and year end checklists to ensure proper inclusion/exclusion of obligations in financial reporting. Management will also continue to train current employees and continue efforts to recruit for key positions and also Management will seek to engage additional resources and innovative teams to maximize production.



RSM US LLP

## Independent Accountant's Report

Honorable Mayor, Members of the  
City Commission and City Manager  
City of Miami Beach, Florida

We have examined the City of Miami Beach, Florida's (the City) compliance with *Section 218.415, Florida Statutes, and Local Government Investment Policies* during the period October 1, 2020 to September 30, 2021. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the period October 1, 2020 to September 30, 2021.

The purpose of this report is to comply with the local government investment policy requirements of Section 218.415, *Florida Statutes*, and Rules of the Florida Auditor General.

This report is intended solely for the information and use of the Florida Auditor General, the Honorable Mayor, Members of the City Commission, the City Manager, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*RSM US LLP*

Miami, Florida  
June 17, 2022

MIAMI BEACH

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# OTHER REPORTS

- Corrective Action Plan
- Affidavits of Impact Fees



# MIAMIBEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, [www.miamibeachfl.gov](http://www.miamibeachfl.gov)

## Corrective Action Plan Year Ended September 30, 2021

**Audit Finding Number:** IC 2021-001 – Financial Reporting – Material Weakness

**Audit Criteria:** Internal control policies and procedures should provide reasonable assurance regarding the reliability of the financial reporting process, including the accurate recording and disclosure of accounting transactions.

**Condition:** Material accounting adjustments were made by management to the financial statements to comply with generally accepted accounting principles. This included a material adjustment to the Capital Projects fund and the Aggregate Nonmajor Fund relating to a legal settlement obligation. In addition, a material adjustment to the Convention Center fund to eliminate intercompany transactions between the City and the Convention Center.


**Cause:** Established controls requiring the reconciliation and review of account balances failed to identify the errors noted and the recognition of outstanding obligations were not recorded in the correct period.

**Effect or potential effect:** An adjusting entry for \$14.2 million was recorded to the Capital Projects Fund and \$12.9 million to the Aggregate Nonmajor Fund to record a liability relating to the legal settlement. Transactions between the City and the Convention Center for \$1 million were recorded to eliminate intercompany balances on the City's annual comprehensive financial report.

**Recommendation:** We recommend that management review the design of established controls and implement the changes necessary to allow for the accurate recording and disclosure of accounting transactions. Necessary controls should include review of possible losses and/or obligations by appropriate levels of management across critical areas in the City.

**Views of Responsible Officials and Planned Corrective Action:** Management has an established procedure in place to review risk and liabilities cases quarterly to ensure appropriate inclusion in estimates. Additionally, Management will establish an annual end of year review of all open and recently closed legal/risk matters exceeding an established materiality threshold to determine if additional obligations should be recorded at year end. Finally, the City will continue to closely review post-closing entries, payments, and year end checklists to ensure proper inclusion/exclusion of obligations in financial reporting.

Submitted by:



Vyomie Greene, CPA, MBA  
Assistant Finance Director

**WATER IMPACT FEE AFFIDAVIT**

BEFORE ME, the undersigned authority, personally appeared John Woodruff, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of City of Miami Beach which is a local government entity of the State of Florida.
2. The governing body of City of Miami Beach adopted Ordinance No.95-2990 implementing an impact fee; and
3. The City of Miami Beach has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

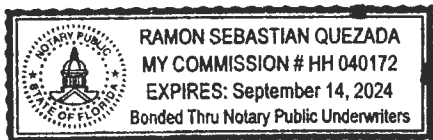
FURTHER AFFIANT SAYETH NAUGHT.



Chief Financial Officer of the City of Miami Beach

STATE OF FLORIDA  
COUNTY OF MIAMI-DADE

SWORN TO AND SUBSCRIBED before me this 29<sup>th</sup> day of June, 2022.



NOTARY PUBLIC

Print Name Ramon S. Quezada

Personally known  or produced identification \_\_\_\_\_

Type of identification produced: \_\_\_\_\_

My Commission Expires:

9/14/2024

**SEWER IMPACT FEE AFFIDAVIT**

BEFORE ME, the undersigned authority, personally appeared John Woodruff, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of City of Miami Beach which is a local government entity of the State of Florida.
2. The governing body of City of Miami Beach adopted Ordinance No.95-2991 implementing an impact fee; and
3. The City of Miami Beach has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

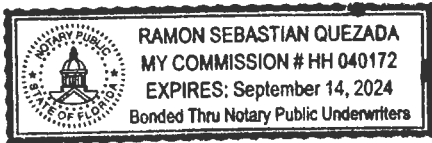
FURTHER AFFIANT SAYETH NAUGHT.



Chief Financial Officer of the City of Miami Beach

STATE OF FLORIDA  
COUNTY OF MIAMI-DADE

SWORN TO AND SUBSCRIBED before me this 29<sup>th</sup> day of June, 2022.




NOTARY PUBLIC

Print Name Ramon S. Quezada

Personally known  or produced identification \_\_\_\_\_

Type of identification produced: \_\_\_\_\_

My Commission Expires:

9/14/2024

**TRANSPORTATION IMPACT FEE AFFIDAVIT**

BEFORE ME, the undersigned authority, personally appeared John Woodruff, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of City of Miami Beach which is a local government entity of the State of Florida.
2. The governing body of City of Miami Beach adopted Ordinance No. 2019-4306 implementing an impact fee; and
3. The City of Miami Beach has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

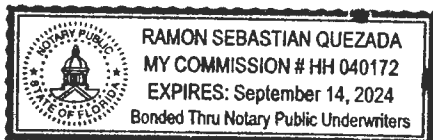
FURTHER AFFIANT SAYETH NAUGHT.



Chief Financial Officer of the City of Miami Beach

STATE OF FLORIDA  
COUNTY OF MIAMI-DADE

SWORN TO AND SUBSCRIBED before me this 29<sup>th</sup> day of June, 2022.




NOTARY PUBLIC  
Print Name Ramon S. Quezada

Personally known  or produced identification \_\_\_\_\_

Type of identification produced: \_\_\_\_\_

My Commission Expires:

9/14/2024

