

MIAMI SHORES VILLAGE



A FLORIDA MUNICIPALITY

2020 - 2021
Annual Comprehensive
Financial Report



FOR THE FISCAL YEAR
ENDED SEPTEMBER 30, 2021

MIAMI SHORES VILLAGE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

PREPARED BY THE FINANCE DEPARTMENT

MIAMI SHORES VILLAGE, FLORIDA

TABLE OF CONTENTS

	<u>PAGE</u>
I. INTRODUCTORY SECTION (Unaudited)	
Letter of Transmittal	i-vi
GFOA Certificate of Achievement	vii
List of Elected Officials	viii
List of Appointed Officials	ix
Organizational Chart	x
II. FINANCIAL SECTION	
Independent Auditors' Report	1-2
Managements' Discussion and Analysis (Required Supplementary Information)	3-14
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements:	
Balance Sheet – Governmental Funds	17
Reconciliation of the Balance Sheet to the Statement of Net Position – Governmental Funds	18
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Statement of Net Position – Proprietary Funds	21
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	22
Statement of Cash Flows – Proprietary Funds	23
Statement of Fiduciary Net Position – Fiduciary Funds	24
Statement of Changes in Fiduciary Net Position	25
Notes to the Basic Financial Statements	26-63
Required Supplementary Information:	
Budgetary Comparison Schedule:	
General Fund	64-65
Notes to Budgetary Comparison Schedule	66
Schedule of Changes in Village's Net Pension Liability and Related Ratios – General Employees' Retirement System (Village's Reporting)	67
Schedule of Changes in Village's Net Pension Liability and Related Ratios – General Employees' Retirement System (Plan's Reporting)	68
Schedule of Contributions – General Employee's Retirement System (Village's Reporting)	69
Schedule of Contributions – General Employee's Retirement System (Plan's Reporting)	70
Schedule of Investment Returns – General Employee's Retirement System	71
Schedule of Changes in Village's Net Pension Liability and Related Ratios – Police Officers' Retirement System (Village's Reporting)	72
Schedule of Changes in Village's Net Pension Liability and Related Ratios – Police Officers' Retirement System (Plans' Reporting)	73
Schedule of Contributions – Police Officer's Retirement System (Village's Reporting)	74
Schedule of Contributions – Police Officer's Retirement System (Plan's Reporting)	75
Schedule of Investment Returns – Police Officer's Retirement System	76

MIAMI SHORES VILLAGE, FLORIDA

TABLE OF CONTENTS

	<u>PAGE</u>
II. FINANCIAL SECTION (Continued)	
Required Supplementary Information (Continued):	
Schedule of Changes in Total OPEB Liability and Related Ratios	77
Supplementary Information:	
Combining and Individual Financial Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	78-79
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	80-81
Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual Nonmajor Governmental Funds	82-83
Internal Service Funds:	
Combining Statement of Net Position	84
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	85
Combining Statement of Cash Flows	86
Fiduciary Funds:	
Combining Statement of Fiduciary Net Position – Pension Trust Funds	87
Combining Statement of Changes in Fiduciary Net Position – Pension Trust Funds	88
III. STATISTICAL SECTION (Unaudited)	
Net Position by Component	89
Changes in Net Position	90-91
Fund Balances for Governmental Funds	92
Changes in Fund Balances of Governmental Funds	93
General Governmental and Excise Tax Revenues by Source	94
Assessed Value and Actual Value of Taxable Property	95
Property Tax Rates Direct and Overlapping Governments	96
Principal Property Taxpayers – Current Year and Nine Years Ago	97
Operating Property Tax Levies and Collections	98
Ratios of Outstanding Debt By Type	99
Direct and Overlapping Governmental Activities Debt	100
Legal Debt Margin Information	101
Demographic and Economic Statistics	102
Principal Employers Located in Miami Dade County – Current Year and Nine Years Ago	103
Village Employees by Function/Program	104
Operating Indicators by Function	105
Capital Asset Statistics by Function/Program	106
IV. COMPLIANCE SECTION	
Independent Auditors' Report on Internal Controls over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	107
Independent Auditors' Report on Compliance for the Major Program and on Internal Control Over Compliance Required by Uniform Guidance	108-109
Schedule of Expenditures of Federal Awards	110
Notes to Schedule of Expenditures of Federal Awards	111
Schedule of Findings and Questioned Costs	112
Management Letter in Accordance with the Rules of the Auditor General of the State of Florida	113-114
Independent Accountants' Report on Compliance Pursuant to Section 218.415 Florida Statutes	115

INTRODUCTORY SECTION



Miami Shores Village

Esmond H. Scott
Village Manager

10050 N.E. SECOND AVENUE
MIAMI SHORES, FLORIDA 33138-2382
TELEPHONE: (305) 795-2207
FAX: (305) 756-8972

April 28, 2022

The Mayor and Members of the Village Council
10050 Northeast Second Avenue
Miami Shores, Florida 33138

**Subject: FY 2020-21
Annual Comprehensive Financial Report**

To the Mayor and Members of the Village Council:

In compliance with Florida State Statute Chapter §11.45, Chapter §10.550 of the Rules of the Auditor General, and Chapter 34(3) of the Miami Shores Village Code of Ordinances, we are pleased to submit for your review and consideration the *Miami Shores Village Annual Comprehensive Financial Report* for the fiscal year ended September 30, 2020. The financial statements included in this report conform to generally accepted accounting principles in the United States of America ("GAAP") as prescribed by the Governmental Accounting Standards Board ("GASB"). The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Village.

This report consists of management's representations concerning the financial condition of Miami Shores Village ("The Village"). Consequently, management assumes full responsibility for the complete presentation, reliability, and accuracy of all of the information presented in this report. To provide a reasonable basis for making these representations, the Village's management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Village's financial statements in conformance with accounting principles generally accepted in the United States. Because the cost of internal controls should not outweigh their benefits, the Village's comprehensive framework of internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The financial statements have been audited by Caballero Fierman Llerena & Garcia, LLP, Certified Public Accountants. The independent auditor has issued an unmodified opinion that this report fairly represents the financial position of the Village in conformity with GAAP. Their audit was conducted in accordance with auditing standards generally accepted in the United States, *Government Auditing Standards* issued by the Comptroller General of the United States and the Rules of the Auditor General, State of Florida. The goal of the independent auditor is to provide

reasonable assurance that the financial statements of the Village for the fiscal year ended September 30, 2021 are free of material misstatements. 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 that the financial statements of Miami Shores Village, for the fiscal year ended September 30, 2021, are fairly presented in conformity with generally accepted accounting principles (GAAP).

The contents of the ACFR have been influenced by compliance with GASB pronouncements, including Statement 34 that requires the preparation of government-wide financial statements on a full accrual basis of accounting for all funds as well as Management's Discussion and Analysis (MD&A). The MD&A can be found immediately following the independent auditors' report.

PROFILE OF THE GOVERNMENT

Miami Shores Village, a Florida municipal corporation incorporated in 1932, is located in Northeast Miami-Dade County. The Village has a year-round population estimated at 10,817 residents living within the 2.5 square mile jurisdiction. The Village generally begins at Biscayne Bay on the east and goes west to Northwest Second Avenue. The north and south boundaries are generally 115th Street and 91st Street respectively. The Village is a residential-based community with two (2) commercial districts located on Second Avenue and Biscayne Boulevard. Despite its close proximity to Downtown Miami, the Village maintains a suburban feel. With limited commercial presence, the need for new growth through redevelopment will be essential to the Village's future. Wealth levels in the Village are above average, with per capita income at \$47,236 or 144% of the state, and median household income at \$125,202 or 217% of the state.

Operating under a Council-Manager form of government, the Council consists of five members elected at large. The Mayor is chosen by each of the newly formed councils. Historically, the individual receiving the highest number of votes during the election is chosen as the Mayor and the Vice-Mayor has received the second highest. Both the Mayor and Vice-Mayor serve four (4) year terms, two as mayor/vice-mayor and two as regular council members. The Village Council is responsible for the selection and appointment of the Village Manager, Village Clerk and Village Attorney. The Village Manager is responsible for engaging all department heads and their subordinates.

Miami Shores Village provides a full range of municipal services including recreation and culture, public safety through the police, public works and general administrative services for its residents and businesses. For the fiscal year ended September 30, 2021, no legally separate authorities or agencies operated under the auspices of the Village; therefore, no additional financial information will be incorporated into these statements.

FACTORS AFFECTING FINANCIAL CONDITIONS

The information presented in the Village's financial statements primarily focuses on the financial position at the end of each fiscal year as measured by existing resources and claims against those resources. To better understand the Village's financial condition, readers should focus on both

existing and future resources and potential claims (or liabilities) against those resources. This broader concept is used to assess the financial condition of the Village, reflecting the current financial position as well as the prospects that today's financial condition will improve or deteriorate. To achieve this objective, the Village uses a wide-range of information including local economic conditions and outlook; long-term debt management; capital construction and investments; cash management / investments; and, of course, risk controls.

ECONOMIC CONDITION AND OUTLOOK

Property values in the Village are expected to continue to increase. Although substantially built-out, the Village is experiencing a significant amount of residential renovation and teardown/rebuild activity. New construction, additions, and rehabilitative improvements continue with a net new taxable value of \$3.9 million reflected in fiscal year 2021. Building Permits continue to be issued at an all-time high. It is anticipated that property values will continue to increase due to the desirability of the area and the close proximity to Greater Downtown Miami. The Village experienced an increase in assessed property values of 6.8% for fiscal year 2020 and 5.1% for fiscal year 2021. It is anticipated that this trend will continue, but at slightly lower increases in property values.

Management continues to make capital improvements that will maintain and further enhance the lifestyle of the residents and improve services. During fiscal year 2021, the Village began to undertake capital projects that had been delayed due to the COVID-19 pandemic. These capital projects will continue to provide the high level of services that have become a hallmark of the community. Management continues to control costs by closely monitoring purchasing procedures and levels of staffing. Due to these efforts the general fund unassigned fund balance for fiscal year 2021 is \$9.7 million. Included in the \$9.7 million of general fund unassigned fund balance is a pending receivable of \$3.4 million awaiting FEMA resolution. This surplus will enable the Village to continue to provide the same level of services to the residents in the upcoming fiscal years, address continuing capital improvement requirements, and to fund any Hurricane IRMA expenses not recovered from FEMA.

The Village maintains a strong financial position with adequate reserve levels, modest tax base with above average socioeconomic indices, and a manageable debt profile. The stable financial operations are a result of management's commitment to conservative budgeting and controlling costs.

FINANCIAL INFORMATION

Accounting Control

Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Village are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles in the United States of America. 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.

As a recipient of federal, state and local financial assistance, the government is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management. In addition, the Village maintains extensive budgetary controls. The objective of these controls is to ensure compliance with policy and implementation procedures embodied in the annual appropriated budget approved by Village Council. The level of budgetary control (i.e. the level at which expenditures cannot legally exceed the appropriated amount) is the department level within each fund. The Village also maintains an encumbrance accounting system.

The Village's accounting system is organized on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The types of funds used are generally determined by the Village Council, upon the recommendations of the Village Manager and the Finance Director, which are based upon established and accepted accounting policies and procedures as well as the number of funds required.

Budgetary Control

Florida State Statute §200.065 requires that all municipal governments prepare, approve, adopt and execute an annual budget for such funds as may be required by law or by sound fiscal practices. In compliance with this Statute as well as other state regulatory items, the Village adopts an annual operating budget into which funds are either formally appropriated by resolution or non-appropriated in nature, depending upon the fund (i.e. – general, special revenue, debt service, enterprise, internal service or trust funds). However, in practice, all funds that have regularly occurring expenses, receive annual budgets and corresponding appropriations.

The annual budget serves as a foundation for the financial planning, guidance and control of the Village. Funds which require legal appropriations cannot exceed their original and amended budgets. All departments are required to annually submit requests for appropriations to the Village Manager by mid-May of each year. The Village Manager then uses those requests as the base from which the annual operating and capital budgets are developed. The budget is presented to the Village Council following the release of the tentatively assessed property values in early July of each year. A workshop is held in July during which council members are free to address department staff with general and specific issues proposed in the budget. Following the summer workshop, the Council adopts a resolution which sets the tentative millage rates which are subsequently sent to the County using Florida Form DR420 for inclusion on the *Proposed Tax Bills*. Two public hearings are held in September of each year during which members of the public are offered the opportunity to provide insight and solicit information regarding the operations of their municipality. After the second public hearing, resolutions presenting the final operating and debt service millage rates, along with corresponding budgets for the fiscal year, are subsequently adopted by the Village Council.

The annual budget is adopted at the fund and general fund department level. Line-item transfers are permitted with the approval of the Finance Director and Village Manager; however, changes to the bottom line of department or fund totals require council approval and are executed by resolution. Budget to actual comparisons are provided in this report for each individual

governmental fund for which an appropriated annual budget has been adopted. As shown by the statements and schedules included in the financial section of this report, the Village continues to meet its responsibility for sound financial management.

LONG-TERM FINANCIAL PLANNING

Management maintains financial stability with fiscal management controls by constantly reviewing and monitoring staff levels, and by comparing budget appropriations to actual expenditures, and estimated revenues to actual revenues. The Village maintains a level of revenue sufficient to meet operating expenditures. As the world, the country, the state, the county and the Village recover from the COVID-19 pandemic, the Village continues to monitor the situation along with other factors and events in the world that impact the finances of the Village. The Village strives to serve our residents and ensure the quality of life style our residents currently enjoy is maintained. The Village maintains a strong fund balance in order to address many of these issues.

Although the Village is a highly desirable place to live, management has plans to continue making improvements to our Community. With the development of a strategic plan, the Village will have a coherent and cohesive plan as to how the Village should progress in the coming years. The strategic plan will be completed in FY22 and is the result of the work of the Village and the community at large. The library's expansion of the children's section is to be completed in FY22. A drainage project in Shores Estates, consisting of a pump station and new piping, is underway using grant funding from FEMA. A septic to sewer project in Shores Estates using Florida Department of Environmental Protection grant funds has begun. The American Rescue Plan Act of 2021, ARPA funds, that the Village received and will receive are in the planning stages. Sidewalks throughout the Village as well as studies for stormwater improvements and septic to sewer conversions are the main thoughts of use of the ARPA funds at this point. Once the studies for stormwater improvements and septic to sewer conversions are complete, it will enable the Village to determine which areas to focus on first for the upcoming projects and get them to a "shovel ready" status.

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 Miami Shores Village for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy 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 comprehensive annual report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. Credit must also be given to the members

of the Village Council for their unfailing support for maintaining the highest standards of professionalism in the financial and operational management of Miami Shores Village. And, finally, we would like to express our sincere thanks and appreciation to the management and staff of our auditing firm, Caballero Fierman Llerena & Garcia, LLP. Their dedication to ensuring the accuracy of the data presented to you in this report was greatly evident during the past several weeks.

Respectfully submitted,
MIAMI SHORES VILLAGE



Esmond K. Scott

Village Manager



Holly Hugdahl, CPA, CGMA

Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Miami Shores Village
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morrill

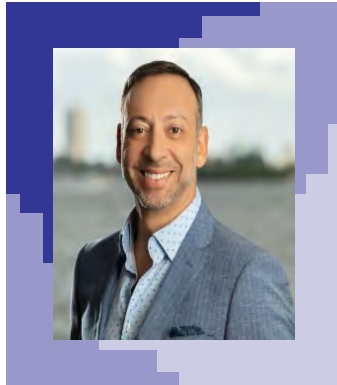
Executive Director/CEO

MIAMI SHORES VILLAGE, FLORIDA

LIST OF ELECTED OFFICIALS SEPTEMBER 30, 2021



Mayor Sandra Harris



Vice Mayor Daniel Marinberg



**Councilmember
Alice Burch**



**Councilmember
Crystal Wagar**



**Councilmember
Katia Saint Fleur**

MIAMI SHORES VILLAGE, FLORIDA

LIST OF APPOINTED OFFICIALS SEPTEMBER 30, 2021

APPOINTED OFFICIALS

Village Manager.....Esmond K. Scott
Village Clerk..... Ysabely Rodriguez, CMC
Village Attorney.....Richard Sarafan

DEPARTMENT HEADS

Building Director Ismael Naranjo
Code Compliance Director Lazaro Remond
Finance Director..... Holly Hugdahl, CPA
Library Director Michelle Brown
Planning & Zoning Director Travis Kendall
Chief of Police Kevin Lystad
Public Works Director Chris Miranda
Recreation Director Angela Dorney

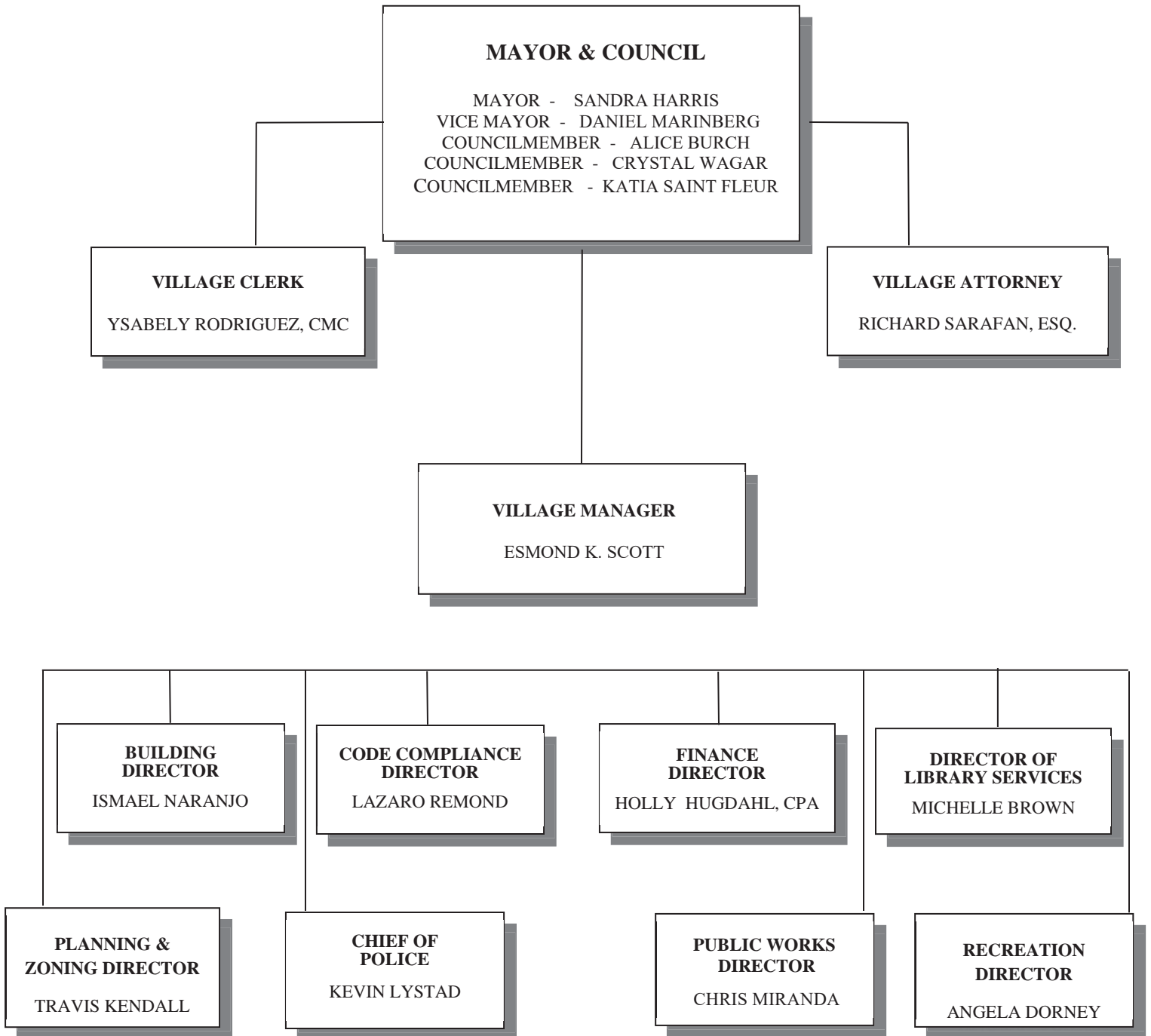
VILLAGE AUDITORS

Caballero Fierman Llerena & Garcia, LLP
Accountants and Advisors

MIAMI SHORES VILLAGE, FLORIDA

ORGANIZATION CHART

SEPTEMBER 30, 2021



FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the Village Council
Miami Shores Village, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Miami Shores Village, Florida (the "Village") as of and for the year fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Village'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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 Village'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 Village'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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village, as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedules, Pension, and Other Post-Employment Benefits Schedules on pages 3–14 and 64–77 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards* Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our 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 Village's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards (the "SEFA") are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the SEFA are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections 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 our report dated April 28, 2022, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village'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 Village's internal control over financial reporting and compliance.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miami, Florida
April 28, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Required Supplementary Information)

Management's Discussion and Analysis

As management of **Miami Shores Village, Florida ("the Village")**, we offer the Village's financial statements in this narrative overview and analysis of the financial activities of Miami Shores Village for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in our letter of transmittal, which can be found on pages i to vi of this report.

This discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues; (b) provide an overview of the Village's financial activity; (c) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges); (d) identify any material deviations from the financial plan (the approved budget); and (e) identify individual fund issues or concerns. The information contained within this section should be considered only a part of a greater whole.

Financial Highlights for Fiscal Year 2021

At September 30, 2021, Miami Shores Village assets and deferred outflows exceeded its liabilities and deferred inflows by \$36 million (net position). Of this amount, \$21.6 million was invested in capital assets, an increase of \$399 thousand compared with the prior year. Additionally, \$7 million was restricted by law, agreements, and debt covenants or for capital projects. The Village had an unrestricted net position of \$7.4 million at September 30, 2021, an increase of \$1.8 million or a 33% increase as compared with the prior year. The increase in unrestricted net position was related to cancelled programs, reduced attendance, unfilled positions, and the re-assignment of budgeted personnel due to the COVID-19 pandemic. The Village was reimbursed through CARES for the re-assigned personnel.

During fiscal year 2021, total net position increased by \$4.8 million, from \$31.2 million in FY2020 to \$36 million in FY2021. Of this increase, \$4.4 million was an increase in governmental activities and an increase of \$330 thousand in business-type activities.

At September 30, 2021, Miami Shores Village's governmental funds had fund balances totaling \$14.9 million. Of the total fund balance, approximately \$8.5 million or 57% was unassigned and \$1.3 million or 8.5% was committed for future capital projects and encumbrances. The restricted fund balance of approximately \$4.1 million, or 28%, is related to funds restricted by the contributing agency. The nonspendable fund balance of approximately \$19 thousand is related to prepaid items. The assigned fund balance of \$931 thousand or 6% is assigned for FY22 capital improvements. The net change in fund balances during the year was an increase of \$3.1 million indicative of the financial stability of the Village. Much of this change was due to budgeted expenditures amounting to less than anticipated and the re-assignment of budgeted personnel related to the COVID-19 pandemic which were reimbursed.

The General Fund's fund balance increased by \$1.3 million for the fiscal year ended September 30, 2021. The increase in unrestricted net position was related to cancelled programs, reduced program attendance, unfilled positions, and the re-assignment of budgeted personnel due to the COVID-19 pandemic.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the basic financial statements of Miami Shores Village. The Village's basic financial statements are comprised of three components: 1) government-wide financial statements; 2) individual 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 financial activity of Miami Shores Village, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the assets and deferred outflows and liabilities and deferred inflows of Miami Shores Village, with the difference 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 Village is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All 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 this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Miami Shores Village that are principally supported by taxes and intergovernmental revenues (*governmental activities*) as well as other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Miami Shores Village include general government, public safety, public works, building, planning, zoning, code compliance, parks and recreation. The business-type activities of the Village include Solid Waste, Stormwater, and Water and Wastewater operations.

The government-wide financial statements may be found on pages 13 to 14 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Miami Shores Village, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Miami Shores Village 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. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term cash flow and 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 and the impact on short term cash flow requirements to meet basic on-going operations. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Miami Shores Village maintains eleven (11) individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balance for the general fund and the two major funds, the police forfeiture fund and the grant fund. Data from the other eight governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements may be found on pages 15 to 18 of this report.

Proprietary funds. Miami Shores Village maintains three proprietary or enterprise funds. *Enterprise Funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Miami Shores uses enterprise funds to account for its Solid Waste, Stormwater, and Water & Wastewater operations. *Internal service funds* provide for an accounting method whereby the organization can accumulate and allocate costs internally among the other user divisions. The Village uses internal service funds to account for its risk management costs as well as its fleet operation. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within *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 provide separate information for the Village's Solid Waste, Stormwater, and Water & Wastewater operations. The Solid Waste Fund is considered to be a major fund of the Village. Additionally, the Village segregates the financial reporting of both internal service funds to better distinguish the costs of each function.

The basic proprietary fund financial statements may be found on pages 19 to 21 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 the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements may be found on pages 22 to 23 of this report.

Notes to the financial statements. The notes provide additional information that is essential to fully understand the data provided in the government-wide and fund financial statements. The notes to the financial statements may be found on pages 24 to 61 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the progress in funding its obligations to provide pension benefits to the employees of Miami Shores Village. Required supplementary information may be found on pages 62 to 75 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules may be found on pages 76 to 86 of this report.

Government-wide Financial Analysis

The difference between a government's assets and deferred outflows and its liabilities and deferred inflows is its net position. The Village's net position is summarized on the following page:

Net position may be used to assess the financial position of the Village. The Village's combined net position as of September 30, 2021 was \$36 million. Approximately 60%, or \$21.6 million, of the Village's net position represents net investment in capital assets. These assets include land, buildings, machinery and equipment, and infrastructure and are not available for future spending. Additionally, \$7 million is restricted net position and is subject to external restrictions on how it may be spent.

At September 30, 2021, Miami Shores Village had an unrestricted net position of \$7.4 million. At the end of the current fiscal year, Miami Shores Village is able to report positive balances in all three categories of net position for the government as a whole, as well as, the governmental funds and business-type activities.

Table 1
Miami Shores Village
Summary of Net Position
(in thousands)

	Governmental activities		Business-type activities		Total primary governmental		Total percentage change
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021-2020</u>
Current and other assets	18,567	15,488	6,851	6,738	25,418	22,226	14.36%
Capital assets	23,031	23,035	2,587	2,516	25,618	25,551	0.26%
Total assets	41,598	38,523	9,438	9,254	51,036	47,777	6.82%
Deferred outflows related to pension & OPEB	2,890	1,501	124	70	3,014	1,571	91.85%
Total deferred outflows of resources	2,890	1,501	124	70	3,014	1,571	91.85%
Long-term liabilities outstanding	10,604	10,221	3,986	4,011	14,590	14,232	2.52%
Other liabilities	1,171	1,315	1,174	1,223	2,345	2,538	-7.60%
Total liabilities	11,775	11,536	5,160	5,234	16,935	16,770	0.98%
Deferred inflows related to BTR, pension & OPEB	1,122	1,312	23	41	1,145	1,353	-15.37%
Total deferred inflows of resources	1,122	1,312	23	41	1,145	1,353	-15.37%
Net investment in capital assets,	19,027	18,699	2,587	2,516	21,614	21,215	1.88%
Restricted	6,688	4,433	269	-	6,957	4,433	56.94%
Unrestricted	5,876	4,044	1,523	1,533	7,399	5,577	32.67%
Total net position	31,591	27,176	4,379	4,049	35,970	31,225	15.20%

Governmental activities. Financial activities for the fiscal year are reported on the following page. Key indicators, including revenues and expenditures by category are presented herein for review:

Ending net position in governmental activities increased \$4.4 million or 16% during FY2021. The increase in ending net position is attributable to departmental savings associated with unfilled positions, conservative spending and the reimbursement the Village received for the re-assignment of budgeted personnel due to the COVID-19 pandemic. Additional contributory factors included the cancellation of events, limited programs and reduced program size.

Table 2
Miami Shores Village
Changes in Net Position
(in thousands)

	Governmental activities		Business-type activities		Total primary government		Total percentage change
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021-2020</u>
Revenues:							
Program revenues:							
Charges for services	5,532	5,397	3,848	3,430	9,380	8,827	6.26%
Operating grants & Contributions	740	717	-	-	740	717	3.21%
Capital grants and Contributions	-	-	-	-	-	-	-
General Revenues:							
Property taxes	10,015	9,673	-	-	10,015	9,673	3.54%
Other taxes	2,233	2,107	-	-	2,233	2,107	5.98%
Intergovernmental revenues	4,201	1,518	-	-	4,201	1,518	176.75%
Investment income - unrestricted	27	128	2	12	29	140	-79.29%
Miscellaneous	421	675	1	-	422	675	-37.48%
Special item - gain (loss) on sale of asset	(145)	-	-	-	(145)	-	-
Total revenues	23,024	20,215	3,851	3,442	26,875	23,657	13.60%
Expenses:							
General government	4,123	3,696	-	-	4,123	3,696	11.55%
Public safety	7,741	7,230	-	-	7,741	7,230	7.07%
Public works	3,860	4,401	-	-	3,860	4,401	-12.29%
Solid Waste / Stormwater / Water & Wastewater	-	-	3,185	3,175	3,185	3,175	0.31%
Culture & Recreation	3,106	2,639	-	-	3,106	2,639	17.70%
Interest on Long-term Debt	115	124	-	-	115	124	-7.26%
Total expenses	18,945	18,090	3,185	3,175	22,130	21,265	4.07%
Increase(decrease) in net position before Transfers	4,079	2,125	666	267	4,745	2,392	98.37%
Transfers	336	414	(336)	(414)	-	-	-
Increase(decrease) in net position	4,415	2,539	330	(147)	4,745	2,392	98.37%
Beginning net position	27,176	24,637	4,049	4,196	31,225	28,833	8.30%
Prior period adjustment	-	-	-	-	-	-	-
Ending net position	31,591	27,176	4,379	4,049	35,970	31,225	15.20%

Figure A-1

**Expenses and Program Revenues – Governmental Activities
For the Fiscal Year Ended September 30, 2021**

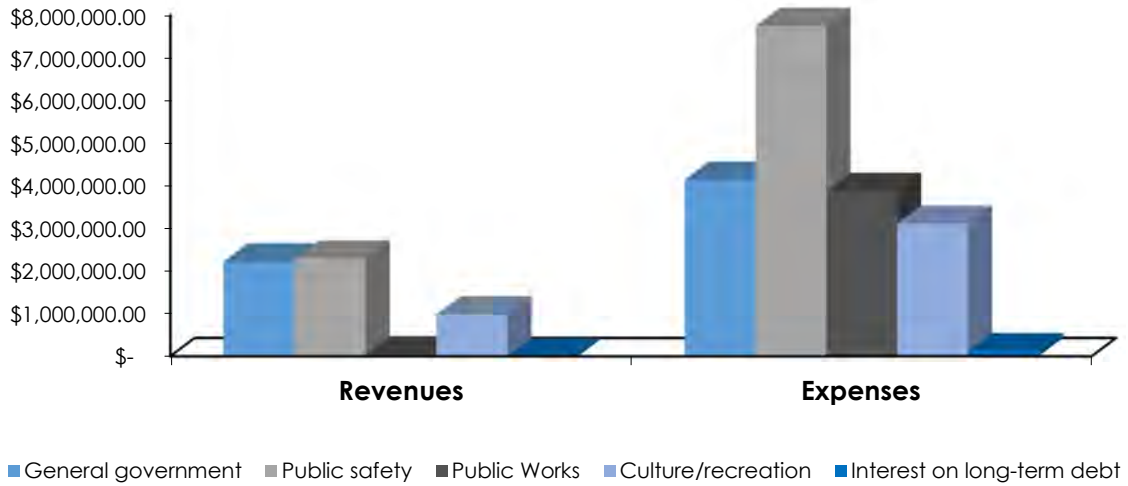
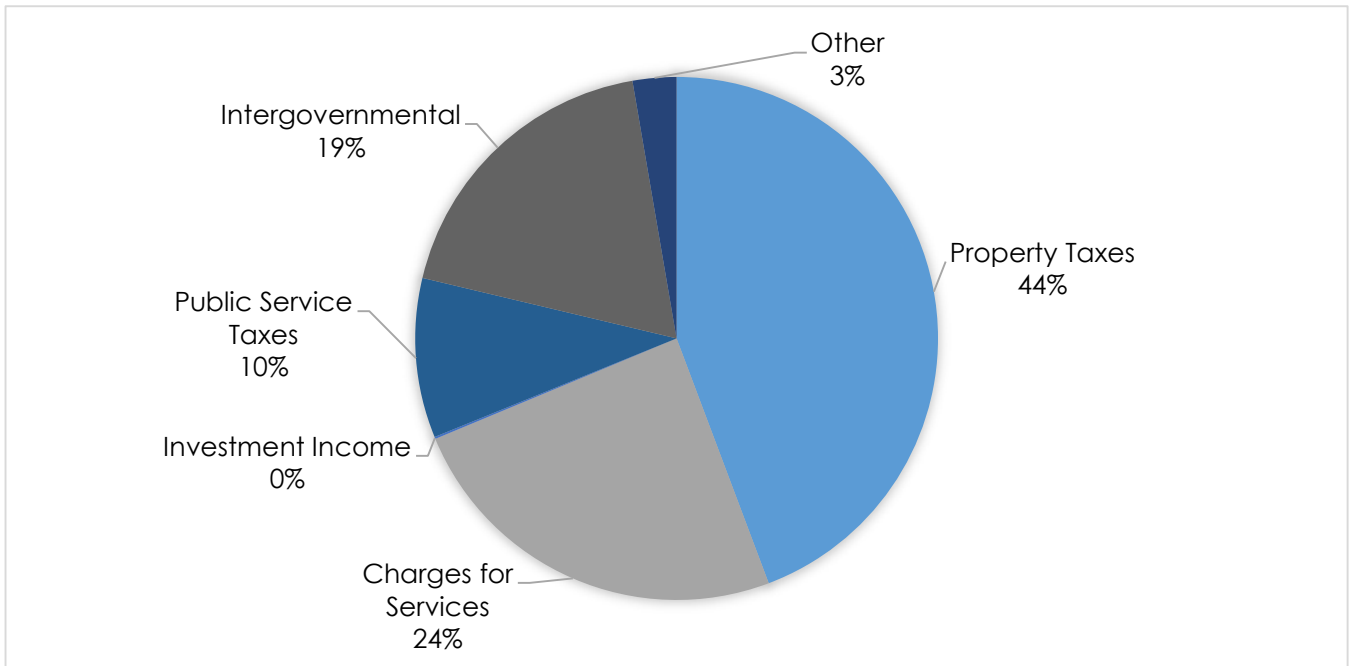


Figure A-2

**Revenues by Source – Governmental Activities
For the Fiscal Year Ended September 30, 2021**



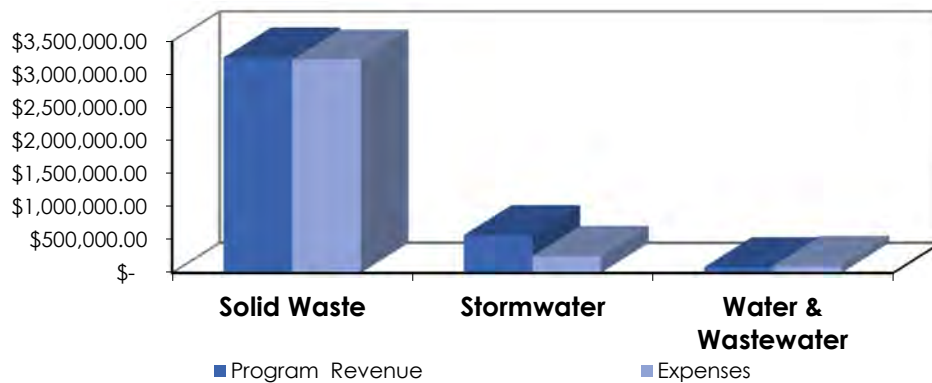
Business-type activities. The Miami Shores Village major business-type activities include the following enterprise funds:

- Solid Waste Fund
- Stormwater Fund
- Water & Wastewater Fund

Net position of business-type activities increased by approximately \$330 thousand. This increase is due to operating expenses not incurred. The bar graph below summarizes the expenses and program revenues of the business-type activities.

Figure A-3

**Expenses and Program Revenues – Business-type Activities
For the Fiscal Year ended September 30, 2021**



Financial Analysis of the Government's Funds

As noted earlier, Miami Shores Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the *governmental funds* for Miami Shores Village is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the Village's financing requirements. In particular, the *unassigned fund balance* may serve as a useful indicator of the government's net resources available for spending at the end of a fiscal year.

As of the end of the current fiscal year, the governmental funds for Miami Shores Village reported combined ending fund balances of \$14.9 million. Of this amount, \$8.5 million reflects *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is *nonspendable, assigned, committed or restricted* to indicate that it is **not** available for new spending as those dollars have already been 1) assigned to spend \$931 thousand on capital improvements in FY22 from the budget adopted in FY22, 2) committed to liquidate contracts or encumbered fiscal obligations (outstanding purchase orders) valued at \$1.3 million, 3) restricted for funds limited by the contributing agency of \$4.1 million and 4) nonspendable for funds used to account for amounts which cannot currently be spent, such as prepaid expenses of \$19 thousand.

The General Fund is the primary operating fund of the Village. At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$9.7 million as compared with \$9.3 million in the prior year.

The Village's General Fund unassigned balance increased by \$454 thousand during the 2021 fiscal year. This can be attributed to effects of the COVID-19 pandemic during which the Village was reimbursed for personnel re-assigned to COVID related activities. As a result of the pandemic, events and programs were cancelled or reduced during FY21. Unfilled positions and conservative spending also contributed to the increase in the unassigned fund balance.

The Village has two other major funds, Police Forfeiture and the Grant Fund.

The Police Forfeiture Fund accumulates proceeds received from forfeitures related to ongoing investigations. The Village has one officer assigned to the federal program. The expenditure of these funds is restricted by strict governmental rules and approval of the Village Council. The fund balance of \$739 thousand will be used for future projects for the Police Department.

The Grant Fund accounts for the use of specific designated resources related to grant programs. The negative unassigned fund balance of (\$1,198,175) is due to the reimbursement amount that is pending FEMA approval for Hurricane IRMA.

Proprietary funds. The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

- Unrestricted net position in the Solid Waste Fund at the end of the fiscal year totaled \$252 thousand. Unrestricted net position will be used to fund future purchases of capital assets.
- Unrestricted net position in the Stormwater Fund at the end of the fiscal year totaled \$1.4 million. Unrestricted net position is maintained to fund future projects.
- Unrestricted net position in the Water & Wastewater Fund at the end of the fiscal year was a negative \$95 thousand. It is anticipated that the unrestricted negative net position will be funded by future assessments.

General Fund Budgetary Highlights

The Village adopts annual budgets by fund, general fund department and line item in compliance with Florida State Statute Section 200.065 (commonly referred to as the Truth-in Millage Legislation). The law requires municipal organizations to prepare and adopt annual operating budgets for the General, Special Revenue and Debt Service Funds following uniform time frames related to property tax levies. The balanced budgets may be revised throughout the year. The Village's code allows for department level budget transfers without council approval; however, department and fund total changes require Council-approved budget amendments adopted by resolution.

The Village's policy is to adopt the budget following the second public hearing of each fiscal year, held in September for an October 1st year. The Village has also adopted a policy which provides for the reappropriation of committed fund balance for encumbrances. This amendment is usually adopted as the first budget amendment of each fiscal year and is normally presented at the first meeting in November of each fiscal year. Additional budget amendments may be presented to council at any time during the fiscal year.

Over the course of the year, the Village amended the General Fund budget three times. The budget amendments fall into two categories: (1) Amendments are approved for rollovers related to prior year encumbrances; and (2) supplemental appropriations to provide appropriations for various other needs which have arisen since the adoption of the budget. With these adjustments, disbursements were approximately \$1 million below final budgeted amounts. Savings were realized in general government, \$203 thousand, public safety, \$284 thousand, public works, \$109 thousand, and culture and recreation, \$368 thousand. These savings in general government costs and various departmental costs were due to unfilled positions, conservative spending and the re-assignment of budgeted personnel that were reassigned and reimbursed due to the COVID-19 pandemic. Additionally, savings in the General Fund are due to the COVID-19 pandemic effecting anticipated events and programs; cancelling them or reducing the size.

The fiscal year 2021 final amended budget was \$16.6 million, an increase of .93% over the original General Fund budget of \$16.4 million. Correspondingly, the Consumer Price Index (or inflation index) from the U.S. Bureau of Labor Statistics – All Urban Consumers for the past year was 5.4%. The final Adopted Budget is balanced with revenues of \$16 million, \$400 thousand in operating transfers from the Solid Waste Fund and the Stormwater Fund, and a \$152 thousand appropriation from the General Fund Balance.

Capital Asset and Debt Administration

Capital Assets. Miami Shores Village's investment in capital assets for its governmental and business-type activities as of September 30, 2021 amounts to \$25.6 million (net of accumulated depreciation). The investment in capital assets includes Village-owned buildings, equipment and other infrastructure (streets, sidewalks, easements, right-of-ways). The value of capital investments includes the cost of the Doctors' Charter School of Miami Shores. The following table summarizes the components of the Village's investments in capital assets.

Miami Shores Village Capital Assets as of September 30, 2021 and 2020 (net of accumulated depreciation)

Classification	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 2,386,158	\$ 2,386,158	\$ -	\$ -	\$ 2,386,158	\$ 2,386,158
Construction in progress	803,951	2,155,535	108,149	-	912,100	2,155,535
Building	8,948,248	9,179,339	-	-	8,948,248	9,179,339
Infrastructure	7,216,195	5,944,639	1,495,525	1,567,880	8,711,720	7,512,519
Machinery and equipment	3,112,145	2,733,864	983,130	947,856	4,095,275	3,681,720
Intangible	<u>563,971</u>	<u>635,307</u>	<u>-</u>	<u>-</u>	<u>563,971</u>	<u>635,307</u>
Totals	<u>\$23,030,668</u>	<u>\$ 23,034,842</u>	<u>\$2,586,804</u>	<u>\$ 2,515,736</u>	<u>\$25,617,472</u>	<u>\$ 25,550,578</u>

Additional information on Miami Shores Village's capital assets may be found in Note 6 on Pages 39 to 40 of this report.

Long-term Liabilities. At September 30, 2021, Miami Shores Village had \$15 million in long-term liabilities, which are summarized in the schedule below. The increase of \$298 thousand is attributable to a decrease in annual bond payments of \$391 thousand, an increase in OPEB liability of \$35 thousand, compensated absences of \$23 thousand and net pension liability of \$631 thousand.

Miami Shores Village Outstanding Long-term Liabilities as of September 30, 2021 and 2020

	Governmental Activities		Business-type activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
General obligation bonds	\$4,003,900	\$4,335,300	\$ -	\$ -	\$4,003,900	\$4,335,300
Other debt	<u>-</u>	<u>-</u>	<u>3,700,000</u>	<u>3,760,000</u>	<u>3,700,000</u>	<u>3,760,000</u>
Total bonds and notes payable	<u>4,003,900</u>	4,335,300	3,700,000	3,760,000	7,703,900	8,095,300
Other liabilities:						
OPEB liability	551,929	517,453	19,632	18,777	571,561	536,230
Estimated insurance claims payable	-	-	-	-	-	-
Compensated absences	863,251	781,240	73,467	132,771	936,718	914,011
Net pension liability	<u>5,537,848</u>	<u>4,924,745</u>	<u>211,520</u>	<u>192,869</u>	<u>5,749,368</u>	<u>5,117,614</u>
Totals	<u>\$10,956,928</u>	<u>\$10,558,738</u>	<u>\$4,004,619</u>	<u>\$4,104,417</u>	<u>\$14,961,547</u>	<u>\$14,663,155</u>

Additional information on the Village's long-term debt may be found in Note 7 on Pages 40 to 42 of this report.

Economic Factors and Next Year's Budgets and Rates

Miami Shores Village is a single-family, residential community. As such, standard economic indicators used to determine the overall health of a community are slightly different for Miami Shores. Since the Village's "business community" is restricted to a six-block area on Second Avenue and isolated pockets of business entities on Biscayne Boulevard, the Village must monitor property values and other residentially-related trends to determine the health and vitality of the community. Quality recreational activities, including the Village's first-class aquatics facility, support the residents' requirement for high standards and outstanding recreation and leisure activities. This, along with its own public safety department, provides a higher standard of living than that which is found in surrounding municipalities.

The State of Florida, by constitution, does not have a state personal income tax and therefore, the State operates primarily using sales, gasoline and corporate income taxes. Local governments (cities, counties, and school boards) primarily rely upon property taxes and a limited array of permitted other taxes (sales, telecommunication, gasoline, utilities services, etc.) and fees (franchise, building permits, occupational licenses, etc.) for funding of their governmental activities. In addition, there are a number of state-shared revenues and recurring and non-recurring (one-time) grants from both the state and federal governments.

On January 29, 2008, the Florida electorate approved an amendment to the Florida Constitution relative to property taxation. This amendment (referred to as Amendment 1) was placed on the ballot by the Florida legislature at a special session held in October 2007. With respect to homestead property, Amendment 1 increases the \$25,000 homestead exemption by another \$25,000 for the portion of assessed property value exceeding \$50,000, except for school district taxes. Amendment 1 also allows property owners to transfer (make portable) up to \$500,000 of their Save Our Homes benefits to their next homestead when they move. Save Our Homes became effective in 1995 and limits (caps) the annual increase in assessed value for homestead property to three percent (3%) or the percentage change in the Consumer Price Index, whichever is less.

With respect to non-homestead property, Amendment 1 limits (caps) the annual increase in assessed value for non-homestead property (businesses, industrial property, rental property, second homes, etc.) to ten percent (10%), except for school district taxes. The Amendment also provides a \$25,000 exemption for tangible personal property.

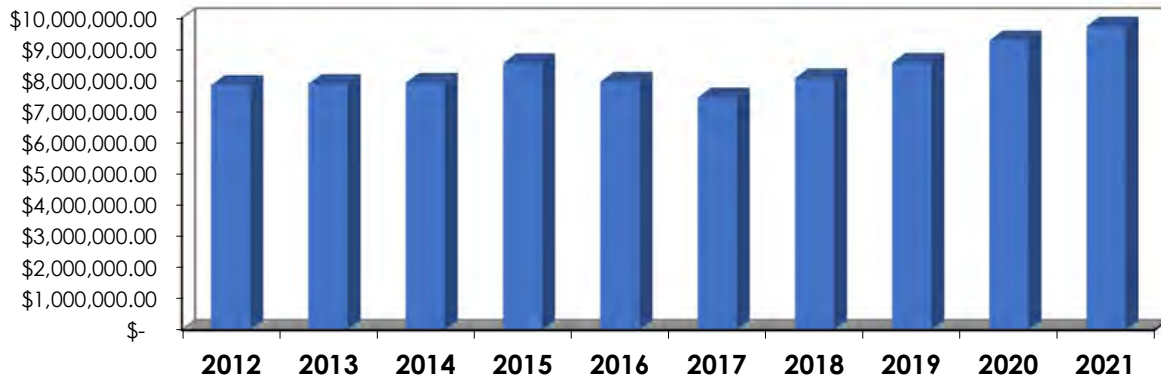
Amendment 1 became effective on October 1, 2008 with the exception of the ten percent (10%) assessment cap on non-homestead property which became effective on January 1, 2009. Additional tax relief bills, which could further limit the extent to which municipalities can levy taxes, continue to be introduced by the state legislature.

Actual taxes levied by the Village in 2021 reflected an increase of \$481 thousand, precipitated by an increase in property values of \$61 million or 5.1% in property values as compared with 2020. Based on the current real estate market within the Village, it is anticipated that the Village will continue to experience an increase in assessed values due to the Village's desirability and the close location to Greater Downtown Miami.

During the current fiscal year, unassigned fund balance in the General Fund was \$9.7 million, an increase of \$454 thousand compared to the unreserved fund balance in 2020 of \$9.3 million. This fund balance of \$9.7 million is contingent upon the \$3.4 million accounts receivable attributable to Hurricane IRMA. The balance of \$6.3 million is approximately equal to 4.7 months of General Fund operating expenditures. Even though fair market property values are expected to increase; assessed property values are limited by the "Save Our Homes" benefits. This limits the increase in property tax revenue even when property values are increasing. Expenditures such as payroll, personnel benefits and operating will continue to increase given the economic impact of the COVID-19 pandemic and other world events. Fiscal year 2022 budgeted

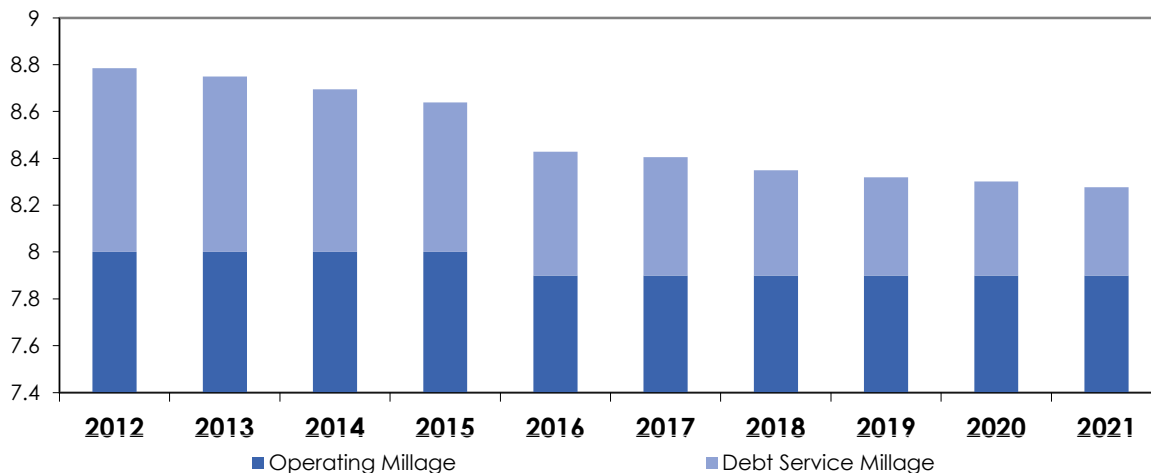
expenditures and transfers are expected to be \$17.2 million, or 4.8%, more than the fiscal year 2021 budget of \$16.4 million. The Village, as can be shown in the following graph, is maintaining its unassigned fund balance so that a portion of unassigned fund balance will be available to preclude or moderate reductions in revenues related to a COVID-19 pandemic resurgence and/or any other world crisis, fund capital improvements, or be available to defray the outstanding costs associated with hurricanes or other natural disasters.

**General Fund Unrestricted and Unassigned Surplus
For the Fiscal Years ended September 30, 2012-2021**



In 1995, the state of Florida limited all local governments' ability to increase property assessments of homestead property in any given year to 3 percent or cost of living, whichever is lower. The graph below shows the millage rates over the past ten years. Since FY16, the Village has maintained the operating millage consistently at 7.9 mills. For many years, the Village, just like many cities across the country, has had to face the challenge of keeping taxes and service charges as low as possible while providing residents with the level of service they have come to expect.

**Miami Shores Village
Total Village Millage
For the Fiscal Years ended September 30, 2012-2021**



Fiscal year 2022 budgeted expenditures and transfers are expected to increase \$782 thousand compared with fiscal year 2021. This increase in expenditures is the result of the COVID-19 pandemic restrictions subsiding, as well as the direct economic impact, resulting from the pandemic, with price increases as the supply chain issues and shortages occur. Additional contributory factors include the increase in Village staff budgeted positions and the increase in capital improvements delayed due to the pandemic.

Requests for Information

This financial report is designed to provide a general overview of Miami Shores Village finances to our citizens, taxpayers, customers, investors, creditors, and others with an interest in the Village finances. Questions concerning this report or requests for additional financial information should be directed to the Finance Director, Holly Hugdahl, CPA, CGMA.

MIAMI SHORES VILLAGE
Finance Department
10050 Northeast Second Avenue
Miami Shores, Florida 33138-2382

BASIC FINANCIAL STATEMENTS

MIAMI SHORES VILLAGE, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 14,964,683	\$ 3,012,028	\$ 17,976,711
Investments	321,644	-	321,644
Accounts receivables - net	3,005,521	191,009	3,196,530
Special assessment receivable	-	3,554,595	3,554,595
Inventories	35,519	87,885	123,404
Prepaid Items	239,640	-	239,640
Restricted assets:			
Cash and cash equivalents	-	5,323	5,323
Total current assets	<u>18,567,007</u>	<u>6,850,840</u>	<u>25,417,847</u>
Capital assets:			
Capital assets not being depreciated	3,190,109	108,149	3,298,258
Capital assets being depreciated, net	19,840,559	2,478,655	22,319,214
Total capital assets	<u>23,030,668</u>	<u>2,586,804</u>	<u>25,617,472</u>
Total assets	<u><u>41,597,675</u></u>	<u><u>9,437,644</u></u>	<u><u>51,035,319</u></u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension	2,849,048	122,950	2,971,998
Other post employment benefits (OPEB)	41,055	1,460	42,515
Total deferred outflows of resources	<u>2,890,103</u>	<u>124,410</u>	<u>3,014,513</u>
LIABILITIES			
Accounts payable and accrued liabilities	747,066	85,489	832,555
Unearned revenues	71,177	1,070,384	1,141,561
Noncurrent liabilities:			
Due within one year	353,238	18,367	371,605
Due in more than one year	10,603,690	3,986,252	14,589,942
Total liabilities	<u>11,775,171</u>	<u>5,160,492</u>	<u>16,935,663</u>
DEFERRED INFLOWS OF RESOURCES			
Busines license tax	73,023	-	73,023
Pension	898,219	17,725	915,944
Other post employment benefits (OPEB)	150,658	5,360	156,018
Total deferred inflows of resources	<u>1,121,900</u>	<u>23,085</u>	<u>1,144,985</u>
NET POSITION			
Net investment in capital assets	19,026,768	2,586,804	21,613,572
Restricted for:			
Public safety	770,529	-	770,529
Transportation	1,113,337	-	1,113,337
Building	151,822	-	151,822
Library	655,587	-	655,587
Debt service	1,216,069	-	1,216,069
Charter school	128,418	-	128,418
Parks and recreation	85,028	-	85,028
Capital projects	1,265,401	-	1,265,401
Subsequent years budget	1,301,451	269,100	1,570,551
Unrestricted	5,876,297	1,522,573	7,398,870
Total net position	<u><u>\$ 31,590,707</u></u>	<u><u>\$ 4,378,477</u></u>	<u><u>\$ 35,969,184</u></u>

See notes to basic financial statements.

MIAMI SHORES VILLAGE, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Functions/Programs	Expenses	Program Revenue		Net Revenue (Expense) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities
Primary government						
Governmental activities:						
General government	\$ 4,123,057	\$ 2,222,726	\$ -	\$ -	\$ (1,900,331)	\$ (1,900,331)
Public safety	7,741,150	2,290,601	-	-	(5,450,549)	(5,450,549)
Public works	3,859,748	40,266	739,700	-	(3,079,782)	(3,079,782)
Culture and recreation	3,105,811	978,267	-	-	(2,127,544)	(2,127,544)
Interest on long-term debt	115,349	-	-	-	(115,349)	(115,349)
Total governmental activities	<u>18,945,115</u>	<u>5,531,860</u>	<u>739,700</u>	<u>-</u>	<u>(12,673,555)</u>	<u>(12,673,555)</u>
Business-type activities:						
Solid waste	2,875,443	3,255,247	-	-	379,804	379,804
Stormwater	206,141	571,984	-	-	365,843	365,843
Water & wastewater	103,416	20,978	-	-	(82,438)	(82,438)
Total business-type activities	<u>3,185,000</u>	<u>3,848,209</u>	<u>-</u>	<u>-</u>	<u>663,209</u>	<u>663,209</u>
Total primary government	<u>22,130,115</u>	<u>9,380,069</u>	<u>739,700</u>	<u>-</u>	<u>(12,673,555)</u>	<u>(12,010,346)</u>
General revenues:						
Property taxes, levied for general purposes				\$ 10,015,239	\$ -	\$ 10,015,239
Public service taxes				2,232,886	-	2,232,886
Intergovernmental (unrestricted)				4,201,094	-	4,201,094
Investment income (unrestricted)				27,133	2,083	29,216
Miscellaneous				421,008	757	421,765
<i>Special item</i> - gain (loss) on sale of asset				(145,753)	-	(145,753)
Transfers				336,425	(336,425)	-
Total general revenues, special items, and transfers				<u>17,088,032</u>	<u>(333,585)</u>	<u>16,754,447</u>
Change in net position				4,414,477	329,624	4,744,101
Net position - beginning				27,176,230	4,048,853	31,225,083
Net position - ending				<u>\$ 31,590,707</u>	<u>\$ 4,378,477</u>	<u>\$ 35,969,184</u>

See notes to basic financial statements.

**MIAMI SHORES VILLAGE
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	<u>Major Funds</u>			Other Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Police Forfeiture	Grants		
ASSETS					
Cash and cash equivalents	\$ 6,652,809	\$ 736,248	\$ -	\$ 5,014,575	\$ 12,403,632
Investments	321,644	-	-	-	321,644
Accounts receivable, net	601,261	17,232	2,234,092	146,316	2,998,901
Due from other funds	3,420,290	-	-	-	3,420,290
Prepaid expenses	19,092	-	-	-	19,092
Total assets	<u>11,015,096</u>	<u>753,480</u>	<u>2,234,092</u>	<u>5,160,891</u>	<u>19,163,559</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	265,092	14,356	2,737	445,373	727,558
Due to other funds	-	-	3,420,290	-	3,420,290
Unearned revenue	61,937	-	9,240	-	71,177
Total liabilities	<u>327,029</u>	<u>14,356</u>	<u>3,432,267</u>	<u>445,373</u>	<u>4,219,025</u>
Deferred inflows of resources:					
Business license tax	73,023	-	-	-	73,023
Total deferred inflows of resources	<u>73,023</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,023</u>
Fund balances:					
Nonspendable	19,092	-	-	-	19,092
Restricted	-	739,124	-	3,381,666	4,120,790
Committed	-	-	-	1,265,401	1,265,401
Assigned	863,000	-	-	68,451	931,451
Unassigned	9,732,952	-	(1,198,175)	-	8,534,777
Total fund balances	<u>10,615,044</u>	<u>739,124</u>	<u>(1,198,175)</u>	<u>4,715,518</u>	<u>14,871,511</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 11,015,096</u>	<u>\$ 753,480</u>	<u>\$ 2,234,092</u>	<u>\$ 5,160,891</u>	<u>\$ 19,163,559</u>

See notes to basic financial statements.

MIAMI SHORES VILLAGE, FLORIDA
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

Fund balances - total governmental funds (Page 16)	\$	14,871,511
<p>Amounts reported for governmental activities in the statement of net position are different as a result of:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.</p>		
Governmental capital assets	46,373,315	
Less accumulated depreciation	<u>(25,270,517)</u>	21,102,798
<p>Deferred inflows/outflows of resources in the statement of net position will be recognized in future periods.</p>		
Deferred outflows related to OPEB	40,603	
Deferred inflows related to OPEB	(149,000)	
Deferred outflows related to pension	2,811,290	
Deferred inflows related to pension	<u>(892,772)</u>	1,810,121
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.</p>		
Bonds and notes payable	(4,003,900)	
OPEB liability	(545,855)	
Net pension liability	(5,472,848)	
Compensated absences	<u>(831,500)</u>	(10,854,103)
Net position of internal service funds are not reported with governmental funds		<u>4,660,380</u>
Net position of governmental activities (Page 14)	\$	<u>31,590,707</u>

See notes to basic financial statements.

**MIAMI SHORES VILLAGE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<u>Major Funds</u>			<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Police Forfeiture</u>	<u>Grants</u>		
REVENUES					
Property taxes	\$ 9,558,415	\$ -	\$ -	\$ 456,824	\$ 10,015,239
Public services taxes	2,232,886	-	-	-	2,232,886
Fees and fines	271,110	53,061	-	1,103	325,274
Licenses and permits	1,240,591	-	-	39,142	1,279,733
Intergovernmental	1,209,673	-	2,908,641	839,835	4,958,149
Grants, contributions and donations	-	-	-	25,658	25,658
Charges for services	1,619,550	-	-	-	1,619,550
Investment earnings	16,035	1,830	-	6,300	24,165
Miscellaneous	342,191	24,510	-	-	366,701
Total revenues	<u>16,490,451</u>	<u>79,401</u>	<u>2,908,641</u>	<u>1,368,862</u>	<u>20,847,355</u>
EXPENDITURES					
Current:					
General government	2,683,696	-	442,262	5,000	3,130,958
Public safety	8,100,349	44,008	46,909	8,267	8,199,533
Public works	1,754,241	-	-	379,916	2,134,157
Culture and recreation	2,690,190	-	1,480	20,513	2,712,183
Debt Service:					
Principal	-	-	-	331,400	331,400
Interest	-	-	-	115,349	115,349
Capital outlay	-	484,364	258,459	843,649	1,586,472
Total expenditures	<u>15,228,476</u>	<u>528,372</u>	<u>749,110</u>	<u>1,704,094</u>	<u>18,210,052</u>
Excess (deficiency) of revenues over expenditures	<u>1,261,975</u>	<u>(448,971)</u>	<u>2,159,531</u>	<u>(335,232)</u>	<u>2,637,303</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	400,000	-	-	359,971	759,971
Transfers out	(332,800)	-	-	(5,421)	(338,221)
Total other financing sources and uses	<u>67,200</u>	<u>-</u>	<u>-</u>	<u>354,550</u>	<u>421,750</u>
Net change in fund balances	<u>1,329,175</u>	<u>(448,971)</u>	<u>2,159,531</u>	<u>19,318</u>	<u>3,059,053</u>
Fund balances (deficit) - beginning	9,285,869	1,188,095	(3,357,706)	4,696,200	11,812,458
Fund balances - ending	<u>\$ 10,615,044</u>	<u>\$ 739,124</u>	<u>\$ (1,198,175)</u>	<u>\$ 4,715,518</u>	<u>\$ 14,871,511</u>

See notes to basic financial statements.

MIAMI SHORES VILLAGE, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Amounts reported for governmental activities in the statement of activities are different as a result of:

Net change in fund balances - total government funds (Page 17)	\$	3,059,053
----------------------------------------------------------------	----	-----------

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital outlay capitalized	\$ 1,586,472	
Less current year depreciation	<u>(1,259,401)</u>	
Net adjustment		327,071

The net effect of various transactions involving capital assets (i.e., sales, trade-ins and donations) is to increase (decrease) net position.		(145,753)
------------------------------------------------------------------------------------------------------------------------------------------------	--	-----------

The issuance of long term debt (e.g., bonds, leases) provides current financial debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. resources to governmental funds, while the repayment of the principal of long term.

Principal payments	<u>331,400</u>	331,400
--------------------	----------------	---------

Some 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.

Change in net pension liability and other deferral amounts	931,195	
Change in compensated absences	(77,887)	
Change in OPEB liability and other deferral amounts	(3,415)	
Allocation of internal service funds' change in net position	<u>(7,187)</u>	
		<u>842,706</u>

Change in net position of governmental activities (Page 14)	\$	<u>4,414,477</u>
-------------------------------------------------------------	----	------------------

**MIAMI SHORES VILLAGE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021**

	Business-type Activities - Enterprise Funds				Governmental Activities- Internal
	Solid Waste	Stormwater	Water & Wastewater	Total	Service Funds
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 1,247,518	\$ 1,646,227	\$ 118,283	\$ 3,012,028	\$ 2,561,051
Accounts receivable, net	177,217	13,792	-	191,009	6,620
Special assessment receivables	8,087	1,132	3,545,376	3,554,595	-
Inventories	87,885	-	-	87,885	35,519
Prepaid Expenses	-	-	-	-	220,548
Restricted assets:					
Cash and cash equivalents	-	-	5,323	5,323	-
Total current assets	<u>1,520,707</u>	<u>1,661,151</u>	<u>3,668,982</u>	<u>6,850,840</u>	<u>2,823,738</u>
Non-current assets:					
Capital assets:					
Capital assets not being depreciated	-	107,081	1,068	108,149	7,127
Capital assets being depreciated, net	983,130	1,495,525	-	2,478,655	1,920,743
Total non-current assets	<u>983,130</u>	<u>1,602,606</u>	<u>1,068</u>	<u>2,586,804</u>	<u>1,927,870</u>
Total assets	<u>\$ 2,503,837</u>	<u>\$ 3,263,757</u>	<u>\$ 3,670,050</u>	<u>\$ 9,437,644</u>	<u>\$ 4,751,608</u>
DEFERRED OUTLOWS OF RESOURCES					
Pension	114,326	8,624	-	122,950	37,758
Other post employment benefits	1,301	159	-	1,460	452
Total deferred outflows of resources	<u>115,627</u>	<u>8,783</u>	<u>-</u>	<u>124,410</u>	<u>38,210</u>
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	83,527	1,962	-	85,489	19,508
Unearned revenue	855,963	150,552	63,869	1,070,384	-
Compensated absences	17,429	938	-	18,367	7,938
Bonds, notes and loans payable	-	-	60,000	60,000	-
Total current liabilities	<u>956,919</u>	<u>153,452</u>	<u>123,869</u>	<u>1,234,240</u>	<u>27,446</u>
Non-current liabilities:					
Compensated absences	52,286	2,814	-	55,100	23,813
Net pension liability	196,684	14,836	-	211,520	65,000
OPEB liability	17,496	2,136	-	19,632	6,074
Bonds, notes and loans payable	-	-	3,640,000	3,640,000	-
Total non-current liabilities	<u>266,466</u>	<u>19,786</u>	<u>3,640,000</u>	<u>3,926,252</u>	<u>94,887</u>
Total liabilities	<u>1,223,385</u>	<u>173,238</u>	<u>3,763,869</u>	<u>5,160,492</u>	<u>122,333</u>
DEFERRED INFLOWS OF RESOURCES					
Pension	16,481	1,244	-	17,725	5,447
Other post employment benefits	4,776	584	-	5,360	1,658
Total deferred inflows of resources	<u>21,257</u>	<u>1,828</u>	<u>-</u>	<u>23,085</u>	<u>7,105</u>
NET POSITION					
Net investment in capital assets	983,130	1,602,606	1,068	2,586,804	1,927,870
Restricted	140,000	129,100	-	269,100	370,000
Unrestricted	251,692	1,365,768	(94,887)	1,522,573	2,362,510
Total net position	<u>\$ 1,374,822</u>	<u>\$ 3,097,474</u>	<u>\$ (93,819)</u>	<u>\$ 4,378,477</u>	<u>\$ 4,660,380</u>

See notes to basic financial statements.

MIAMI SHORES VILLAGE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds				Governmental Activities-
	Solid Waste	Stormwater	Water & Wastewater	Total	Internal Service Funds
REVENUES					
Charges for services	\$ 3,255,247	\$ 571,984	\$ 20,978	\$ 3,848,209	\$ 2,313,332
Total operating revenues	<u>3,255,247</u>	<u>571,984</u>	<u>20,978</u>	<u>3,848,209</u>	<u>2,313,332</u>
Operating expenses					
Personal services	1,060,406	83,296	-	1,143,702	243,985
Utilities	909,149	7,746	-	916,895	16,556
Repairs and maintenance	493,082	24,045	50,757	567,884	271,712
Administrative expenses	161,367	5,618	-	166,985	417,427
Insurance claims and expenses	40,208	7,890	-	48,098	963,733
Depreciation	211,231	77,546	-	288,777	330,749
Total Operating expenses	<u>2,875,443</u>	<u>206,141</u>	<u>50,757</u>	<u>3,132,341</u>	<u>2,244,162</u>
Operating income (loss)	<u>379,804</u>	<u>365,843</u>	<u>(29,779)</u>	<u>715,868</u>	<u>69,170</u>
NON-OPERATING REVENUES (EXPENSES)					
Interest and investment revenue	722	1,319	42	2,083	2,968
Miscellaneous revenue	-	-	757	757	-
Operating grants and contributions	-	-	-	-	6,000
Interest expense	-	-	(52,659)	(52,659)	-
Total non-operating revenue (expenses)	<u>722</u>	<u>1,319</u>	<u>(51,860)</u>	<u>(49,819)</u>	<u>8,968</u>
Income (loss) before contributions and transfers	380,526	367,162	(81,639)	666,049	78,138
Transfers in	-	-	63,575	63,575	-
Transfers out	(350,000)	(50,000)	-	(400,000)	(85,325)
Change in net position	30,526	317,162	(18,064)	329,624	(7,187)
Total net position (deficit)- beginning	1,344,296	2,780,312	(75,755)	4,048,853	4,667,567
Total net position (deficit) - ending	<u>\$ 1,374,822</u>	<u>\$ 3,097,474</u>	<u>\$ (93,819)</u>	<u>\$ 4,378,477</u>	<u>\$ 4,660,380</u>

See notes to basic financial statements.

**MIAMI SHORES VILLAGE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Business-type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds	
	Solid Waste	Stormwater	Water & Wastewater		Total
Cash flows from operating activities:					
Cash received from customers, governments and other funds	\$ 3,349,305	\$ 561,101	\$ 207,420	\$ 4,117,826	\$ 2,316,735
Cash paid to suppliers	(1,673,195)	(29,900)	(54,807)	(1,757,902)	(1,726,577)
Cash paid for employees	(1,159,350)	(96,848)	-	(1,256,198)	(249,696)
Net cash provided by operating activities	<u>516,760</u>	<u>434,353</u>	<u>152,613</u>	<u>1,103,726</u>	<u>340,462</u>
Cash flows from non-capital financing activities:					
Transfers in	-	-	63,575	63,575	-
Transfers out	(350,000)	(50,000)	-	(400,000)	(85,325)
Net cash provided by (used in) non-capital financing activities	<u>(350,000)</u>	<u>(50,000)</u>	<u>63,575</u>	<u>(336,425)</u>	<u>(85,325)</u>
Cash flows from capital related financing activities:					
Acquisition and construction of capital assets	(251,696)	(107,081)	(1,068)	(359,845)	(145,261)
Capital contributions	-	-	-	-	6,000
Principal paid on long-term debt	-	-	(60,000)	(60,000)	-
Interest paid on capital debt	-	-	(52,659)	(52,659)	-
Net cash provided by (used in) capital and related financing activities	<u>(251,696)</u>	<u>(107,081)</u>	<u>(113,727)</u>	<u>(472,504)</u>	<u>(139,261)</u>
Cash flows from investing activities:					
Interest and other income	722	1,319	799	2,840	2,968
Net cash provided by investing activities	<u>722</u>	<u>1,319</u>	<u>799</u>	<u>2,840</u>	<u>2,968</u>
Net increase (decrease) in cash and cash equivalents	(84,214)	278,591	103,260	297,637	118,844
Cash and cash equivalents, October 1	1,331,732	1,367,636	20,346	2,719,714	2,442,207
Cash and cash equivalents, September 30	<u>\$ 1,247,518</u>	<u>\$ 1,646,227</u>	<u>\$ 123,606</u>	<u>\$ 3,017,351</u>	<u>\$ 2,561,051</u>
Reported in statement of net position as follows:					
Cash and cash equivalents	\$ 1,247,518	\$ 1,646,227	\$ 118,283	\$ 3,012,028	\$ 2,561,051
Restricted	-	-	5,323	5,323	-
	<u>\$ 1,247,518</u>	<u>\$ 1,646,227</u>	<u>\$ 123,606</u>	<u>\$ 3,017,351</u>	<u>\$ 2,561,051</u>
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ 379,804	\$ 365,843	\$ (29,779)	\$ 715,868	\$ 69,170
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	211,231	77,546	-	288,777	330,749
Change in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	13,373	(14,924)	172,166	170,615	3,403
Inventories	(1,125)	15,502	-	14,377	(10,720)
Prepays	-	-	-	-	(13,479)
Deferred outflows of resources for pension	(54,286)	(20)	-	(54,306)	(16,729)
Increase (decrease) in:					
Accounts payable and accrued liabilities	(68,264)	(103)	(4,050)	(72,417)	(31,918)
Compensated absences	(58,612)	(692)	-	(59,304)	3,092
OPEB liability	1,066	(211)	-	855	6,074
Unearned revenues	80,685	4,041	14,276	99,002	-
Net pension liability	27,923	(9,272)	-	18,651	4,729
Deferred inflows of resources for pension	(15,035)	(3,357)	-	(18,392)	(3,909)
Total adjustments	<u>136,956</u>	<u>68,510</u>	<u>182,392</u>	<u>387,858</u>	<u>271,292</u>
Net cash provided by operating activities	<u>\$ 516,760</u>	<u>\$ 434,353</u>	<u>\$ 152,613</u>	<u>\$ 1,103,726</u>	<u>\$ 340,462</u>
Noncash capital related financing activities:					
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Total noncash capital related financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to basic financial statements.

**MIAMI SHORES VILLAGE
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021**

	Pension Trust Funds	Private Purpose Trust
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ 745,789	\$ 1,493,927
Receivables:		
Accounts receivables	110,178	-
Interest and dividends	197,576	-
Total receivables	<u>307,754</u>	<u>-</u>
Investments:		
Mutual funds - equity	21,734,281	-
Common stock	11,877,210	-
Corporate bonds	11,555,303	-
U.S. Government securities	1,641,607	-
Mortgage backed securities	5,363,098	-
Foreign stock	1,396,609	-
Foreign bonds	116,032	-
Municipal bonds	242,108	-
Total Investments	<u>53,926,248</u>	<u>-</u>
Total assets	<u>54,979,791</u>	<u>1,493,927</u>
 NET POSITION		
Held in trust for benefits and other purposes	<u>54,979,791</u>	<u>1,493,927</u>

See notes to basic financial statements.

MIAMI SHORES VILLAGE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	<u>Pension Trust Funds</u>	<u>Private Purpose Trust</u>
ADDITIONS		
Contributions:		
Employer	\$ 1,791,188	\$ -
Plan Members	502,761	-
State of Florida	110,178	-
Total contributions	<u>2,404,127</u>	<u>-</u>
Investment earnings:		
Net increase in fair value of investments	7,963,192	-
Interest	2,196,649	1,896
Investment activity expense	(223,399)	-
Total net investment earnings	<u>9,936,442</u>	<u>1,896</u>
Total additions	<u>12,340,569</u>	<u>1,896</u>
DEDUCTIONS		
Benefits	2,798,354	-
Administrative	127,013	-
Total deductions	<u>2,925,367</u>	<u>-</u>
Change in net position	9,415,202	1,896
Net position - beginning	45,564,589	1,492,031
Net position - ending	<u>\$ 54,979,791</u>	<u>\$ 1,493,927</u>

See notes to basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

Miami Shores Village, Florida, (the Village) was incorporated in 1932 and is a political subdivision of the State of Florida located in northeastern Miami-Dade County. The Village operates under a Council-Manager form of government, with its legislative function being vested in a five-member council. The Village Council is governed by the Village Charter and by state and local laws and regulations. The Village Council is responsible for the establishment and adoption of policy. The Village provides the following full range of municipal services as authorized by its charter: public safety, streets, solid waste, stormwater, culture and recreational activities, public improvements, planning and zoning, and general administrative services.

As required by generally accepted accounting principles, these basic financial statements present the reporting entity of the Village. Component units are legally separate entities for which the government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the Village's combined financial statements to be misleading or incomplete. The primary government is considered financially accountable if it appoints a voting majority of an organization's governing body and 1) it is able to impose its will on the organization or 2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the Board. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity financial statements to be misleading or incomplete. Based upon the application of these criteria, there were no organizations which met the criteria described above.

The financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting. The more significant of the Village's accounting policies are described below:

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate 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. All remaining non-major governmental funds are aggregated and reported as other governmental or other proprietary funds.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

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 are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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 imposed by the provider 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 enough thereafter to pay liabilities of the current period. For this purpose, the Village considers receivables collected within 60 days after year-end to be available and recognizes them as revenues of the current year. 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 and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Revenues for expenditure driven grants are recognized when the qualifying expenditures are incurred. All other revenue items are considered to be measurable and available only when cash is received by the Village.

The Village reports the following major governmental funds:

General Fund - This fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Police Forfeiture - This fund accounts for proceeds obtained through the sale of confiscated and unclaimed property turned over to the Village through court judgments. Proceeds are to be used solely for law enforcement purposes.

Grant Fund - This fund accounts for the use of specific designated resources related to grant programs.

The Village reports the following major proprietary fund:

Solid Waste Fund - This fund accounts for the operations and maintenance of the Village's solid waste system.

Stormwater Fund - This fund accounts for the operations and maintenance of the Village's stormwater system.

Water & Wastewater Fund - This fund accounts for the annual assessments to pay for the construction cost and maintenance fees for the NE Second Avenue Business District Water & Wastewater Project. Future maintenance costs for the grind pumps will be paid from this fund.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Additionally, the Village reports the following fund types:

Internal Service Funds - The internal service funds are used to account for the financing of goods or services provided by one department to other departments of the Village, on a cost reimbursement basis. The Village has two internal service funds, the Risk Management Fund and the Fleet Maintenance Fund.

Pension Trust Funds - The pension trust funds account for the activities of the Police Pension and General Employees' Retirement Plans, which accumulate resources for pension benefits to qualified employees.

Private Purpose Trust Fund - This fund accounts for a donation from a foundation to be held by the Village on behalf of the Doctors Charter School to assist with meeting the operating needs of the school.

The financial statements of the Village have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units in accordance with The Governmental Accounting Standards Board (GASB) pronouncements. The financial statements of the Village follow the guidance of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* for both the government wide and proprietary fund financial statements.

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 Village's enterprise fund functions and various other functions of the Village. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, and 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. Proceeds from local option gas tax and Transportation Surtax are used to fund transportation related expenditures and therefore are reported as program revenues under the function "Public Works".

Proprietary funds distinguish operating revenues and expenses from non-operating 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 solid waste, and stormwater fund and internal service funds are charges to customers or other funds for services. Operating expenses for the enterprise funds and internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is Village policy to use restricted resources first, and then unrestricted resources as needed.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Deposits and Investments

The Village's cash and cash equivalents, for purpose of the statement of cash flows, include cash on hand, time and demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The Village maintains a cash pool that is available for use by all funds. Interest earned on pooled cash is allocated to each of the funds, based on the fund's average pooled cash balance on a monthly basis.

All of the Village's investments are reported at fair value, which is based on quoted market prices. The Village's investments consist of amounts placed with the State Board of Administration in the Local Government Surplus Funds Trust Fund (Florida PRIME) investment pool. The Florida PRIME is considered a SEC 2a-7-like fund, thus reported at its fair value of its position in the pool, which is the same as its value of the pool shares.

The Plan's investments are carried at fair value using quoted market prices to value investments. Differences between cost and market value are recorded as net unrealized gains or losses. Net realized gains or losses for securities which are sold are combined with the unrealized gains and losses and shown as "net appreciation (depreciation) in fair value of investments" in plan net position. Dividends and interest are recognized as earned. Purchases and sales of investments are recorded on a trade-date basis.

The Village's investments in Florida PRIME are governed by the provisions of Florida Statutes Section 218.415. Investments in the Village's retirement plans are governed by the Plan's investment policies.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

F. Inventories and Prepaid Items

Inventories are valued at cost using the first-in, first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased (consumption method). In the governmental funds, reported inventories are offset by fund balance reserve which indicates that they do not constitute available spendable resources. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded – in both, the government-wide and fund financial statements – as prepaid items by recording an asset for the prepaid amount and recognizing the expenditure in the year such item is consumed (consumption method). Amounts reported in the governmental funds are offset by an equal reservation of fund balance in the fund financial statements. This is an indication that these components of current assets do not constitute available spending resources.

G. Property Taxes

Property values are assessed as of January 1 of each year, at which time taxes become an enforceable lien on the property. Tax bills are mailed for the Village by Miami Dade County on or about October 1 of each year and are payable with discounts of up to 4% offered for early payment. 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 seizure of the personal property or by the sale of interest-bearing tax certificates to satisfy unpaid property taxes.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Property Taxes (Continued)

Assessed values are established by the Miami-Dade County Property Appraiser. In November 1992, a Florida constitutional amendment was approved by the voters, which provides for limiting the increases in homestead property valuations for ad valorem tax purposes to a maximum of 3% annually and also provides for reassessment of market values upon changes in ownership. The County bills and collects all property taxes and remits them to the Village.

State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The tax levy of the Village is established by the Village Council and the Miami-Dade County Property Appraiser incorporates the Village's millage into the total tax levy, which includes the County and the County School Board tax requirements. The millage rate assessed by the Village for the year ended September 30, 2021 was 7.9000 mills (\$7.9000 per \$1,000 of taxable assessed valuation).

H. Restricted Assets

Assets of the debt service fund have been classified as restricted because their use is restricted by a bond indenture agreement for the Village's debt service requirements. Proceeds from forfeiture funds are classified as restricted in the Law Enforcement Training and Police Forfeiture Special Revenue Funds since these resources are specifically earmarked for law enforcement purposes only. Additionally, proceeds from the People's Transportation Tax and Local Option Gas Tax are classified as restricted since these resources may only be used for road and transportation related expenditures.

Assets held in the General Trust Fund are restricted primarily for recreation, library and police departments, as well as the charter school.

I. 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. The Village defines capital assets as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of three years. Purchased or constructed assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add value to the asset or materially extend its useful life are not capitalized.

Capital assets of the Village are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building and improvements	10-40
Land improvements	40
Infrastructure	30
Solid waste equipment	10
Vehicles	5
Other equipments, machinery, furniture and fixtures	3-10

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, 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 Village has pension amounts of \$2,381,856 and OPEB amounts of \$42,515 that qualify for reporting in this category on the government-wide statement of net position.

In additions to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as inflows of resources (revenue) until that time. The Village has local business licenses taxes of \$73,023, pension amounts of \$325,801, and OPEB amount of \$156,018. That qualify for reporting in this category on the government – wide statement of net position.

Net position is the residual of all other elements presented in a statement of financial position. It is the difference between (a) assets plus deferred outflow of resources and (b) liabilities and deferred inflows of resources.

K. Compensated Absences

Village employees are granted vacation and sick leave in varying amounts based on length of service and the department which the employee serves. The Village's vacation policy allows all regular non-temporary employees to accrue vacation leave on a monthly basis. Vacation leave accrued in previous year must be used prior to the next year's anniversary date (unless authorized by the Village Manager). Upon separation from Village employment in good standing, employees shall receive a lump sum payment for any unused accrued vacation leave up to a maximum allotted for the employee's length of service.

The Village's sick leave policy provides for the accumulation of one workday per month up to a maximum of 720 hours for a general employee. A general employee shall receive payment for one hundred percent (100% to a maximum of 720 hours) of accrued sick leave upon retirement and fifty (50%) upon separation in good standing.

For both vacation and sick leave, there is no payout for an employee who is discharged for misconduct, termination or is not in good standing with the Village.

All vacation and sick leave is accrued and reported as a fund liability when it is probable that the Village will compensate the employee with expendable available financial resources. Vacation and sick leave is accrued when incurred in proprietary funds and reported as a fund liability. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. For governmental funds, compensated absences are generally liquidated by the General Fund.

L. Unearned Revenues

Unearned revenues include amounts collected before revenue recognition criteria are met and receivables, which, under the modified accrual basis of accounting, are measurable, but not yet available. The unearned items consist primarily of license and permit revenues. Unearned revenues in the proprietary funds are related to billings for the 21-22 fiscal year.

M. Employee Benefit Plan

The Village provides a separate defined benefit pension plan for its police officers and general employees. At September 30, 2021, 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 General Employees' Retirement Plan and the Police Officers' Retirement Plan are presented in the government-wide statement of net position. The net pension liability is a function of the annual required contributions, interest, adjustments to the annual required contribution, annual pension costs and actual employer's contributions made to the Plans. Please refer to Note 10 for further information.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Post-Employment Benefits Other Than Pensions (OPEB)

Pursuant to Section 112.0801, Florida Statutes, the Village is mandated to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Retirees are required to pay 100% of the premium rates where premiums are determined based upon a blended rates used for active employees and retirees. These premium rates were adjusted to reflect differing utilization rates by age and gender and the impact of the Medicare program on claim costs. The blended rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The Village currently provides these benefits in accordance with the vesting and retirement requirements of the Village.

The Village is financing the post employee benefits on a pay-as-you go basis. As determined by an actuarial valuation, the Village records an OPEB liability in its government-wide and proprietary financial statements related to the implicit subsidy. For governmental funds, the OPEB liability is generally liquidated by the General Fund. The OPEB plan does not issue separate financial statements.

O. 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 issuance costs are expensed as incurred except for insurance cost which are amortized over the term of the related debt. For proprietary fund types, 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, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures as incurred.

P. Net Position / Fund Balance

Total net position as of September 30, 2021, is classified into three components of net position:

Net investment in capital assets

This category consists of capital assets (including restricted capital assets), net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, and improvements of those assets, excluding unexpended proceeds.

Restricted net position

This category consists of net position restricted in their use by (1) external groups such as grantors, creditors or laws and regulations of other governments; or (2) law, through constitutional provisions or enabling legislation.

Unrestricted net position

This category includes all of the remaining net position that does not meet the definition of the other two categories.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Net Position / Fund Balance (continued)

As of September 30, 2021, fund balances of the governmental funds are classified as follows:

Non-spendable

Amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted

Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed

Amounts that can be used only for specific purposes determined by a formal action of the Village Council. The Village Council is the highest level of decision-making authority for the Village. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Village Council. Both ordinances and resolutions are equally binding. Committed fund balance also should incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned

Assigned fund balances are amounts that are constrained by the Village's intent to be used for specific purposes, but are neither restricted nor committed. Intent is established by the Village Council who has the authority to assign, modify or rescind amounts to be used for specific purposes. This is delegated to the Village Manager by the Council. This balance includes (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted, or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue or capital projects fund are assigned for the purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the Village itself.

Unassigned

This fund balance is the residual classification for the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance amount. This category is also used to report negative fund balances in other governmental funds.

The Village considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit this, such as grant agreements requiring dollar for dollar spending. Additionally, the Village would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Fund Balance Flow Assumption

Sometimes the Village will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Village's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance, if any, is applied last.

R. Capital Contributions

Capital contributions in proprietary fund financial statements arise from grants or outside contributions of resources restricted to capital acquisition and construction.

S. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts of assets, liabilities, disclosures of contingent liabilities, revenues and expenditures/expenses reported in the financial statements and accompanying notes. These estimates include assessing the collectability of receivables, the realization of pension obligations, OPEB and the useful lives of capital assets. Although these estimates as well as all estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

By its nature as a local government unit, the Village is subject to various federal, state, and local laws and contractual regulations. The Village has no material violations of finance-related legal and contractual obligations.

Fund Accounting Requirements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like any other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related requirements, bond covenants, and segregation for management purposes.

Revenue Restrictions

The Village has various restrictions placed over certain revenue sources from federal, state, or local requirements. The primary revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Gas Tax	Roads, sidewalks, streets
Transportation Surtax	Transportation and roads
Police Forfeitures	Law Enforcement
Federal Emergency Management Agency	Disaster mitigation

For the fiscal year ended September 30, 2021, the Village complied, in all material respects, with these revenue restrictions.

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits

In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits are insured or collateralized with securities held by the entity or its agent in the entity's name.

Investments

The Village is authorized to invest in obligations of the U.S. Treasury, its agencies, instrumentalities and the Local Government Surplus Funds Trust Fund administered by the State Board of Administration (SBA). The investment policy defined in the statutes attempts to promote, through state assistance, the maximization of net interest earnings on invested surplus funds of local units of governments while limiting the risk to which the funds are exposed.

The SBA administers Florida PRIME ("PRIME"), which is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 215 and 219 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures of the administration of PRIME. PRIME is not a registrant with the Securities and Exchange Commission; however, the SBA has adopted operating procedures consistent with the requirements for a 2a-7 fund, which permits money market funds to use amortized cost to maintain a constant net asset value ("NAV") of \$1 per share. The fair value of the position in the Florida PRIME is equal to the value of the pool shares.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Additionally, the Office of the Auditor General of the State of Florida performs the operational audit of the activities and investment of the SBA. The SBA accounts are not subject to custodial credit risk as these investments are not evidenced by securities that exist in physical or bank entry form.

In accordance with GASB Statement No. 79, Certain External Investment Pools and Pool Participants, the Village's investment in the Florida PRIME meets the definition of a qualifying investment pool that measures for financial reporting purposes all of its investments at amortized cost and should disclose the presence of any limitations or restrictions on withdrawals. As of September 30, 2021, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Investments - Village

As of September 30, 2021, the Village had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>
SBA-PRIME	321,644
Total	<u>321,644</u>

Interest Rate Risk

Interest rate risk refers to the portfolio's exposure to fair value losses arising from increasing interest rates. The Village does not have a written policy on interest rate risk; however, the Village manages its exposure to declines in fair values by limiting the weighted average monthly maturity of its investment portfolio to less than 180 days. The weighted average days to maturity (WAM) of the Florida PRIME as of September 30, 2021 is 49 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average like (WAL) of Florida PRIME at September 30, 2021, is 64 days.

Credit Risk

State law limits investments in bonds, U.S. Treasuries and agency obligations, or other evidences of indebtedness to the top ratings issued by nationally recognized statistical rating organizations (NRSRO) of the United States. The PRIME is rated AAAm by Standard and Poor's.

Concentration of Credit Risk

The Village's investment policy does not stipulate any limit on the percentage that can be invested in any one issuer. GASB Statement No. 40 requires disclosure when the percent is 5% or more in any one issuer. As of September 30, 2021, the value of each position held in the Village's portfolio comprised of less than 5% of the Village's investment assets.

Investments Pension Plans

The Pension Board of Trustees has developed certain investment guidelines and has retained investment managers. The investment managers are expected to maximize the return on the investment portfolio and may make transactions consistent with that expectation within the Board's guidelines. The investment managers are compensated based on a percentage of their portfolio's market value.

The Plans' investment policy is determined by the Board who is responsible for directing the investment of the assets of the Plans to ensure that there will be adequate monies for future benefits. The policy has been identified by the Board to conduct the operations of the Plans in a manner so that the assets will provide the pension and other benefits provided under applicable laws, including Village ordinances, preserving principal while maximizing the rate of return.

Investment in all equity securities shall be limited to those listed on a major U.S stock exchange and limited to no more than 70% (at market) of the Plan's total asset value. The equity position in any one company shall not exceed 5% of the Plan's total asset value at the time of purchase. Investments in stocks of foreign companies shall be limited to 25% of the Plan's market value.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments Pension Plans (Continued)

Investments in fixed income securities shall meet or exceed a rating of investment grade as determined by at least one major credit rating service. The market value of bonds issued by any single issuer shall not exceed 3% of the manager's portfolio.

Types of Investments

Florida statutes and Plan investment policy authorize the Board to invest funds in various investments. The current target allocation of these investments at fair value is as follows:

<u>Asset Group</u>	<u>Target Allocation</u>	
	<u>General Employees</u>	<u>Police</u>
Domestic Equity	50%	50%
International Equity	15%	15%
Domestic Bonds	35%	35%

Rate of Return

For the fiscal year ending September 30, 2021, the annual money-weighted rate of return on pension plan investments, net pension plan investment expense, was 21.63% for the General Employee Retirement Plan and 21.19% for the Police Retirement Plan. The money weighted rate of return expresses investment performance, net of investment manager and consultant expenses adjusted for the changing amounts actually invested. Inputs to the internal rate of return calculation are determined on a monthly basis.

As of September 30, 2021, the Plans had the following investments and maturities:

General Employees' Retirement Plan

Investment Type	<u>Target Allocation</u>				<u>Fair Value</u>
	<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More than 10</u> <u>years</u>	
Corporate Bonds	-	1,143,714	1,560,166	1,273,444	3,977,324
Foreign Bonds Notes & Debentures	-	-	42,749	-	42,749
Mortgage Backed Securities	-	-	240,788	1,542,595	1,783,383
Municipal Obligations	-	-	84,057	-	84,057
U.S. Government Agencies	-	-	-	451,921	451,921
Total	-	1,143,714	1,927,760	3,267,960	6,339,434

Police Officers' Retirement Plan

Investment Type	<u>Target Allocation</u>				<u>Fair Value</u>
	<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More than 10</u> <u>years</u>	
Corporate Bonds	123,983	2,253,736	2,874,408	2,325,852	7,577,979
Foreign Bonds Notes & Debentures	-	-	73,283	-	73,283
Mortgage Backed Securities	-	-	431,195	3,148,521	3,579,715
Municipal Obligations	-	-	158,051	-	158,051
U.S. Government Agencies	-	105,738	-	1,083,948	1,189,686
Total	123,983	2,359,474	3,536,937	6,558,321	12,578,715

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. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk

Credit risk 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. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy utilizes portfolio diversification in order to control this risk. The Plan's investment policies limit investments in fixed income securities to a rating of investment grade or higher.

General Employees' Retirement Plan

The following tables disclose credit ratings by investment type, at September 30, 2021:

	2021	
	Fair Value	Percentage of Portfolio
US government guaranteed*	1,189,686	9.46%
Quality rating of credit risk deb securities		
AAA	173,474	1.38%
AA	70,433	0.56%
AA-	392,762	3.12%
A+	749,587	5.96%
A	591,787	4.70%
A-	1,829,363	14.54%
BBB+	1,425,302	11.33%
BBB	1,369,414	10.89%
BBB-	331,407	2.63%
NR**	4,455,500	35.42%
Total fixed income securities	\$ 12,578,715	100%

* Obligations of the U.S government or obligations explicitly or implicitly guaranteed by the U.S government are not considered to have credit risk and do not have purchase limitations.

** Not rated as the investments do not have an S&P rating.

Police Officers' Retirement Plan

The following tables disclose credit ratings by investment type, at September 30, 2021:

	2021	
	Fair Value	Percentage of Portfolio
US government guaranteed*	1,189,686	9.46%
Quality rating of credit risk deb securities		
AAA	173,474	1.38%
AA	70,433	0.56%
AA-	392,762	3.12%
A+	749,587	5.96%
A	591,787	4.70%
A-	1,829,363	14.54%
BBB+	1,425,302	11.33%
BBB	1,369,414	10.89%
BBB-	331,407	2.63%
NR**	4,455,500	35.42%
Total fixed income securities	\$ 12,578,715	100%

* Obligations of the U.S government or obligations explicitly or implicitly guaranteed by the U.S government are not considered to have credit risk and do not have purchase limitations.

** Not rated as the investments do not have an S&P rating.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

The investment policy of the Plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. As of September 30, 2021, no investment by any one issuer was above the 5% threshold required for disclosure.

Custodial Credit Risk

This is the risk that in the event of a failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the Plan's investment policy, the investments are held by Plan's custodial bank and registered in the Plan's name.

Foreign Currency Risk

The Plan may have exposure to foreign currencies by making direct investments in non-U.S. currencies or in securities denominated in non-U.S. currencies, purchasing or selling forward currency exchange contracts in non-U.S. currencies, non-U.S. currency futures contracts and swaps for cross currency investments. Foreign currencies will fluctuate, and may decline, in value relative to the U.S. dollar and other currencies and thereby affect the Funds' investments in foreign (non-U.S.) currencies or in securities that trade in, and receive revenues in, or in derivatives that provide exposure to, foreign (non-U.S.) currencies.

Risks and Uncertainties

The Plan has investments in a combination of stocks, bonds, government securities and other investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect balances and the amounts reported in the statement of plan net position and the statement of changes in plan net position. The Plan, through its investment advisors, monitors the Plan's investments and the risks associated therewith on a regular basis, which the Plan believes minimizes these risks.

The Village does not participate in any securities lending transactions, nor has it used, held or written derivative financial instruments.

NOTE 4 – FAIR VALUE MEASUREMENT

Fair value is defined as 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 Village 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 significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The following is a description of the valuation methodologies used for the Plan's investments measured at fair value:

Debt income securities are valued using pricing inputs that reflect the assumptions market participants would use to price an asset or liability and are developed based on market data obtained from sources independent of the reporting entity. This includes government securities, corporate bonds, and mortgage-backed securities.

Equity securities traded on national or international exchanges are valued at the last reported sales price or current exchange rates. This includes equity mutual funds, common stock, and exchange-traded fund.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 4 – FAIR VALUE MEASUREMENT (CONTINUED)

The Plans have the following recurring fair value measurements as of September 30, 2021:

General Employees' Retirement Plan

	<u>9/30/2021</u>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by fair value level:			
Debt securities:			
US Government Obligations	\$ 451,921	\$ -	\$ 451,921
Municipal Obligations	84,057	-	84,057
Corporate Bonds	3,977,324	-	3,977,324
Foreign Bonds Notes & Debentures	42,749	-	42,749
Mortgage Backed Securites	1,783,383	-	1,783,383
Total debt securities	<u>6,339,434</u>	<u>-</u>	<u>6,339,434</u>
Equity Securities:			
Common Stock	3,998,137	3,998,137	-
Foreign Stock	470,183	391,941	78,242
Mutual Funds/Equity	8,685,669	8,685,669	-
Total equity securities	<u>13,153,989</u>	<u>13,075,747</u>	<u>78,242</u>
Total investments at fair value	<u>\$ 19,493,423</u>	<u>\$ 13,075,747</u>	<u>\$ 6,417,676</u>

Police Officers' Retirement Plan

	<u>9/30/2021</u>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by fair value level:			
Debt securities:			
US Government Obligations	\$ 1,189,686	\$ 105,738	\$ 1,083,948
Municipal Obligations	158,051	-	158,051
Corporate Bonds	7,577,979	-	7,577,979
Foreign Bonds Notes & Debentures	73,283	-	73,283
Mortgage Backed Securites	3,579,715	-	3,579,715
Total debt securities	<u>12,578,715</u>	<u>105,738</u>	<u>12,472,977</u>
Equity Securities:			
Common Stock	7,879,073	7,879,073	-
Foreign Stock	926,426	772,243	154,183
Mutual Funds/Equity	13,048,612	13,048,612	-
Total equity securities	<u>21,854,111</u>	<u>21,699,928</u>	<u>154,183</u>
Total investments at fair value	<u>\$ 34,432,825</u>	<u>\$ 22,404,822</u>	<u>\$ 12,615,028</u>

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 5 – RECEIVABLES

Receivables as of September 30, 2021 for the Village's individual major funds and non-major funds in the aggregate consist of the following:

	General	Grant Fund	Police Forfeiture	Solid Waste Fund	Stormwater Fund	Water & Wastewater Fund	Non-major Governmental Funds	Internal Enterprise Funds	Total
Receivables:									
Accounts	\$ 71,479	\$ -	\$ -	\$ 177,217	\$ 13,792	\$ -	\$ -	\$ 3,620	\$ 266,108
Taxes	435,425	-	-	-	-	-	146,316	-	581,741
Special assessment	-	-	-	8,087	1,132	3,545,376	-	-	3,554,595
Grants and other	<u>94,357</u>	<u>2,234,092</u>	<u>17,232</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>2,348,681</u>
Total receivables	<u>\$ 601,261</u>	<u>\$ 2,234,092</u>	<u>\$ 17,232</u>	<u>\$ 185,304</u>	<u>\$ 14,924</u>	<u>\$ 3,545,376</u>	<u>\$ 146,316</u>	<u>\$ 6,620</u>	<u>\$ 6,751,125</u>

NOTE 6 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended September 30, 2021 was as follows:

<u>Governmental activities</u>	<u>Beginning</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u>
Capital assets not being depreciated:				
Land	\$ 2,386,158	\$ -	\$ -	\$ 2,386,158
Construction in progress	<u>2,155,535</u>	<u>620,122</u>	<u>(1,971,706)</u>	<u>803,951</u>
Total capital assets not being depreciated	<u>4,541,693</u>	<u>620,122</u>	<u>(1,971,706)</u>	<u>3,190,109</u>
Capital assets being depreciated:				
Building and improvements	14,449,083	68,877	-	14,517,960
Infrastructure	24,321,411	1,901,907	(1,699,783)	24,523,535
Machinery and equipment	7,281,072	1,176,574	(421,907)	8,035,739
Intangible	<u>1,066,568</u>	<u>62,845</u>	<u>(13,792)</u>	<u>1,115,621</u>
Total capital assets being depreciated	<u>47,118,134</u>	<u>3,210,203</u>	<u>(2,135,482)</u>	<u>48,192,855</u>
Less accumulated depreciation for:				
Building and improvements	(5,269,746)	(299,966)	-	(5,569,712)
Infrastructure	(18,376,767)	(490,477)	1,559,904	(17,307,340)
Machinery and equipment	(4,547,208)	(666,450)	290,064	(4,923,594)
Intangible	<u>(431,262)</u>	<u>(133,258)</u>	<u>12,870</u>	<u>(551,650)</u>
Total accumulated depreciation	<u>(28,624,983)</u>	<u>(1,590,151)</u>	<u>1,862,838</u>	<u>(28,352,296)</u>
Total capital assets being depreciated, net	<u>18,493,151</u>	<u>1,620,052</u>	<u>(272,644)</u>	<u>19,840,559</u>
Governmental activities capital assets, net	<u>\$ 23,034,844</u>	<u>\$ 2,240,174</u>	<u>\$ (2,244,350)</u>	<u>\$ 23,030,668</u>

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 6 – CAPITAL ASSETS (CONTINUED)

<u>Business-type activities</u>	<u>Beginning</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u>
Capital assets not being depreciated:				
Construction in progress	\$ -	\$ 108,149	\$ -	\$ 108,149
Total capital assets not being depreciated	-	108,149	-	108,149
Capital assets being depreciated:				
Machinery and equipment	2,415,498	251,695	(76,628)	2,590,565
Drainage improvements	2,652,170	-	-	2,652,170
Total capital assets being depreciated	5,067,668	251,695	(76,628)	5,242,735
Less accumulated depreciation for:				
Machinery and equipment	(1,471,936)	(212,127)	76,628	(1,607,435)
Drainage improvements	(1,079,993)	(76,652)	-	(1,156,645)
Total accumulated depreciation	<u>(2,551,929)</u>	<u>(288,779)</u>	<u>76,628</u>	<u>(2,764,080)</u>
Total capital assets being depreciated, net	2,515,739	(37,084)	-	2,478,655
Business-type activities capital assets, net	<u>\$ 2,515,739</u>	<u>\$ 71,065</u>	<u>\$ -</u>	<u>\$ 2,586,804</u>

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

Governmental activities

General Government	\$ 174,632
Public Safety	258,861
Public Works	749,609
Culture and Recreation	407,049
Total depreciation expense – governmental activities	<u>\$ 1,590,151</u>

Business-type activities

Solid Waste	\$ 211,231
Stormwater	77,546
Total depreciation expense – business-type activities	<u>\$ 288,777</u>

NOTE 7 – LONG-TERM DEBT

Miami Shores Village, Florida Refunding General Obligation Bond, Series 2013

In February 2013, the Village issued the Miami Shores Village, Florida Refunding General Obligation Bond, Series 2013, in order to refund the cost of the Florida Municipal Loan Council Revenue Bonds, Series 1999. Principal is due annually (through 2029) at various amounts ranging from \$138,000 in 2021 to a final payment of \$169,000 in 2029. The bonds bear interest at variable rates ranging from 2.49 to 3.03%, payable semi-annually. The bonds are secured by ad-valorem revenues.

The indenture contains a provision that in an event of default, outstanding amounts including accrued interest are due immediately.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 7 – LONG-TERM DEBT (CONTINUED)

Miami Shores Village, Florida Refunding General Obligation Bond, Series 2013 (Continued)

Debt service requirements to maturity for the fiscal year ending September 30, 2021 are summarized as follows:

<u>September 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	145,000	29,697	174,697
2023	146,000	26,023	172,023
2024	152,000	22,328	174,328
2025	153,000	18,412	171,412
2026	159,000	14,473	173,473
2027-2029	494,000	18,940	512,940
	<u>\$ 1,249,000</u>	<u>\$ 129,873</u>	<u>\$ 1,378,873</u>

Miami Shores Village, Florida Refunding General Obligation Bond, Series 2015

In June 2015, the Village issued the Miami Shores Village, Florida Refunding General Obligation Bond Series 2015, in order to refund the cost of the Miami Shores Village, Florida General Obligation Bonds, Series 2004. Principal is due annually (through 2033) at various amounts ranging from \$193,400 in 2021 to a final payment of \$263,700 in 2033. The bonds bear interest at a rate of 2.54% per annum. The bonds are secured by ad-valorem revenues. The refunding resulted in an economic gain of approximately \$764,000 and a cash flow savings of approximately \$947,000.

The indenture contains a provision that in an event of default, outstanding amounts including accrued interest are due immediately.

Debt service requirements to maturity for the fiscal year ending September 30, 2021 are summarized as follows:

<u>September 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	200,300	67,431	267,731
2023	201,800	62,324	264,124
2024	208,200	57,117	265,317
2025	214,200	51,752	265,952
2026	219,400	46,246	265,646
2027-2031	1,190,600	143,277	1,333,877
2032-2033	520,400	13,307	533,707
	<u>\$ 2,754,900</u>	<u>\$ 441,454</u>	<u>\$ 3,196,354</u>

Florida Local Government Finance Commission

During fiscal year 2017, the Village entered into a pooled commercial paper loan agreement with the Florida Local Government Finance Commission (FLGFC) for total available funds of \$5,000,000 to finance various capital improvements within the Village, including the water main and sewer system project construction in the downtown area. The loan is collateralized by the Village's non-ad valorem revenues. The variable interest rate is paid monthly on the outstanding note balance. Other loan costs include various administrative fees and draw down costs of \$2,000 for each \$1,000,000 of draw down.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 7 – LONG-TERM DEBT (CONTINUED)

The Village does not currently have unused line of credit or assets placed as collateral for debt.

Changes in Governmental Activities Long-term liabilities during the fiscal year ended September 30, 2021 were as follows:

	<u>Beginning</u>			<u>Ending</u>	<u>Due within</u>
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>	<u>one year</u>
Governmental activities					
Bonds and notes payable:					
Refunding General Obligation Bond, Series 2013	\$ 1,387,000	\$ -	\$ (138,000)	\$ 1,249,000	\$ 145,000
Refunding General Obligation Bond, Series 2015	<u>2,948,300</u>	<u>-</u>	<u>(193,400)</u>	<u>2,754,900</u>	<u>200,300</u>
Total bonds and notes payable	<u>4,335,300</u>	<u>-</u>	<u>(331,400)</u>	<u>4,003,900</u>	<u>345,300</u>
Other liabilities:					
OPEB liability	517,453	34,476	-	551,929	-
Compensated absences	781,240	862,350	(780,339)	863,251	7,938
Net pension liability	<u>4,924,745</u>	<u>613,103</u>	<u>-</u>	<u>5,537,848</u>	<u>-</u>
Total other liabilities	<u>6,223,438</u>	<u>1,509,929</u>	<u>(780,339)</u>	<u>6,953,028</u>	<u>7,938</u>
Governmental activity long-term liabilities	<u>\$ 10,558,738</u>	<u>\$ 1,509,929</u>	<u>\$ (1,111,739)</u>	<u>\$ 10,956,928</u>	<u>\$ 353,238</u>
Business-type activities					
FLGFC Notes Payable	\$ 3,760,000	\$ -	\$ (60,000)	\$ 3,700,000	\$ 60,000
Other liabilities:					
OPEB liability	18,777	855	-	19,632	-
Compensated absences	132,771	76,493	(135,797)	73,467	18,367
Net pension liability	<u>192,869</u>	<u>18,651</u>	<u>-</u>	<u>211,520</u>	<u>-</u>
Business-type activities long-term liabilities	<u>\$ 4,104,417</u>	<u>\$ 95,999</u>	<u>\$ (195,797)</u>	<u>\$ 4,004,619</u>	<u>\$ 78,367</u>

For governmental activities, compensated absences, pension liabilities and other post-employment (OPEB) benefits are generally liquidated by the general fund. Claims and adjustments are liquidated by the Risk Management internal service fund. Accordingly, their long-term liabilities for compensated absences, pension liabilities, and the other post-employment benefit (OPEB) liability are included as part of the totals for governmental activities.

NOTE 8 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The amount due to/from other funds at September 30, 2021 were as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 3,420,290	\$ -
Grants	<u>-</u>	<u>3,420,290</u>
Total	<u>\$ 3,420,290</u>	<u>\$ 3,420,290</u>

- Amounts due from grants fund to the general fund are for advances made to the grants fund to cover FEMA expenditures until the receivables on those funds are collected.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 8 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Interfund transfer activity for the year ended September 30, 2021 was as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	400,000	332,800
Solid Waste	-	350,000
Stormwater	-	50,000
Water & Wastewater	63,575	-
Non-Major Governmental Funds	359,971	5,421
Internal Service Funds	-	85,325
Total	<u>\$ 823,546</u>	<u>\$ 823,546</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund the statute or budget requires to expend them and (b) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorization.

- The General Fund transferred \$269,225 to the Capital Improvement Fund as funding for various ongoing capital projects of the Village.

NOTE 9 – EMPLOYEE RETIREMENT PLANS - PLANS' REPORTING

The Village maintains two separate defined benefit single-employer pension plans, the General Employees' Retirement Plan and the Police Officers' Retirement Plan which cover substantially all of its full-time employees. The Village accounts for these pension plans as pension trust funds.

Basis of Accounting

The Village's pension plans are accounted for using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each Plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each Plan.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on national or international exchanges are valued at the last reported sales price or exchange rate. Net appreciation (depreciation) in fair value of investments includes the difference between cost and fair value of investments held as well as the net realized gains or losses from securities sold. Interest and dividend income is recognized on the accrual basis when earned. Purchases and sales of investments are recorded on a trade date basis.

Membership

The membership in the Plans as of October 1, 2019 (for the General Employees Plan) and October 1, 2019 for the Police Plan (the dates of the latest actuarial valuations) consisted of:

	<u>General Employees</u>	<u>Police</u>
Inactive employees:		
Retirees and beneficiaries currently receiveing benefits	59	29
Reitrees entitled to benefits but not yet receiving them	7	-
Active participants:	<u>68</u>	<u>36</u>
Total members	<u>134</u>	<u>65</u>

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 9 – EMPLOYEE RETIREMENT PLANS - PLANS' REPORTING (CONTINUED)

General Employees' Retirement Plan

Plan Description

The General Employees' Retirement System (the Plan) is a single-employer defined benefit pension plan that covers all Village employees, except for police, and certain appointed employees. The Plan was established on January 1, 1957 by the Village Council. On December 31, 1999, the Plan was split between the general employees and the police officers. The Plan is governed by certain provisions of Chapter 112, Florida Statutes. The Board of Trustees for the Plan administers the Plan. Plan amendments must be authorized by the Village Council. The Plan provides retirement and death benefits to Plan members and beneficiaries. The Plan does not issue a separate financial report.

Deferred Retirement Option Plan

Effective December 5, 2006, current employees may elect to participate in the deferred retirement option plan (DROP) the first day of the month coincident with or next following the date of normal retirement. Election into the DROP is voluntary. The employee may elect to participate in the plan for a maximum of 60 months. Once participation in the DROP commences, such participation constitutes an irrevocable election.

A member's continuous service and accrued benefit under the Plan shall be determined and frozen on the effective date of the employee's election to participate in the DROP. Additional continuous service or benefits under the Plan shall not be accrued. No payments are made directly to the employee from the Plan while the member participates in the drop plan.

During the period of the member's participation in the DROP, the employee's normal retirement benefit shall be credited to the employee's DROP account. No further contributions to the General Employees' Pension Plan will be required by the Village nor the employee on behalf of any employee who has elected participation in the DROP. The member's account is invested as part of the corpus of the system by the Board and is credited with interest equal to the overall net rate of return on the fund assets during the reporting period during which the member participates in the DROP.

Upon termination of employment with the Village or 60 months of DROP participation, the balance of the DROP account will become payable in addition to the monthly normal retirement benefit (which is based on credited service and average monthly salary on the DROP election date). The DROP account is distributed to the member in a single lump sum payment or a direct rollover to another qualified retirement plan. If a member dies before the member's DROP account balance has been paid in full, distribution of the DROP account balance will be made according to the member's designation. DROP payments to a beneficiary will be in addition to any retirement benefits payable by the Plan. Under any option and in no event may the total benefit payments to the member or the beneficiary be less than the member's own accumulated contributions. As of September 30, 2021, there were 7 members in the DROP and their fair value of DROP investment was \$450,927 which is included in the Plan's net position. At the end of September 30, 2021, the Plan had no DROP Liability.

Funding Requirement

Plan members are required to contribute 6% of their annual covered salary. The Village contributes at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. Effective May 30, 2012, the Division of Retirement mandated that local governments confer with the Plan's actuary to select and maintain contribution method (percentage of payroll or fixed dollar contributions) that best fits the funding requirements of the Plan. The Plan determined to use the "percentage of payroll contribution" method for the fiscal year ended September 30, 2021.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 9 – EMPLOYEE RETIREMENT PLANS - PLANS' REPORTING (CONTINUED)

General Employees' Retirement Plan (Continued)

Funding Requirement (Continued)

The actual contribution from the Village for active members were actuarially determined using the actuarial valuation as of October 1, 2019 for the year ended September 30, 2021. The contributions consisted of the following at September 30, 2021:

	Actual Contribution	Percentage of Covered Payroll
Village	454,695	11.80%
Members	231,206	N/A

Net Pension Liability

Total pension liability	\$ 18,539,725
Plan fiduciary net position	19,811,108
Net pension liability	\$ (1,271,383)
Plan fiduciary net position as a percentage of total pension liability	-32.99%

Significant Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of October 1, 2019 and rolled forward to the measurement date of September 30, 2021 using the following actuarial assumptions:

Interest rates:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	5.00%, including inflation
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) in their July 1, 2019 actuarial valuation (with mortality improvements projected to all future years after 2010 using Scale MP-2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investment was determined using the long-term nominal building block data less the long-term inflation assumption of 2.25%. The building block long-term real return projections were developed considering the long-term historic capital market returns, 10-15 year expected capital market return assumptions, as well as, historical, current, and expected inflation data. Best estimates of arithmetic real return for each asset class included in the pension plan's target allocation as of September 30, 2021 are summarized in the following table:

Asset Group	Long-term Expected Real Rate of Return
Domestic Equity	7.50%
International Equity	8.50%
Domestic Bonds	2.50%
International Bonds	3.50%
Real Estate	4.50%

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 9 – EMPLOYEE RETIREMENT PLANS - PLANS' REPORTING (CONTINUED)

General Employees' Retirement Plan (Continued)

Discount Rate

A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.00%. 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 (7.00%) was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.00%, 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:

Sensitivity of the Net Pension Liability (Asset) to the Single Discount Rate Assumption

Current Single Discount		
1% Decrease	Rate Assumption	1% Increase
6.00%	7.00%	8.00%
\$ 822,702	\$ (1,271,383)	\$ (3,022,969)

Financial Information

The Plan does not issue separate stand-alone financial statements, therefore, included below is the Statement of Plan Net Position and the Statement of Changes in Plan Net Position as of and for the fiscal year ended September 30, 2021.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2021

ASSETS	
Cash and cash equivalents	\$ 250,556
Investments, at fair value	19,493,423
Accrued interest receivable	67,129
Total assets	19,811,108
Net position restricted for pension	\$ 19,811,108

STATEMENT OF CHANGES IN PLAN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

ADDITIONS	
Contributions	\$ 685,901
Net investment income	3,683,932
Total additions	4,369,833
DEDUCTIONS	
Pension benefits	1,342,454
Administrative expenses	44,194
Total deductions	1,386,648
Increase	2,983,185
Net position restricted for pension	
Beginning of year	16,827,923
End of year	\$ 19,811,108

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 9 – EMPLOYEE RETIREMENT PLANS - PLANS' REPORTING (CONTINUED)

Police Officers' Retirement Plan

Plan Description

The Police Officers' Retirement System (the Plan) is a single-employer defined benefit pension plan that covers substantially all of the Village's certified police officers. The Plan was established as of the effective date of January 1, 1957 by the Village Council. It was amended on December 31, 1999, to split the Plan between General Employees and Police Officers. The Plan is also governed by certain provisions of Chapter 185, Florida Statutes. The Board of Trustees for the Plan administers the Plan. Plan amendments must be authorized by the Village Council. The Plan provides retirement, disability, and death benefits to Plan members and beneficiaries. The Plan does not issue a separate financial report.

Deferred Retirement Option Plan

Effective May 5, 1998, subsequent to the approval from the State of Florida, Division of Retirement, current employees with at least 25 but not more than 30 years of continuous service as a member of the plan may elect to participate in the deferred retirement option plan (DROP) for sworn police personnel. The employee may elect to participate in the plan for a maximum of 60 months before the employee attains 30 years of continuous service. A member's continuous service and accrued benefit under the plan shall be determined and frozen on the effective date of the employee's election to participate in the DROP. Additional continuous service or benefits under the plan shall not be accrued, except for cost-of-living adjustments provided to retirees under the plan. No payments are made directly to the employee from the pension plan while the member participates in the drop plan.

During the period of the member's participation in the DROP, the employee's normal retirement benefit shall be credited to the employee's DROP account. No further contributions to the police officers' retirement system will be required by the Village nor the employee on behalf of any employee who has elected participation in the DROP. The member's account is invested as part of the corpus of the system by the Board and is credited with interest equal to the overall net rate of return on the fund assets during the reporting period during which the member participates in the DROP.

At the conclusion of the member's participation in the DROP, the member will receive a normal benefit calculated in accordance with the plan using an average monthly earnings and continuous service as of the effective date of the member's election to participate in the DROP. The DROP account is distributed to the member in a cash lump sum, unless the member alternatively elects to receive payments in approximately equal quarterly or annual installments over a period designated by the member. If a member dies before distribution of the member's DROP plan commences, the account balance is paid to the member's designated beneficiary in an immediate cash lump sum. Provisions of the plan do not allow for the distribution of a member's DROP account to begin later than April 1 following the later of the calendar year in which the member separates from service with the Village or attains age 70 1/4 years. As of September 30, 2021, there were 3 members in the DROP and their fair value of DROP investment was \$588,597 which is included in the Plan's net position. At the end of September 30, 2021, the Plan had no DROP liability.

Funding Requirement

Plan members are required to contribute 9% of their annual covered salary. The Village contributes at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. Effective May 30, 2012, the Division of Retirement mandated that local governments confer with the Plan's actuary to select and maintain contribution method (percentage of payroll or fixed dollar contributions) that best fits the funding requirements of the Plan. The Plan determined to use the "percentage of payroll contribution" method for the fiscal year ended September 30, 2021.

Pursuant to Chapter 185, Florida Statutes, a portion of all insurance premium tax monies received in excess of the threshold of \$60,386 are to be utilized to provide future minimum extra benefits and may not be used to reduce or offset the contribution requirements of the employer.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 9 – EMPLOYEE RETIREMENT PLANS - PLANS' REPORTING (CONTINUED)

Police Officers' Retirement Plan (Continued)

The actual contribution from the Village for active members were actuarially determined using the actuarial valuation as of October 1, 2019 for the year ended September 30, 2021. The contributions consisted of the following at September 30, 2021:

	Actual Contribution	Percentage of Covered Payroll
Village	\$ 1,336,493	44.29%
State of Florida	110,178	3.65%
Members	271,555	N/A
Total contributions	\$ 1,718,226	47.95%

Net Pension Liability

Total pension liability	\$ 34,767,849
Plan fiduciary net position	35,168,683
Net pension liability	\$ (400,834)
Plan fiduciary net position as a percentage of total pension liability	101.15%

Significant Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of October 1, 2020 and rolled forward to the measurement date of September 30, 2021, using the following actuarial assumptions:

Interest rates:	
Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	6.00%, including inflation
Investment Rate of Return	7.00%
Retirement Age	All actives are assumed to retire when first eligible for Normal Retirement. The rate of retirement is 1% for each year of eligibility for Early Retirement.
Mortality	The same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) in their July 1, 2019 actuarial valuation (with mortality improvements projected to all future years after 2010 using Scale MP-2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investment was determined using the long-term nominal building block data less the long-term inflation assumption of 2.25%. The building block long-term real return projections were developed considering the long-term historic capital market returns, 10-15 year expected capital market return assumptions, as well as, historical, current, and expected inflation data. Best estimates of arithmetic real return for each asset class included in the pension plan's target allocation as of September 30, 2021 are summarized in the following table:

Asset Group	Long-term Expected Real Rate of Return
Domestic Equity	7.50%
International Equity	8.50%
Domestic Bonds	2.50%
International Bonds	3.50%
Real Estate	4.50%

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 9 – EMPLOYEE RETIREMENT PLANS - PLANS' REPORTING (CONTINUED)

Police Officers' Retirement Plan (Continued)

Discount Rate

A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.00%. 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 (7.00%) was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.00%, 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:

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	6.00%	7.00%	8.00%
\$	4,141,822	\$ (400,834)	\$ (4,137,383)

Financial Information

The Plan does not issue separate stand-alone financial statements, therefore, included below is the Statement of Plan Net Position and the Statement of Changes in Plan Net Position as of and for the fiscal year ended September 30, 2021.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2021

ASSETS	
Cash and cash equivalents	\$ 495,233
Investments, at fair value	34,432,825
Receivables	110,178
Interest and dividends	130,447
Total assets	35,168,683
Net position restricted for pension	\$ 35,168,683

STATEMENT OF CHANGES IN PLAN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

ADDITIONS	
Contributions	\$ 1,718,226
Net investment income	6,252,510
Total additions	7,970,736
DEDUCTIONS	
Pension benefits	1,455,900
Administrative expenses	82,819
Total deductions	1,538,719
Increase	6,432,017
Net position restricted for pension	
Beginning of year	28,736,666
End of year	\$ 35,168,683

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 10 – EMPLOYEE RETIREMENT PLANS - VILLAGE’S REPORTING

As described in Note 9, the Village maintains two separate defined benefit single-employer pension plans, the General Employees' Retirement Plan and the Police Officers' Retirement Plan which cover substantially all of its full-time employees. The following details the disclosures as required by GASB Statement No. 68.

Basis of Accounting

The Village's pension plans are accounted for using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each Plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each Plan.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on national or international exchanges are valued at the last reported sales price or exchange rate. Net appreciation (depreciation) in fair value of investments includes the difference between cost and fair value of investments held as well as the net realized gains or losses from securities sold. Interest and dividend income is recognized on the accrual basis when earned. Purchases and sales of investments are recorded on a trade date basis.

Membership

The membership in the General Employees' Retirement Plan (as of October 1, 2019) and the Police Officers' Retirement Plan (as of October 1, 2019) consisted of:

	General Employees	Police
Inactive employees:		
Retirees and beneficiaries currently receiving benefits	59	29
Retirees entitled to benefits but not yet receiving them	7	-
Active participants:	68	36
Total members	134	65

General Employees' Retirement Plan

Plan Description

The General Employees' Retirement System (the Plan) is a single-employer defined benefit pension plan that covers all Village employees, except for police, and certain appointed employees. The Plan was established on January 1, 1957 by the Village Council. On December 31, 1999, the Plan was split between the general employees and the police officers. The Plan is governed by certain provisions of Chapter 112, Florida Statutes. The Board of Trustees for the Plan administers the Plan. Plan amendments must be authorized by the Village Council. The Plan provides retirement and death benefits to Plan members and beneficiaries. The Plan does not issue a separate financial report.

Deferred Retirement Option Plan

Effective December 5, 2006, current employees may elect to participate in the deferred retirement option plan (DROP) the first day of the month coincident with or next following the date of normal retirement. Election into the DROP is voluntary. The employee may elect to participate in the plan for a maximum of 60 months. Once participation in the DROP commences, such participation constitutes an irrevocable election.

A member's continuous service and accrued benefit under the Plan shall be determined and frozen on the effective date of the employee's election to participate in the DROP. Additional continuous service or benefits under the Plan shall not be accrued. No payments are made directly to the employee from the Plan while the member participates in the drop plan.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 10 – EMPLOYEE RETIREMENT PLANS - VILLAGE’S REPORTING (CONTINUED)

General Employees’ Retirement Plan (Continued)

Deferred Retirement Option Plan (continued)

During the period of the member's participation in the DROP, the employee's normal retirement benefit shall be credited to the employee's DROP account. No further contributions to the General Employees' Pension Plan will be required by the Village nor the employee on behalf of any employee who has elected participation in the DROP. The member's account is invested as part of the corpus of the system by the Board and is credited with interest equal to the overall net rate of return on the fund assets during the reporting period during which the member participates in the DROP.

Upon termination of employment with the Village or 60 months of DROP participation, the balance of the DROP account will become payable in addition to the monthly normal retirement benefit (which is based on credited service and average monthly salary on the DROP election date). The DROP account is distributed to the member in a single lump sum payment or a direct rollover to another qualified retirement plan. If a member dies before the member's DROP account balance has been paid in full, distribution of the DROP account balance will be made according to the member's designation. DROP payments to a beneficiary will be in addition to any retirement benefits payable by the Plan. Under any option and in no event may the total benefit payments to the member or the beneficiary be less than the member's own accumulated contributions. As of September 30, 2020, there were 7 members in the DROP and their fair value of DROP investment was \$450,927 which is included in the Plan's net position. At the end of September 30, 2021, the Village had no DROP liability.

Funding Requirement

Plan members are required to contribute 6% of their annual covered salary. The Village contributes at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. Effective May 30, 2012, the Division of Retirement mandated that local governments confer with the Plan's actuary to select and maintain contribution method (percentage of payroll or fixed dollar contributions) that best fits the funding requirements of the Plan. The Plan determined to use the "percentage of payroll contribution" method for the fiscal year ended September 30, 2021.

The actual contribution from the Village for active members were actuarially determined using the actuarial valuation as of October 1, 2019 for the year ended September 30, 2021. The contributions consisted of the following at September 30, 2020:

	Actual Contribution	Percentage of Covered Payroll
Village	403,199	11.14%
Members	217,098	N/A

Net Pension Liability:

The Village's net pension liability was measured as of September 30, 2020. The total pension liability used to calculate the net pension liability was determined as of that date.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 10 – EMPLOYEE RETIREMENT PLANS - VILLAGE’S REPORTING (CONTINUED)

General Employees’ Retirement Plan (Continued)

Significant Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of October 1, 2019 and rolled forward to the September 30, 2020 measurement date, using the following actuarial assumptions:

Interest rates:	
Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	5.00%, including inflation
Investment Rate of Return	7.00%
Retirement Age	Experience based table of rates that are specific to the type of eligibility condition.
Mortality	The same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) in their July 1, 2019 actuarial valuation (with mortality improvements projected to all future years after 2010 using Scale MP-2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investment was determined using the long-term nominal building block data less the long-term inflation assumption of 2.5%. The building block long-term real return projections were developed considering the long-term historic capital market returns, 10-15 year expected capital market return assumptions, as well as, historical, current, and expected inflation data. Best estimates of arithmetic real return for each asset class included in the pension plan’s target allocation as of September 30, 2020 are summarized in the following table:

<u>Asset Group</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equity	7.50%
International Equity	8.50%
Domestic Bonds	2.50%
International Bonds	3.50%
Real Estate	4.50%

Discount Rate

A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.00%. 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 7.00% was applied to all periods of projected benefit payments to determine the total pension liability.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 10 – EMPLOYEE RETIREMENT PLANS VILLAGE’S REPORTING (CONTINUED)

General Employees’ Retirement Plan (Continued)

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Reporting period ending at September 30, 2020	\$ 16,889,074	\$ 15,683,642	\$ 1,205,432
Service Cost	393,715	-	393,715
Interest	1,266,525	-	1,266,525
Changes of assumptions	442,573	-	442,573
Difference between actual & expected experience	-	-	-
Contributions - Employer	-	403,199	(403,199)
Contributions - Member	-	217,098	(217,098)
Benefit Payments	(791,587)	-	(791,587)
Net Investment Income	-	1,373,773	(1,373,773)
Benefit Payments	-	(791,587)	791,587
Administrative Expense	-	(58,202)	58,202
Reporting period ending at September 30, 2021	<u>\$ 18,200,300</u>	<u>\$ 16,827,923</u>	<u>\$ 1,372,377</u>

Plan Fiduciary Net Position as a Percentage of Total Pension Liability	92.46%
Covered Payroll	\$ 3,618,300
Net Pension Liability as a Percentage of Covered Payroll	37.93%

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

The following presents the plan’s net pension liability, calculated using a single discount rate of 7.00%, 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:

Current Single Discount		
1% Decrease	Rate Assumption	1% Increase
6.00%	7.00%	8.00%
\$ 3,428,080	\$ 1,372,377	\$ (346,238)

Pension Expense and Deferred Outflows/(Inflows) of Resources

For the year ended September 30, 2020, the Village will recognize pension expense of \$147,823. At September 30, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 16,785	\$ -
Changes in assumptions	326,241	-
Net difference between projected and actual earnings on pension plan investments	-	114,996
Total	<u>\$ 343,026</u>	<u>\$ 114,996</u>

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 10 – EMPLOYEE RETIREMENT PLANS - VILLAGE’S REPORTING (CONTINUED)

General Employees’ Retirement Plan (Continued)

The Village contributions subsequent to the measurement date of \$454,695 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2022 (which will include the net pension liability measured at September 30, 2021).

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ending September 30,	Net Deferred Outflows of Resources
2022	\$ (2,837)
2023	117,382
2024	170,275
2025	(56,790)
2026	-
Thereafter	-

Police Officers' Retirement Plan

Plan Description

The Police Officers' Retirement System (the Plan) is a single-employer defined benefit pension plan that covers substantially all of the Village's certified police officers. The Plan was established as of the effective date of January 1, 1957 by the Village Council. It was amended on December 31, 1999, to split the Plan between General Employees and Police Officers. The Plan is also governed by certain provisions of Chapter 185, Florida Statutes. The Board of Trustees for the Plan administers the Plan.

Plan amendments must be authorized by the Village Council. The Plan provides retirement, disability, and death benefits to Plan members and beneficiaries. The Plan does not issue a separate financial report.

Deferred Retirement Option Plan

Effective May 5, 1998, subsequent to the approval from the State of Florida, Division of Retirement, current employees with at least 25 but not more than 30 years of continuous service as a member of the plan may elect to participate in the deferred retirement option plan (DROP) for sworn police personnel. The employee may elect to participate in the plan for a maximum of 60 months before the employee attains 30 years of continuous service. A member's continuous service and accrued benefit under the plan shall be determined and frozen on the effective date of the employee's election to participate in the DROP. Additional continuous service or benefits under the plan shall not be accrued, except for cost-of-living adjustments provided to retirees under the plan. No payments are made directly to the employee from the pension plan while the member participates in the drop plan.

During the period of the member's participation in the DROP, the employee's normal retirement benefit shall be credited to the employee's DROP account. No further contributions to the police officers' retirement system will be required by the Village nor the employee on behalf of any employee who has elected participation in the DROP. The member's account is invested as part of the corpus of the system by the Board and is credited with interest equal to the overall net rate of return on the fund assets during the reporting period during which the member participates in the DROP.

At the conclusion of the member's participation in the DROP, the member will receive a normal benefit calculated in accordance with the plan using an average monthly earnings and continuous service as of the effective date of the member's election to participate in the DROP. The DROP account is distributed to the member in a cash lump sum, unless the member alternatively elects to receive payments in approximately equal quarterly or annual installments over a period designated by the member. If a member dies before distribution of the member's DROP

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 10 – EMPLOYEE RETIREMENT PLANS - VILLAGE’S REPORTING (CONTINUED)

Police Officers' Retirement Plan (Continued)

plan commences, the account balance is paid to the member's designated beneficiary in an immediate cash lump sum. Provisions of the plan do not allow for the distribution of a member's DROP account to begin later than April 1 following the later of the calendar year in which the member separates from service with the Village or attains age 70 & 1/4 years. As of September 30, 2021, there were 3 members in the DROP and their fair value of DROP investment was \$588,597 which is included in the Plan's net position. At the end of September 30, 2021, the Plan had no DROP liability.

Funding Requirement

Plan members are required to contribute 9% of their annual covered salary. The Village contributes at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. Effective May 30, 2012, the Division of Retirement mandated that local governments confer with the Plan's actuary to select and maintain contribution method (percentage of payroll or fixed dollar contributions) that best fits the funding requirements of the Plan. The Plan determined to use the "percentage of payroll contribution" method for the fiscal year ended September 30, 2020.

Pursuant to Chapter 185, Florida Statutes, a portion of all insurance premium tax monies received in excess of the threshold of \$60,386 are to be utilized to provide future minimum extra benefits and may not be used to reduce or offset the contribution requirements of the employer.

The actual contribution from the Village for active members were actuarially determined using the actuarial valuation as of October 1, 2019 for the year ended September 30, 2021. The contributions consisted of the following at September 30, 2020:

	Actual Contribution	Percentage of Covered Payroll
Village	808,455	27.50%
State of Florida	105,165	3.58%
Members	264,605	N/A
Total contributions	\$ 1,178,225	31.07%

Net Pension Liability:

The Village's net pension liability was measured as of September 30, 2020 and the total pension liability used to calculate the net pension liability was determined by the October 1, 2019 actuarial valuation.

Significant Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of October 1, 2019 and rolled forward to the measurement date of September 30, 2020, using the following actuarial assumptions:

Interest rates:	
Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	6.00%, including inflation
Investment Rate of Return	7.00%
Retirement Age	All actives are assumed to retire when first eligible for Normal Retirement. The rate of retirement is 1% for each year of eligibility for Early Retirement.
Mortality	The same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) in their July 1, 2019 actuarial valuation (with mortality improvements projected to all future years after 2010 using Scale MP-2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 10 – EMPLOYEE RETIREMENT PLANS - VILLAGE’S REPORTING (CONTINUED)

Police Officers' Retirement Plan (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investment was determined using the long-term nominal building block data less the long-term inflation assumption of 2.5%. The building block long-term real return projections were developed considering the long-term historic capital market returns, 10-15 year expected capital market return assumptions, as well as, historical, current, and expected inflation data. Best estimates of arithmetic real return for each asset class included in the pension plan's target allocation as of September 30, 2020 are summarized in the following table:

<u>Asset Group</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equity	7.50%
International Equity	8.50%
Domestic Bonds	2.50%
International Bonds	3.50%
Real Estate	4.50%

Discount Rate

A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.50%. 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 7.50% was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a)-(b)</u>
Reporting period ending at September 30, 2020	\$ 30,634,478	\$ 26,722,296	\$ 3,912,182
Service Cost	826,391	-	826,391
Interest	2,306,113	-	2,306,113
Change of Benefit Terms	-	-	-
Difference between actual & expected experience	(34,466)	-	(34,466)
Contributions - Employer	-	808,455	(808,455)
Contributions - State	-	105,165	(105,165)
Contributions - Employee (Including Buyback Contributions)	-	264,605	(264,605)
Change of Assumptions	795,173	-	795,173
Net Investment Income	-	2,347,637	(2,347,637)
Benefit Payments	(1,425,391)	(1,425,391)	-
Administrative Expense	-	(86,101)	86,101
Other (Changes in State Contribution Reserve)	11,359	-	11,359
Reporting period ending at September 30, 2021	<u>\$ 33,113,657</u>	<u>\$ 28,736,666</u>	<u>\$ 4,376,991</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability		86.78%	
Covered Payroll		\$ 2,940,056	
Net Pension Liability as a Percentage of Covered Payroll		148.87%	

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 10 – EMPLOYEE RETIREMENT PLANS - VILLAGE’S REPORTING (CONTINUED)

Police Officers' Retirement Plan (Continued)

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

The following presents the plan's net pension liability, calculated using a single discount rate of 7.00%, 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:

Current Single Discount		
1% Decrease	Rate Assumption	1% Increase
6.00%	7.00%	8.00%
\$ 8,786,122	\$ 4,376,991	\$ 754,109

For the year ended September 30, 2020, the Village will recognize pension expense of \$176,245. At September 30, 2020 the Village reported deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 67,208	\$ 524,616
Changes in assumptions	660,398	65,526
Net difference between projected and actual earnings on pension plan investments	-	210,804
Total	<u>\$ 727,606</u>	<u>\$ 800,946</u>

The Village contributions subsequent to the measurement date of \$1,446,671 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2022 (which will include the net pension liability measured at September 30, 2021).

Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ending <u>September 30,</u>	Net Deferred Outflows of <u>Resources</u>
2022	(313,187)
2023	(99,018)
2024	186,304
2025	36,519
2026	116,042
Thereafter	-

Reconciliation of pension activity to statement of Net Position

	General Employees	Police Officers'	Total
Net pension liability	1,372,377	4,376,991	5,749,368
Deferred outflows of resources	343,026	727,606	1,070,632
Deferred inflows of resources	114,996	800,946	915,942
Pension expense	147,823	176,245	324,068

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 11 – RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, errors and omissions and natural disasters for which it has purchased commercial insurance. Prior to October 1, 2005, the Village was self-insured for these claims up to certain limits.

The amount of settlements for each of the past three fiscal years did not exceed insurance coverage.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Litigation

Various suits and claims arising in the ordinary course of operations are pending against the Village. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of legal counsel, the Village has sufficient insurance coverage to cover any claims and/or liabilities, which may arise from such action. The effect of such losses would not materially affect the financial position of the Village or the results of its operations.

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. In the opinion of management, future disallowances of grant expenditures, if any, would not have a material adverse effect on the Village's financial condition.

NOTE 13 – OTHER POST EMPLOYMENT BENEFITS

Plan Description and Provisions

Other Post-Employment Benefits (OPEB) are available to all employees eligible for Disability, Early or Normal Retirement, as above, after terminating employment with the Village. The OPEB benefits include access to coverage for the retiree and dependents under the Medical and Prescription Plans as well as participation in the Dental group plans sponsored by the Village for employees. The Village provides all financial information and

required disclosures of its single employer other post-employment benefit plan in this document; therefore, a separate audited post-employment benefits plan report is not available.

Membership

As of September 30, 2019 (the date of the latest actuarial valuations) health care and dental plan participants consisted of:

Active participants	96
Retired participants	6
Total participants	<u>102</u>

Health-Related Benefits

Eligible retirees may choose among the same Medical Plan options available for active employees of the Village. Dependents of retirees may be covered at the retiree's option the same as dependents of active employees. Prescription Drug coverage is automatically extended to retirees and their dependents who continue coverage under any one of the Medical Plan options. Covered retirees and their dependents are subject to all the same Medical and Prescription benefits and rules for coverage as are active employees.

Retirees who are over age 65 are only eligible to enroll in Medicare Advantage Plan.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 13 – OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Funding Policy

Benefits are funded on a pay-as-you-go basis.

Total OPEB Liability

The Plan's total OPEB liability of \$571,561 was determined as of September 30, 2019 and rolled forward to the September 30, 2020 measurement date.

Actuarial assumptions and other inputs

The total OPEB liability in the September 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified.

Measurement Date:	September 30, 2020
Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Discount Rate	2.41%
Salary Increases	5.00%, including inflation for General Employees; and 6.00%, including inflation for Police Officers
Retirement Age	Experience based table of rates that are specific to the type of eligibility condition and employment class (Police or General).
Mortality	Mortality tables used in the July 1, 2020 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2013 through 2018.
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 0.00% to reflect actual premiums for 2020, then 6.25% for 2021 and gradually decreasing to an ultimate trend rate of 3.99% .
Aging factors	Based on the 2013 SOA Study "Health Care Costs From Birth to Death".
Expenses	Administrative expenses are included in the per capita health costs.

Changes in the Total OPEB Liability

Balance at 9/30/20	\$ 536,230
Changes for the year:	
Service cost	39,045
Interest	15,522
Changes in benefit terms	-
Changes in assumptions and other input	2,425
Benefit payments	<u>(21,661)</u>
Net change in OPEB liability	<u>35,331</u>
Balance at 9/30/21	<u>\$ 571,561</u>

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 13 – OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the total OPEB liability to changes in the discount rate assumption

The following presents the plan's total OPEB liability, calculated using a discount rate of 2.41%, as well as what the Plan's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

Sensitivity of the total OPEB liability to changes in the discount rate assumption (Continued)

1% Decrease	Current Discount Rate Assumption	1% Increase
1.41%	2.41%	3.41%
\$ 617,092	\$ 571,561	\$ 528,762

Sensitivity of the total OPEB liability to the Healthcare Cost Trend Rate assumption

The following presents the plan's total OPEB liability the assured trend rates, calculated using the assumed trend rates as well as what the Plan's total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
\$ 501,225	\$ 571,561	\$ 655,028

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2021, the Village Plan recognized OPEB expenses of \$44,154. At September 30, 2019, the Plan reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 15,200	\$ -
Changes in assumptions and other inputs	2,190	156,017
Total	\$ 17,390	\$ 156,017

Benefits paid after the measurement date of \$25,126 are reported as deferred outflows of resources and will be recognized as a reduction of total OPEB liability in FYE September 30, 2022. At the beginning of the current measurement period, the average of the expected remaining service lives for the purposes of recognizing the applicable deferred outflows and inflows of resources established in the current measurement period is 10.3 years.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

NOTE 13 – OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
(Continued)

Deferred Outflows and Inflows of Resources by Year to be recognized in future OPEB expenses are as follows:

Fiscal year Ending <u>September 30</u>	Net Deffered Inflows <u>of Resources</u>
2022	(18,859)
2023	(18,859)
2024	(18,859)
2025	(18,859)
2026	(18,859)
Thereafter	(44,332)

NOTE 14 – NEGATIVE FUND BALANCE / NET POSITION

The Grants fund reported a negative fund balance in the amount of \$1,198,175. This amount is expected to be funded by FEMA funds related to Hurricane Irma, to be received at a later date. The Water and Wastewater fund fund reported a negative net position in the amount of \$93,819. This amount is expected to be funded by the normal operations of the fund.

REQUIRED SUPPLEMENTARY INFORMATION

**MIAMI SHORES VILLAGE
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Property taxes	\$ 9,440,990	\$ 9,440,990	\$ 9,558,415	\$ 117,425
Utility service taxes	1,013,000	1,013,000	1,139,800	126,800
Communications service taxes	345,000	345,000	406,471	61,471
Local business taxes	70,500	70,500	74,305	3,805
Total taxes	<u>10,869,490</u>	<u>10,869,490</u>	<u>11,178,991</u>	<u>309,501</u>
Permits, fees and special assessments:				
Permits	948,000	1,022,000	1,036,860	14,860
Franchise fees	633,500	633,500	686,615	53,115
Other permits and special assessments	175,000	101,000	130,383	29,383
Total permits, fees and special assessments	<u>1,756,500</u>	<u>1,756,500</u>	<u>1,853,858</u>	<u>97,358</u>
Intergovernmental revenues:				
State shared revenues	895,740	895,740	1,187,053	291,313
Other	67,716	67,716	62,621	(5,095)
Total intergovernmental revenues	<u>963,456</u>	<u>963,456</u>	<u>1,249,674</u>	<u>286,218</u>
Charges for services:				
General government	36,000	36,000	50,928	14,928
Public safety	575,000	575,000	649,522	74,522
Public works	42,905	42,905	40,266	(2,639)
Culture and recreation	1,332,533	1,332,533	928,805	(403,728)
Other	950	950	592	(358)
Total charges for services	<u>1,987,388</u>	<u>1,987,388</u>	<u>1,670,113</u>	<u>(317,275)</u>
Fines and forfeitures:				
Local ordinance violations	153,100	153,100	253,683	100,583
Other	15,500	15,500	7,142	(8,358)
Total fines and forfeitures	<u>168,600</u>	<u>168,600</u>	<u>260,825</u>	<u>92,225</u>
Miscellaneous:				
Interest and other earnings	30,000	30,000	16,035	(13,965)
Rents and royalties	230,000	230,000	230,000	-
Other	20,000	20,000	30,955	10,955
Total miscellaneous	<u>280,000</u>	<u>280,000</u>	<u>276,990</u>	<u>(3,010)</u>
Total revenues	<u>16,025,434</u>	<u>16,025,434</u>	<u>16,490,451</u>	<u>465,017</u>

See notes to basic financial statements.

**MIAMI SHORES VILLAGE
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Current:				
General government:				
Legislative	\$ 94,197	\$ 161,789	\$ 23,851	137,938
Executive	691,210	701,211	678,600	22,611
Financial administrative	476,515	419,515	395,714	23,801
Legal counsel	236,800	386,800	376,092	10,708
Comprehensive planning	209,444	238,444	231,565	6,879
Other	1,123,296	979,212	977,874	1,338
Total general government	<u>2,831,462</u>	<u>2,886,971</u>	<u>2,683,696</u>	<u>203,275</u>
Public Safety:				
Law enforcement	7,733,198	7,453,769	7,182,516	271,253
Protective inspections	611,867	689,177	676,238	12,939
Other	241,675	241,675	241,595	80
Total public safety	<u>8,586,740</u>	<u>8,384,621</u>	<u>8,100,349</u>	<u>284,272</u>
Public works:				
Physical environment	1,788,849	1,862,849	1,754,241	108,608
Total public works	<u>1,788,849</u>	<u>1,862,849</u>	<u>1,754,241</u>	<u>108,608</u>
Culture and recreation:				
Libraries	474,411	474,411	457,726	16,685
Parks and recreation	2,466,716	2,584,216	2,232,464	351,752
Total culture and recreation	<u>2,941,127</u>	<u>3,058,627</u>	<u>2,690,190</u>	<u>368,437</u>
Total expenditures	<u>16,148,178</u>	<u>16,193,068</u>	<u>15,228,476</u>	<u>964,592</u>
Excess (deficiency) of revenues over expenditures	<u>(122,744)</u>	<u>(167,634)</u>	<u>1,261,975</u>	<u>1,429,609</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	400,000	400,000	400,000	-
Transfers out	(277,256)	(384,506)	(332,800)	(51,706)
Total other financing sources and uses	<u>122,744</u>	<u>15,494</u>	<u>67,200</u>	<u>(51,706)</u>
Appropriation of fund balance	-	152,140	-	152,140
Net change in fund balances			1,329,175	
Fund balances - beginning			9,285,869	
Fund balances - ending			<u>\$ 10,615,044</u>	

See notes to basic financial statements.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2021

BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The Village annually adopts operating budgets for the following governmental funds: General Fund, Local Option Gas Tax Fund, Transportation, the Capital Improvements Fund and Debt Service Fund. Budgets are also adopted for the Stormwater fund, Solid Waste fund, Risk Management and Fleet Maintenance Fund.

- a) 35 days prior to the fiscal year end, the Village Manager submits to the Village Council a proposed operating budget for the fiscal year commencing the following October 1st. The operating budget is restricted to proposed expenditures and the means of financing them by means of appropriated revenues, other financing sources and appropriations of fund balances. Budgetary control over expenditures for the General Fund is legally maintained at the departmental level. For all other funds it is legally maintained at the fund level.
- b) Two public hearings are conducted to obtain taxpayer comments as required by Truth in Millage (TRIM) legislation.
- c) Prior to September 28th (unless preempted by TRIM) as stated in the Village's Charter, the budget is legally enacted through passage of a resolution.
- d) The Village Manager may at any time transfer any unencumbered appropriated balance or portion thereof between general classifications of expenditures within an office, department or agency. At the request of the Village Manager and within the last three months of the budget year, the Council may by resolution transfer any unencumbered appropriated balance or portion thereof, from one office, department or agency to another.
- e) Budgeted amounts are as originally adopted or as amended. There were supplemental appropriations in the General Fund totaling \$152,140, during the fiscal year ended September 30, 2021 for funding outstanding obligations and unanticipated expenses
- f) Unencumbered appropriations lapse at year end.

MIAMI SHORES VILLAGE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN VILLAGE'S NET PENSION LIABILITY AND RELATED RATIOS
GENERAL EMPLOYEES' RETIREMENT SYSTEM (VILLAGE'S REPORTING)
(as required by GASB Statement No. 68)

Reporting fiscal year ending September 30, Measurement fiscal year ending September 30,	<u>2021</u> 2020	<u>2020</u> 2019	<u>2019</u> 2018	<u>2018</u> 2017	<u>2017</u> 2016	<u>2016</u> 2015	<u>2015</u> 2014
Total Pension Liability							
Service Cost	\$ 393,715	\$ 374,153	\$ 355,620	\$ 345,113	\$ 315,449	\$ 325,868	\$ 308,880
Interest	1,266,525	1,197,271	1,129,866	1,134,060	1,079,053	1,018,010	960,279
Difference between actual & expected experience of the Total Pension Liability	-	35,435	-	(931,742)	-	106,918	(7,788)
Changes of Assumptions	442,573	-	645	-	317,996	-	-
Benefit Payments	(791,587)	(614,486)	(597,378)	(630,350)	(639,713)	(655,520)	(373,038)
Refunds	-	-	-	-	-	-	(28,655)
Net Change in Total Pension Liability	<u>1,311,226</u>	<u>992,373</u>	<u>888,753</u>	<u>(82,919)</u>	<u>1,072,785</u>	<u>795,276</u>	<u>859,678</u>
Total Pension Liability - Beginning	<u>16,889,074</u>	<u>15,896,701</u>	<u>15,007,948</u>	<u>15,090,867</u>	<u>14,018,082</u>	<u>13,222,806</u>	<u>12,363,128</u>
Total Pension Liability - Ending (a)	<u>\$ 18,200,300</u>	<u>\$ 16,889,074</u>	<u>\$ 15,896,701</u>	<u>\$ 15,007,948</u>	<u>\$ 15,090,867</u>	<u>\$ 14,018,082</u>	<u>\$ 13,222,806</u>
Plan Fiduciary Net Position							
Contributions - Employer	\$ 403,199	\$ 403,200	\$ 443,102	\$ 443,102	\$ 371,453	\$ 371,453	\$ 261,966
Contributions - Member	217,098	212,987	201,687	186,555	188,786	188,793	179,680
Net Investment Income	1,373,773	472,706	1,452,542	1,531,913	1,074,730	(160,205)	715,959
Benefit Payments	(791,587)	(614,486)	(597,378)	(630,350)	(639,713)	(655,520)	(373,038)
Refunds	-	-	-	-	-	-	(28,655)
Administrative Expense	(58,202)	(37,520)	(40,842)	(42,936)	(69,962)	(15,448)	(29,411)
Net Change in Plan Fiduciary Net Position	<u>1,144,281</u>	<u>436,887</u>	<u>1,459,111</u>	<u>1,488,284</u>	<u>925,294</u>	<u>(270,927)</u>	<u>726,501</u>
Plan Fiduciary Net Position - Beginning	<u>15,683,642</u>	<u>15,246,755</u>	<u>13,787,644</u>	<u>12,299,360</u>	<u>11,374,066</u>	<u>11,644,993</u>	<u>10,918,492</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 16,827,923</u>	<u>\$ 15,683,642</u>	<u>\$ 15,246,755</u>	<u>\$ 13,787,644</u>	<u>\$ 12,299,360</u>	<u>\$ 11,374,066</u>	<u>\$ 11,644,993</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 1,372,377</u>	<u>\$ 1,205,432</u>	<u>\$ 649,946</u>	<u>\$ 1,220,304</u>	<u>\$ 2,791,507</u>	<u>\$ 2,644,016</u>	<u>\$ 1,577,813</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	92.46%	92.86%	95.91%	91.87%	81.50%	81.14%	88.07%
Covered Payroll ¹	\$ 3,618,300	\$ 3,549,783	\$ 3,361,450	\$ 3,109,250	\$ 3,146,433	\$ 3,146,550	\$ 2,994,667
Net Pension Liability as a Percentage of Covered Payroll	37.93%	33.96%	19.34%	39.25%	88.72%	84.03%	52.69%

¹ Covered Payroll was calculated by dividing the total member contributions for the fiscal year by the member contribution rate of 6%.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present information for those years for which information is available.

MIAMI SHORES VILLAGE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN VILLAGE'S NET PENSION LIABILITY AND RELATED RATIOS
GENERAL EMPLOYEES' RETIREMENT SYSTEM (PLAN'S REPORTING)
(as required by GASB Statement No. 67)

Fiscal year ending September 30,	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability								
Service Cost	\$ 425,088	\$ 393,715	\$ 374,153	\$ 355,620	\$ 345,113	\$ 315,449	\$ 325,868	\$ 308,880
Interest	1,256,791	1,263,867	1,197,271	1,199,747	1,134,060	1,070,820	1,018,010	960,279
Difference between actual & expected experience	-	38,093	-	(1,001,623)	-	115,151	-	(7,788)
Assumption Changes	-	442,573	-	645	-	317,996	-	-
Benefit Payments	(1,342,454)	(791,587)	(614,486)	(597,378)	(630,350)	(639,713)	(655,520)	(373,038)
Refunds	-	-	-	-	-	-	-	(28,655)
Net Change in Total Pension Liability	<u>339,425</u>	<u>1,346,661</u>	<u>956,938</u>	<u>(42,989)</u>	<u>848,823</u>	<u>1,179,703</u>	<u>688,358</u>	<u>859,678</u>
Total Pension Liability - Beginning	<u>18,200,300</u>	<u>16,853,639</u>	<u>15,896,701</u>	<u>15,939,690</u>	<u>15,090,867</u>	<u>13,911,164</u>	<u>13,222,806</u>	<u>12,363,128</u>
Total Pension Liability - Ending (a)	<u>\$ 18,539,725</u>	<u>\$ 18,200,300</u>	<u>\$ 16,853,639</u>	<u>\$ 15,896,701</u>	<u>\$ 15,939,690</u>	<u>\$ 15,090,867</u>	<u>\$ 13,911,164</u>	<u>\$ 13,222,806</u>
Plan Fiduciary Net Position								
Contributions - Employer	\$ 454,695	\$ 403,199	\$ 403,200	\$ 443,102	\$ 443,102	\$ 371,453	\$ 371,453	\$ 261,966
Contributions - Member	231,206	217,098	212,987	201,687	186,555	188,786	188,793	179,680
Net Investment Income	3,683,932	1,373,773	472,706	1,452,542	1,531,913	1,074,730	(160,205)	715,959
Benefit Payments	(1,342,454)	(791,587)	(614,486)	(597,378)	(630,350)	(639,713)	(655,520)	(373,038)
Refunds	-	-	-	-	-	-	-	(28,655)
Administrative Expense	(44,194)	(58,202)	(37,520)	(40,842)	(42,936)	(69,962)	(15,448)	(29,411)
Net Change in Plan Fiduciary Net Position	<u>2,983,185</u>	<u>1,144,281</u>	<u>436,887</u>	<u>1,459,111</u>	<u>1,488,284</u>	<u>925,294</u>	<u>(270,927)</u>	<u>726,501</u>
Plan Fiduciary Net Position - Beginning	<u>16,827,923</u>	<u>15,683,642</u>	<u>15,246,755</u>	<u>13,787,644</u>	<u>12,299,360</u>	<u>11,374,066</u>	<u>11,644,993</u>	<u>10,918,492</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 19,811,108</u>	<u>\$ 16,827,923</u>	<u>\$ 15,683,642</u>	<u>\$ 15,246,755</u>	<u>\$ 13,787,644</u>	<u>\$ 12,299,360</u>	<u>\$ 11,374,066</u>	<u>\$ 11,644,993</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ (1,271,383)</u>	<u>\$ 1,372,377</u>	<u>\$ 1,169,997</u>	<u>\$ 649,946</u>	<u>\$ 2,152,046</u>	<u>\$ 2,791,507</u>	<u>\$ 2,537,098</u>	<u>\$ 1,577,813</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	106.86%	92.46%	93.06%	95.91%	86.50%	81.50%	81.76%	88.07%
Covered Payroll ¹	\$ 3,853,433	\$ 3,618,300	\$ 3,549,783	\$ 3,361,450	\$ 3,109,250	\$ 3,146,433	\$ 3,146,550	\$ 2,994,667
Net Pension Liability as a Percentage of Covered Payroll	-32.99%	37.93%	32.96%	19.34%	69.21%	88.72%	80.63%	52.69%

¹ Covered Payroll was calculated by dividing the total member contributions for the fiscal year by the member contribution rate of 6%.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present information for those years for which information is available.

See notes to basic financial statements.

MIAMI SHORES VILLAGE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
GENERAL EMPLOYEES' RETIREMENT SYSTEM (PLAN'S REPORTING)
(as required by GASB Statement No. 67)

Fiscal Year Ending <u>September 30.</u>	Actuarially Determined <u>Contribution</u>	Actual <u>Contribution</u>	Contribution Deficiency (<u>Excess</u>)	Covered <u>Payroll</u> ¹	Actual Contribution as a % of <u>Covered Payroll</u>
2021	\$ 454,695	\$ 454,695	-	\$ 3,853,433	11.80%
2020	403,199	403,199	-	3,618,300	11.14%
2019	403,199	403,200	(1)	3,549,783	11.36%
2018	443,102	443,102	-	3,361,450	13.18%
2017	443,102	443,102	-	3,361,450	13.18%
2016	371,453	371,453	-	3,146,433	11.81%
2015	371,453	371,453	-	3,146,550	11.81%
2014	261,966	261,966	-	2,994,667	8.75%

¹ Covered Payroll was calculated by dividing the total member contributions for the fiscal year by the member contribution rate of 6%.

Notes to the Schedule of Contributions

Valuation Date 10/1/2019
Notes Actuarially determined contribution rates are calculated as of October 1, which is two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	20 years
Asset Valuation Method	5-year smoothed market
Inflation	2.25%
Salary Increases	5.00%, including inflation
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) in their July 1, 2019 actuarial valuation (with mortality improvements projected to all future years after 2010 using Scale MP-2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present information for those years for which information is available.

See notes to basic financial statements.

MIAMI SHORES VILLAGE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
GENERAL EMPLOYEES' RETIREMENT SYSTEM

Fiscal year ending <u>September 30,</u>	Annual Money-Weighted Rate of Return, Net of <u>Investment Expense</u>
2021	21.63%
2020	8.37%
2019	2.85%
2018	10.22%
2017	11.96%
2016	8.73%
2015	-1.20%
2014	6.23%
2013	10.44%
2012	12.95%

See notes to basic financial statements.

MIAMI SHORES VILLAGE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN VILLAGE'S NET PENSION LIABILITY AND RELATED RATIOS
POLICE OFFICERS' RETIREMENT SYSTEM (VILLAGE'S REPORTING)
(as required by GASB Statement No. 68)

Reporting fiscal year ending September 30, Measurement fiscal year ending September 30,	<u>2021</u> 2020	<u>2020</u> 2019	<u>2019</u> 2018	<u>2018</u> 2017	<u>2017</u> 2016	<u>2016</u> 2015	<u>2015</u> 2014
Total Pension Liability							
Service Cost	\$ 826,391	\$ 737,909	\$ 686,704	\$ 660,242	\$ 536,463	\$ 554,721	\$ 672,275
Interest	2,306,113	2,215,570	2,232,269	2,115,601	1,991,408	1,937,284	1,796,408
Benefit Changes	-	-	-	-	-	(173,336)	-
Difference between actual & expected experience	(34,466)	71,995	(1,142,939)	101,437	(51,582)	(582,646)	5,315
Changes of Assumptions	795,173	-	-	(303,810)	326,835	307,647	-
Benefit Payments	(1,425,391)	(2,437,760)	(1,279,385)	(950,094)	(1,023,327)	(941,093)	(1,180,510)
Other	11,359	(235,974)	69,509	70,382	65,088	-	113,175
	<u>2,479,179</u>	<u>351,740</u>	<u>566,158</u>	<u>1,693,758</u>	<u>1,844,885</u>	<u>1,102,577</u>	<u>1,406,663</u>
Total Pension Liability - Beginning	<u>30,634,478</u>	<u>30,282,738</u>	<u>29,716,580</u>	<u>28,022,822</u>	<u>26,177,937</u>	<u>25,075,360</u>	<u>23,668,697</u>
Total Pension Liability - Ending (a)	<u>\$ 33,113,657</u>	<u>\$ 30,634,478</u>	<u>\$ 30,282,738</u>	<u>\$ 29,716,580</u>	<u>\$ 28,022,822</u>	<u>\$ 26,177,937</u>	<u>\$ 25,075,360</u>
Plan Fiduciary Net Position							
Contributions - Employer (from Village)	\$ 808,455	\$ 1,116,211	\$ 1,165,400	\$ 1,105,854	\$ 1,122,197	\$ 1,249,668 ¹	\$ 1,207,161
Contributions - Employer (from State)	105,165	214,608 ³	99,702	100,575	95,281	- ²	173,561
Contributions - Member	264,605	249,510	231,040	210,630	191,425	180,728	205,660
Net Investment Income	2,347,637	936,089	2,464,134	2,495,997	1,818,553	(201,097)	1,168,552
Benefit Payments	(1,425,391)	(2,437,760)	(1,279,385)	(950,094)	(1,023,327)	(941,093)	(1,180,510)
Administrative Expense	(86,101)	(63,104)	(55,307)	(62,709)	(78,167)	(11,783)	(39,391)
	<u>2,014,370</u>	<u>15,554</u>	<u>2,625,584</u>	<u>2,900,253</u>	<u>2,125,962</u>	<u>276,423</u>	<u>1,535,033</u>
Net Change in Plan Fiduciary Net Position	<u>26,722,296</u>	<u>26,706,742</u>	<u>24,081,158</u>	<u>21,180,905</u>	<u>19,054,943</u>	<u>18,778,520</u>	<u>17,243,487</u>
Plan Fiduciary Net Position - Beginning	<u>\$ 28,736,666</u>	<u>\$ 26,722,296</u>	<u>\$ 26,706,742</u>	<u>\$ 24,081,158</u>	<u>\$ 21,180,905</u>	<u>\$ 19,054,943</u>	<u>\$ 18,778,520</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 4,376,991</u>	<u>\$ 3,912,182</u>	<u>\$ 3,575,996</u>	<u>\$ 5,635,422</u>	<u>\$ 6,841,917</u>	<u>\$ 7,122,994</u>	<u>\$ 6,296,840</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	86.78%	87.23%	88.19%	81.04%	75.58%	72.79%	74.89%
Covered Payroll	\$ 2,940,056	\$ 2,772,333	\$ 2,567,111	\$ 2,340,333	\$ 2,126,944	\$ 2,008,089	\$ 2,285,111
Net Pension Liability as a Percentage of Covered Payroll	148.87%	141.12%	139.30%	240.80%	321.68%	354.72%	275.56%

¹ Includes receivable Employer contribution in the amount of \$32,922 for fiscal year ending September 30, 2015.

² State contributions for fiscal year ending September 30, 2015 were not received until after the end of the fiscal year (therefore not permitted to be used until next fiscal year).

³ Two year's worth of state contributions were received in fiscal year ending September 30, 2019

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present information for those years for which information is available.

MIAMI SHORES VILLAGE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN VILLAGE'S NET PENSION LIABILITY AND RELATED RATIOS
POLICE OFFICERS' RETIREMENT SYSTEM (PLAN'S REPORTING)
(as required by GASB Statement No. 67)

Fiscal year ending September 30,	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability								
Service Cost	\$ 864,180	\$ 826,391	\$ 737,909	\$ 686,704	\$ 660,242	\$ 536,463	\$ 554,721	\$ 672,275
Interest	2,327,492	2,306,113	2,215,570	2,232,269	2,115,601	1,991,408	1,937,284	1,796,408
Benefit Changes	-	-	-	-	-	-	(173,336)	-
Difference between actual & expected experience	(95,445)	(34,466)	71,995	(1,142,939)	101,437	(51,582)	(582,646)	5,315
Changes of Assumptions	-	795,173	-	-	(303,810)	326,835	307,647	-
Benefit Payments	(1,455,900)	(1,425,391)	(2,437,760)	(1,279,385)	(950,094)	(1,023,327)	(941,093)	(1,180,510)
Other	13,865	11,359	(235,974)	69,509	70,382	65,088	-	113,175
Net Change in Total Pension Liability	<u>1,654,192</u>	<u>2,479,179</u>	<u>351,740</u>	<u>566,158</u>	<u>1,693,758</u>	<u>1,844,885</u>	<u>1,102,577</u>	<u>1,406,663</u>
Total Pension Liability - Beginning	<u>33,113,657</u>	<u>30,634,478</u>	<u>30,282,738</u>	<u>29,716,580</u>	<u>28,022,822</u>	<u>26,177,937</u>	<u>25,075,360</u>	<u>23,668,697</u>
Total Pension Liability - Ending (a)	<u>\$ 34,767,849</u>	<u>\$ 33,113,657</u>	<u>\$ 30,634,478</u>	<u>\$ 30,282,738</u>	<u>\$ 29,716,580</u>	<u>\$ 28,022,822</u>	<u>\$ 26,177,937</u>	<u>\$ 25,075,360</u>
Plan Fiduciary Net Position								
Contributions - Employer	\$ 1,336,493	\$ 808,455	\$ 1,116,211	\$ 1,165,400	\$ 1,105,854	\$ 1,122,197	\$ 1,249,668 ¹	\$ 1,207,161
Contributions - Employer (from State)	110,178	105,165	214,608 ³	99,702	100,575	95,281	- ²	173,561
Contributions - Member	271,555	264,605	249,510	231,040	210,630	191,425	180,728	205,660
Net Investment Income	6,252,510	2,347,637	936,089	2,464,134	2,495,997	1,818,553	(201,097)	1,168,552
Benefit Payments	(1,455,900)	(1,425,391)	(2,437,760)	(1,279,385)	(950,094)	(1,023,327)	(941,093)	(1,180,510)
Administrative Expense	(82,819)	(86,101)	(63,104)	(55,307)	(62,709)	(78,167)	(11,783)	(39,392)
Net Change in Plan Fiduciary Net Position	<u>6,432,017</u>	<u>2,014,370</u>	<u>15,554</u>	<u>2,625,584</u>	<u>2,900,253</u>	<u>2,125,962</u>	<u>276,423</u>	<u>1,535,032</u>
Plan Fiduciary Net Position - Beginning	<u>28,736,666</u>	<u>26,722,296</u>	<u>26,706,742</u>	<u>24,081,158</u>	<u>21,180,905</u>	<u>19,054,943</u>	<u>18,778,520</u>	<u>17,243,488</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 35,168,683</u>	<u>\$ 28,736,666</u>	<u>\$ 26,722,296</u>	<u>\$ 26,706,742</u>	<u>\$ 24,081,158</u>	<u>\$ 21,180,905</u>	<u>\$ 19,054,943</u>	<u>\$ 18,778,520</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ (400,834)</u>	<u>\$ 4,376,991</u>	<u>\$ 3,912,182</u>	<u>\$ 3,575,996</u>	<u>\$ 5,635,422</u>	<u>\$ 6,841,917</u>	<u>\$ 7,122,994</u>	<u>\$ 6,296,840</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	101.15%	86.78%	87.23%	88.19%	81.04%	75.58%	72.79%	74.89%
Covered Payroll	3,017,278	\$ 2,940,056	\$ 2,772,333	\$ 2,567,111	\$ 2,340,333	\$ 2,126,944	\$ 2,008,089	\$ 2,285,111
Net Pension Liability as a Percentage of Covered Payroll	-13.28%	148.87%	141.12%	139.30%	240.80%	321.68%	354.72%	275.56%

¹ Includes receivable Employer contribution in the amount of \$32,922 for fiscal year ending September 30, 2015.

² State contributions for fiscal year ending September 30, 2015 were not received until after the end of the fiscal year (therefore not permitted to be used until next fiscal year).

³ Two years' worth of State contributions were received in fiscal year ending September 30, 2019.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present information for those years for which information is available.

MIAMI SHORES VILLAGE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
POLICE OFFICERS' RETIREMENT SYSTEM

Fiscal year ending <u>September 30,</u>	Annual Money-Weighted Rate of Return, Net of <u>Investment Expense</u>
2021	21.19%
2020	8.44%
2019	3.33%
2018	9.83%
2017	11.22%
2016	8.97%
2015	-0.90%
2014	6.30%
2013	9.48%
2012	11.52%

See notes to basic financial statements.

MIAMI SHORES VILLAGE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2021

Total OPEB Liability:	2021	2020	2019	2018
Service cost	\$ 39,045	\$ 42,514	\$ 43,470	\$ 48,122
Interest	15,522	25,990	23,391	22,769
Changes of benefit terms	-	-	-	(48,084)
Differences between expected and actual experience of the Total OPEB Liability	-	19,098	-	-
Changes in assumptions	2,425	(167,258)	(16,935)	(20,041)
Benefit payments	(21,661)	(40,376)	(36,994)	(91,579)
Net Change in total OPEB liability	35,331	(120,032)	12,932	(88,813)
Total OPEB liability- beginning	536,230	656,262	643,330	732,143
Total OPEB liability- ending	\$ 571,561	\$ 536,230	\$ 656,262	\$ 643,330
Covered-employee payroll	\$ 7,327,367	\$ 6,004,403	\$ 6,190,210	\$ 5,980,879
Total OPEB liability as a percentage of covered payroll	7.80%	8.93%	10.60%	10.76%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present information for those years for which information is available. There are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

See notes to basic financial statements.

COMBINING FINANCIAL STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

Transportation Surtax – This fund accounts for the Village’s portion of the Miami-Dade County one-half percent transportation surtax approved by voters in November 2002.

Local Option Gas Tax – This fund accounts for the revenues from the six cents and additional three cents sales tax levied on all petroleum products sold in Miami-Dade County.

Law Enforcement Training – This fund accounts for proceeds obtained through fines designated specifically for training law enforcement officers.

General Trust Fund – This fund accumulates assets for its employees, other governmental entities and/or funds, primarily for the recreation, library and police departments, as well as the charter school.

Brockway Memorial Library Fund – This fund accounts for donations to be applied toward the Library’s Children’s Wing Expansion Project. All funds in this account are available to be used in the renovation and addition slated as part of the expansion project.

Debt Service Fund

General Obligation Bonds – This fund accounts for the 1999 and 2004 General Obligation bonds issued to fund the design, developments and construction of the Miami Shores Aquatic Facility (1999) and for the charter school construction (2004) and other banking financing.

Capital Project Funds

Capital Improvement Fund – This fund accounts for major capital acquisitions and projects to improve the Village.

Charter High School Construction – This fund accounts for all costs associated with the construction of the Doctors Charter School of Miami Shores which was substantially completed in 2005.

**MIAMI SHORES VILLAGE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	<u>Special Revenue Funds</u>					
	<u>Transportation Surtax</u>	<u>Local Option Gas Tax</u>	<u>Law Enforcement Training</u>	<u>General Trust</u>	<u>Brockway Memorial Expansion</u>	<u>Total</u>
ASSETS						
Cash and cash equivalents	\$ 564,959	\$ 478,786	\$ 30,159	\$ 935,124	\$ 515,273	2,524,301
Accounts receivable, net	119,125	26,006	129	-	-	145,260
Total assets	<u>\$ 684,084</u>	<u>\$ 504,792</u>	<u>\$ 30,288</u>	<u>\$ 935,124</u>	<u>\$ 515,273</u>	<u>\$ 2,669,561</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	5,264	1,824	-	428,425	-	435,513
Total liabilities	<u>5,264</u>	<u>1,824</u>	<u>-</u>	<u>428,425</u>	<u>-</u>	<u>435,513</u>
Fund balances:						
Restricted	678,820	434,517	30,288	506,699	515,273	2,165,597
Assigned	-	68,451	-	-	-	68,451
Total fund balances	<u>678,820</u>	<u>502,968</u>	<u>30,288</u>	<u>506,699</u>	<u>515,273</u>	<u>2,234,048</u>
Total liabilities and fund balances	<u>\$ 684,084</u>	<u>\$ 504,792</u>	<u>\$ 30,288</u>	<u>\$ 935,124</u>	<u>\$ 515,273</u>	<u>\$ 2,669,561</u>

See notes to basic financial statements.

**MIAMI SHORES VILLAGE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	Debt Service	Capital Projects			Total Nonmajor Governmental Funds
	GO Bonds	Capital Improvement Fund	Charter High School Construction	Total	
ASSETS					
Cash and cash equivalents	\$ 1,215,013	\$ 1,275,261	\$ -	\$ 1,275,261	\$ 5,014,575
Accounts receivable, net	1,056	-	-	-	146,316
Total assets	<u>\$ 1,216,069</u>	<u>\$ 1,275,261</u>	<u>\$ -</u>	<u>\$ 1,275,261</u>	<u>\$ 5,160,891</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	-	9,860	-	9,860	445,373
Total liabilities	<u>-</u>	<u>9,860</u>	<u>-</u>	<u>9,860</u>	<u>445,373</u>
Fund balances:					
Restricted	1,216,069	-	-	-	3,381,666
Committed	-	1,265,401	-	1,265,401	1,265,401
Assigned	-	-	-	-	68,451
Total fund balances	<u>1,216,069</u>	<u>1,265,401</u>	<u>-</u>	<u>1,265,401</u>	<u>4,715,518</u>
Total liabilities and fund balances	<u>\$ 1,216,069</u>	<u>\$ 1,275,261</u>	<u>\$ -</u>	<u>\$ 1,275,261</u>	<u>\$ 5,160,891</u>

See notes to basic financial statements.

**MIAMI SHORES VILLAGE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Special Revenue Funds						
	Transportation Surtax	Local Option Gas Tax	Law Enforcement Training	General Trust	Brockway Memorial Expansion	Total
REVENUES						
Fees and fines	\$ -	\$ -	\$ 1,103	\$ -	\$ -	\$ 1,103
Licenses and permits	-	-	-	39,142	-	39,142
Intergovernmental	496,027	343,808	-	-	-	839,835
Grants contributions and donations	-	-	-	10,860	14,798	25,658
Investment earnings	328	462	-	544	1,350	2,684
Total revenues	<u>496,355</u>	<u>344,270</u>	<u>1,103</u>	<u>50,546</u>	<u>16,148</u>	<u>908,422</u>
EXPENDITURES						
Current:						
Public safety	-	-	-	8,267	-	8,267
Public works	135,711	244,205	-	-	-	379,916
Culture and recreation	-	-	-	12,129	6,017	18,146
Capital outlay	20,857	44,430	-	-	244,378	309,665
Total expenditures	<u>156,568</u>	<u>288,635</u>	<u>-</u>	<u>20,396</u>	<u>250,395</u>	<u>715,994</u>
Excess (deficiency) of revenues over expenditures	<u>339,787</u>	<u>55,635</u>	<u>1,103</u>	<u>30,150</u>	<u>(234,247)</u>	<u>192,428</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	5,421	-	5,421
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,421</u>	<u>-</u>	<u>5,421</u>
Net change in fund balances	<u>339,787</u>	<u>55,635</u>	<u>1,103</u>	<u>35,571</u>	<u>(234,247)</u>	<u>197,849</u>
Fund balances - beginning	<u>339,033</u>	<u>447,333</u>	<u>29,185</u>	<u>471,128</u>	<u>749,520</u>	<u>2,036,199</u>
Fund balances - ending	<u>\$ 678,820</u>	<u>\$ 502,968</u>	<u>\$ 30,288</u>	<u>\$ 506,699</u>	<u>\$ 515,273</u>	<u>\$ 2,234,048</u>

See notes to basic financial statements.

**MIAMI SHORES VILLAGE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Debt Service	Capital Projects			Total Nonmajor Governmental Funds
	GO Bonds	Capital Improvement Fund	Charter High School Construction	Total	
REVENUES					
Property taxes	\$ 456,824	\$ -	\$ -	\$ -	\$ 456,824
Fees and fines	-	-	-	-	1,103
Licenses and permits	-	-	-	-	39,142
Intergovernmental	-	-	-	-	839,835
Grants contributions and donations	-	-	-	-	25,658
Investment earnings	1,514	2,102	-	2,102	6,300
Total revenues	458,338	2,102	-	2,102	1,368,862
EXPENDITURES					
Current:					
General government	5,000	-	-	-	5,000
Public safety	-	-	-	-	8,267
Public works	-	-	-	-	379,916
Culture and recreation	-	-	2,367	2,367	20,513
Debt Service					
Principal	331,400	-	-	-	331,400
Interest and other charges	115,349	-	-	-	115,349
Capital outlay	-	533,984	-	533,984	843,649
Total expenditures	451,749	533,984	2,367	536,351	1,704,094
Excess (deficiency) of revenues over expenditures	6,589	(531,882)	(2,367)	(534,249)	(335,232)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	354,550	-	354,550	359,971
Transfers out	-	-	(5,421)	(5,421)	(5,421)
Total other financing sources and uses	-	354,550	(5,421)	349,129	354,550
Net change in fund balances	6,589	(177,332)	(7,788)	(185,120)	19,318
Fund balances - beginning	1,209,480	1,442,733	7,788	1,450,521	4,696,200
Fund balances - ending	\$ 1,216,069	\$ 1,265,401	\$ -	\$ 1,265,401	\$ 4,715,518

See notes to basic financial statements.

**MIAMI SHORES VILLAGE
COMBINING BALANCE SHEET
FUND BALANCES - BUDGET AND ACTUAL NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Special Revenue Funds							
	Transportation Surtax				Local Option Gas Tax			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
Original	Final	Original			Final			
REVENUES								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	437,500	437,500	496,027	58,527	336,825	336,825	343,808	6,983
Investment earnings	1,400	1,400	328	(1,072)	1,900	1,900	462	(1,438)
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	<u>438,900</u>	<u>438,900</u>	<u>496,355</u>	<u>57,455</u>	<u>338,725</u>	<u>338,725</u>	<u>344,270</u>	<u>5,545</u>
EXPENDITURES								
Current:								
Public works	234,388	234,388	135,711	98,677	279,670	279,670	244,205	35,465
Capital outlay	204,512	204,512	20,857	183,655	160,000	257,000	44,430	212,570
Total expenditures	<u>438,900</u>	<u>438,900</u>	<u>156,568</u>	<u>282,332</u>	<u>439,670</u>	<u>536,670</u>	<u>288,635</u>	<u>248,035</u>
Excess (deficiency) of revenues over expenditures	-	-	339,787	339,787	(100,945)	(197,945)	55,635	253,580
Appropriation of fund balance	-	-	-	-	100,945	197,945	-	197,945
Net change in fund balances			339,787				55,635	
Fund balances - beginning			<u>339,033</u>				<u>447,333</u>	
Fund balances - ending			<u>\$ 678,820</u>				<u>\$ 502,968</u>	

See notes to basic financial statements.

**MIAMI SHORES VILLAGE
COMBINING BALANCE SHEET
FUND BALANCES - BUDGET AND ACTUAL NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Debt Service Fund				Capital Improvement Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
REVENUES								
Property taxes	\$ 451,180	\$ 451,180	\$ 456,824	\$ 5,644	\$ -	\$ -	\$ -	\$ -
Investment earnings	3,000	3,000	1,514	(1,486)	-	-	2,102	2,102
Total revenues	<u>454,180</u>	<u>454,180</u>	<u>458,338</u>	<u>4,158</u>	<u>-</u>	<u>-</u>	<u>2,102</u>	<u>2,102</u>
EXPENDITURES								
Current:								
General government	8,000	8,000	5,000	3,000	-	-	-	-
Debt service:								
Principal	331,400	331,400	331,400	-	-	-	-	-
Interest and other charges	114,780	114,780	115,349	(569)	-	-	-	-
Capital outlay	-	-	-	-	161,975	1,384,274	533,984	850,290
Total expenditures	<u>454,180</u>	<u>454,180</u>	<u>451,749</u>	<u>2,431</u>	<u>161,975</u>	<u>1,384,274</u>	<u>533,984</u>	<u>850,290</u>
Excess (deficiency) of revenues over expenditures	-	-	6,589	6,589	(161,975)	(1,384,274)	(531,882)	852,392
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	161,975	354,550	354,550	-
Total other financing sources and uses	-	-	-	-	<u>161,975</u>	<u>354,550</u>	<u>354,550</u>	<u>-</u>
Appropriate of fund balance	-	-	-	-	-	1,029,724	-	1,029,724
Net change in fund balances			6,589				(177,332)	
Fund balances - beginning			1,209,480				1,442,733	
Fund balances - ending			<u>\$ 1,216,069</u>				<u>\$ 1,265,401</u>	

See notes to basic financial statements.

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the Village on a cost reimbursement basis.

Risk Management Fund – This fund accounts for the accumulation and allocation of costs associated with insurance.

Fleet Maintenance Fund – This fund accounts for all direct and indirect costs to maintain and operate the Village's vehicles and equipment fleet.

**MIAMI SHORES VILLAGE
STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2021**

	<u>Risk Management Fund</u>	<u>Fleet Maintenance Fund</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 911,306	\$ 1,649,745	\$ 2,561,051
Accounts receivable, net	6,620	-	6,620
Inventories	-	35,519	35,519
Prepaid Expenses	220,548	-	220,548
Total current assets	<u>1,138,474</u>	<u>1,685,264</u>	<u>2,823,738</u>
Non-current assets:			
Capital assets:			
Capital assets not being depreciated	-	7,127	7,127
Capital assets being depreciated, net	-	1,920,743	1,920,743
Total non-current assets	<u>-</u>	<u>1,927,870</u>	<u>1,927,870</u>
Total assets	<u>\$ 1,138,474</u>	<u>\$ 3,613,134</u>	<u>\$ 4,751,608</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension	-	37,758	37,758
Other post employment benefits (OPEB)	-	452	452
Total deferred outflows of resources	<u>-</u>	<u>38,210</u>	<u>38,210</u>
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued liabilities	6,500	13,008	19,508
Compensated absences	-	7,938	7,938
Total current liabilities	<u>6,500</u>	<u>20,946</u>	<u>27,446</u>
Non-current liabilities:			
Compensated absences	-	23,813	23,813
Net pension liability	-	65,000	65,000
OPEB liability	-	6,074	6,074
Total non-current liabilities	<u>-</u>	<u>94,887</u>	<u>94,887</u>
Total liabilities	<u>6,500</u>	<u>115,833</u>	<u>122,333</u>
DEFERRED INFLOWS OF RESOURCES			
Pension	-	5,447	5,447
Other post employment benefits (OPEB)	-	1,658	1,658
Total deferred inflows of resources	<u>-</u>	<u>7,105</u>	<u>7,105</u>
NET POSITION			
Invested in capital assets, net of related debt	-	1,927,870	1,927,870
Assigned	-	370,000	370,000
Unassigned	1,131,974	1,230,536	2,362,510
Total net position	<u>\$ 1,131,974</u>	<u>\$ 3,528,406</u>	<u>\$ 4,660,380</u>

See notes to basic financial statements.

MIAMI SHORES VILLAGE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	<u>Risk Management Fund</u>	<u>Fleet Maintenance Fund</u>	<u>Total</u>
REVENUES			
Charges for services	\$ 958,558	\$ 1,354,774	\$ 2,313,332
Total operating revenues	<u>958,558</u>	<u>1,354,774</u>	<u>2,313,332</u>
OPERATING EXPENSES			
Personal services	-	243,985	243,985
Utilities	-	16,556	16,556
Repairs and maintenance	61,077	210,635	271,712
Administrative expenses	1,702	415,725	417,427
Insurance claims and expenses	864,211	99,522	963,733
Depreciation	-	330,749	330,749
Total Operating expenses	<u>926,990</u>	<u>1,317,172</u>	<u>2,244,162</u>
Operating income (loss)	<u>31,568</u>	<u>37,602</u>	<u>69,170</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest and investment revenue	1,505	1,463	2,968
Operating grants and contributions	6,000	-	6,000
Total non-operating revenue (expenses)	<u>7,505</u>	<u>1,463</u>	<u>8,968</u>
Income (loss) before contributions and transfers	39,073	39,065	78,138
Transfers out	<u>(85,325)</u>	<u>-</u>	<u>(85,325)</u>
Change in net position	(46,252)	39,065	(7,187)
Total net position - beginning	1,178,226	3,489,341	4,667,567
Total net position - ending	<u>\$ 1,131,974</u>	<u>\$ 3,528,406</u>	<u>\$ 4,660,380</u>

See notes to basic financial statements.

**MIAMI SHORES VILLAGE
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Risk Management Fund	Fleet Maintenance Fund	Total
Cash flows from operating activities:			
Cash received from customers, governments and other funds	\$ 961,961	\$ 1,354,774	\$ 2,316,735
Cash paid to suppliers	(957,005)	(769,572)	(1,726,577)
Cash paid for employees	-	(249,696)	(249,696)
Net cash provided by (used in) operating activities	<u>4,956</u>	<u>335,506</u>	<u>340,462</u>
Cash flows from non-capital financing activities:			
Transfers out	(85,325)	-	(85,325)
Net cash provided by (used in) non-capital financing activities	<u>(85,325)</u>	<u>-</u>	<u>(85,325)</u>
Cash flows from capital related financing activities:			
Acquisition and construction of capital assets	-	(145,261)	(145,261)
Capital contributions	6,000	-	6,000
Net cash provided by (used in) capital and related financing activities	<u>6,000</u>	<u>(145,261)</u>	<u>(139,261)</u>
Cash flows from investing activities:			
Interest and other income	1,505	1,463	2,968
Net cash provided by (used in) investing activities	<u>1,505</u>	<u>1,463</u>	<u>2,968</u>
Net increase (decrease) in cash and cash equivalents	(72,864)	191,708	118,844
Cash and cash equivalents, October 1	984,170	1,458,037	2,442,207
Cash and cash equivalents, September 30	<u>\$ 911,306</u>	<u>\$ 1,649,745</u>	<u>\$ 2,561,051</u>
Reported in statement of net position as follows:			
Cash and cash equivalents	<u>\$ 911,306</u>	<u>\$ 1,649,745</u>	<u>\$ 2,561,051</u>
	<u>\$ 911,306</u>	<u>\$ 1,649,745</u>	<u>\$ 2,561,051</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	\$ 31,568	\$ 37,602	\$ 69,170
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	-	330,749	330,749
Change in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	3,403	-	3,403
Inventories	-	(10,720)	(10,720)
Prepays	(13,479)	-	(13,479)
Other assets	-	-	-
Deferred outflows of resources for pension	-	(16,729)	(16,729)
Increase (decrease) in:			
Accounts payable and accrued liabilities	(16,536)	(15,382)	(31,918)
Compensated absences	-	3,092	3,092
OPEB liability	-	6,074	6,074
Unearned revenues	-	-	-
Net pension liability	-	4,729	4,729
Deferred inflows of resources for pension	-	(3,909)	(3,909)
Total adjustments	<u>(26,612)</u>	<u>297,904</u>	<u>271,292</u>
Net cash provided by (used in) operating activities	<u>\$ 4,956</u>	<u>\$ 335,506</u>	<u>\$ 340,462</u>
Noncash capital related financing activities:			
Contributions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total noncash capital related financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to basic financial statements.

FIDUCIARY FUNDS

These funds account for assets held by the Village in a trustee capacity or as an agent for employees.

Pension Trust Funds:

Police Officers Retirement System – To account for the accumulation of resources for pension benefit payments to police officers who have retired from Miami Shores Village.

General Employees Retirement System – To account for the accumulation of resources for pension benefit payments to employees, other than police, who have retired from Miami Shores Village.

**MIAMI SHORES VILLAGE
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
SEPTEMBER 30, 2021**

	General Employee's Pension Trust	Police Pension Trust	Total
ASSETS			
Cash and cash equivalents	\$ 250,556	\$ 495,233	\$ 745,789
Receivables:			
Accounts receivables	-	110,178	110,178
Interest and dividends	67,129	130,447	197,576
Total receivables	<u>67,129</u>	<u>240,625</u>	<u>307,754</u>
Investments:			
Mutual funds – equity	8,685,669	13,048,612	21,734,281
Common stock	3,998,137	7,879,073	11,877,210
Corporate bonds	3,977,324	7,577,979	11,555,303
U.S. government securities	451,921	1,189,686	1,641,607
Mortgage backed securities	1,783,383	3,579,715	5,363,098
Foreign stock	470,183	926,426	1,396,609
Foreign bonds	42,749	73,283	116,032
Municipal bonds	84,057	158,051	242,108
Total Investments	<u>19,493,423</u>	<u>34,432,825</u>	<u>53,926,248</u>
Total assets	<u>\$ 19,811,108</u>	<u>\$ 35,168,683</u>	<u>\$ 54,979,791</u>
NET POSITION			
Net position for pension benefits	<u>\$ 19,811,108</u>	<u>\$ 35,168,683</u>	<u>\$ 54,979,791</u>

See notes to basic financial statements.

**MIAMI SHORES VILLAGE
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	General Employee's Pension Trust	Police Pension Trust	Total
ADDITIONS			
Contributions:			
Employer	\$ 454,695	\$ 1,336,493	\$ 1,791,188
Plan members	231,206	271,555	502,761
State of Florida	-	110,178	110,178
Total contributions	<u>685,901</u>	<u>1,718,226</u>	<u>2,404,127</u>
Investment earnings:			
Net appreciation in fair value of investments	2,950,174	5,013,018	7,963,192
Interest and dividend income	819,793	1,376,856	2,196,649
Investment activity expense	<u>(86,035)</u>	<u>(137,364)</u>	<u>(223,399)</u>
Total net investment earnings	<u>3,683,932</u>	<u>6,252,510</u>	<u>9,936,442</u>
Total additions	<u>4,369,833</u>	<u>7,970,736</u>	<u>12,340,569</u>
DEDUCTIONS			
Pension benefits	1,342,454	1,455,900	2,798,354
Administrative expenses	44,194	82,819	127,013
Total deductions	<u>1,386,648</u>	<u>1,538,719</u>	<u>2,925,367</u>
Net increase	2,983,185	6,432,017	9,415,202
Beginning of year	16,827,923	28,736,666	45,564,589
End of year	<u>\$ 19,811,108</u>	<u>\$ 35,168,683</u>	<u>\$ 54,979,791</u>

See notes to basic financial statements.

STATISTICAL SECTION

MIAMI SHORES VILLAGE, FLORIDA

NET ASSETS BY COMPONENT

FOR THE LAST TEN FISCAL YEARS

(accrual basis of accounting)

	Fiscal Year									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Governmental activities:										
Invested in capital assets, net of related debt	\$ 19,026,768	\$ 18,699,542	\$ 17,559,445	\$ 17,975,743	\$ 15,914,887	\$ 15,398,737	\$ 14,140,442	\$ 14,460,317	\$ 13,445,077	\$ 13,160,184
Restricted	6,687,642	4,432,660	4,506,407	5,736,464	6,051,262	5,710,324	5,953,557	5,521,292	6,042,082	5,834,992
Unrestricted	5,876,297	4,044,028	2,570,978	(513,721)	1,622,254	3,452,368	3,737,341	9,971,992	9,916,183	9,592,734
Total governmental activities net assets	<u>31,590,707</u>	<u>27,176,230</u>	<u>24,636,830</u>	<u>23,198,486</u>	<u>23,588,403</u>	<u>24,561,429</u>	<u>23,831,340</u>	<u>29,953,601</u>	<u>29,403,342</u>	<u>28,587,910</u>
Business-type activities:										
Invested in capital assets, net of related debt	2,586,804	2,515,736	2,578,727	3,117,914	3,257,609	3,123,374	2,785,010	2,195,243	2,252,711	1,921,615
Restricted	269,100	-	-	3,772,478	3,772,478					-
Unrestricted	1,522,573	1,533,117	1,616,804	2,058,190	1,998,469	1,933,358	2,832,838	2,677,461	2,598,838	2,688,382
Total business-type activities net assets	<u>4,378,477</u>	<u>4,048,853</u>	<u>4,195,531</u>	<u>8,948,582</u>	<u>9,028,556</u>	<u>5,056,732</u>	<u>5,617,848</u>	<u>4,872,704</u>	<u>4,851,549</u>	<u>4,609,997</u>
Primary government:										
Invested in capital assets, net of related debt	21,613,572	21,215,278	20,138,172	21,093,657	19,172,496	18,522,111	16,925,452	16,655,560	15,697,788	15,081,799
Restricted	6,956,742	4,432,660	4,506,407	9,508,942	9,823,740	5,710,324	5,953,557	5,521,292	6,042,082	5,834,992
Unrestricted	7,398,870	5,577,145	4,187,782	1,544,469	3,620,723	5,385,726	6,570,179	12,649,453	12,515,021	12,281,116
Total primary government net assets	<u>\$ 35,969,184</u>	<u>\$ 31,225,083</u>	<u>\$ 28,832,361</u>	<u>\$ 32,147,068</u>	<u>\$ 32,616,959</u>	<u>\$ 29,618,161</u>	<u>\$ 29,449,188</u>	<u>\$ 34,826,305</u>	<u>\$ 34,254,891</u>	<u>\$ 33,197,907</u>

MIAMI SHORES VILLAGE, FLORIDA

CHANGES IN NET ASSETS

FOR THE LAST TEN FISCAL YEARS

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental activities:										
General Government	\$ 4,123,057	\$ 3,695,604	\$ 3,922,392	\$ 3,206,651	\$ 3,478,191	\$ 3,377,218	\$ 3,159,828	\$ 2,760,901	\$ 2,418,939	\$ 2,336,763
Public Safety	7,741,150	7,230,071	7,776,091	6,970,163	7,094,590	6,460,583	6,088,608	6,206,349	6,425,432	5,509,508
Public Works	3,859,748	4,400,730	3,933,809	4,820,309	3,860,624	2,502,799	3,492,136	2,239,056	2,385,338	2,346,575
Culture and Recreation	3,105,811	2,638,651	3,199,846	3,202,922	3,036,354	3,145,255	2,976,180	2,946,167	2,816,882	2,583,688
Interest on debt	115,349	124,515	133,191	126,553	151,794	168,811	272,374	283,840	432,997	425,355
Total governmental activities expenses	<u>18,945,115</u>	<u>18,089,571</u>	<u>18,965,329</u>	<u>18,326,598</u>	<u>17,621,553</u>	<u>15,654,666</u>	<u>15,989,126</u>	<u>14,436,313</u>	<u>14,479,588</u>	<u>13,201,889</u>
Business-type activities:										
Solid Waste	2,875,443	2,829,293	2,612,667	2,461,906	2,464,762	2,528,666	2,223,695	2,294,399	2,119,723	2,208,585
Stormwater	206,141	282,149	279,259	201,904	224,695	237,712	193,174	165,537	180,702	175,761
Water & Wastewater	103,416	63,301	4,383,725	148,717	105,707	62,204	-	-	-	-
Total business-type activities expenses	<u>3,185,000</u>	<u>3,174,743</u>	<u>7,275,651</u>	<u>2,812,527</u>	<u>2,795,164</u>	<u>2,828,582</u>	<u>2,416,869</u>	<u>2,459,936</u>	<u>2,300,425</u>	<u>2,384,346</u>
Total primary government expenses	<u>22,130,115</u>	<u>21,264,314</u>	<u>26,240,980</u>	<u>21,139,125</u>	<u>20,416,717</u>	<u>18,483,248</u>	<u>18,405,995</u>	<u>16,896,249</u>	<u>16,780,013</u>	<u>15,586,235</u>
Program revenues:										
Governmental activities:										
Charges for services:										
General Government	2,222,726	1,838,539	2,190,376	1,619,903	1,211,656	1,366,832	1,005,762	1,063,095	841,572	1,069,135
Public Safety	2,290,601	2,873,248	2,203,635	896,857	1,116,160	790,598	1,027,550	1,087,055	1,553,168	2,326,376
Public Works	40,266	34,629	46,912	24,175	62,144	194,349	200,977	117,815	843,218	727,160
Culture and Recreation	978,267	650,093	1,442,519	1,577,949	1,356,565	1,388,906	1,568,844	1,436,999	1,375,506	1,293,788
Operating grants and contributions	739,700	717,036	815,658	816,300	801,908	798,312	816,380	784,430	87,368	170,234
Capital grants and contributions	-	-	-	-	-	-	35,564	474,079	35,564	47,447
Total governmental activities program revenues	<u>6,271,560</u>	<u>6,113,545</u>	<u>6,699,100</u>	<u>4,935,184</u>	<u>4,548,433</u>	<u>4,538,997</u>	<u>4,655,077</u>	<u>4,963,473</u>	<u>4,736,396</u>	<u>5,634,140</u>
Business-type activities:										
Charges for services:										
Solid Waste	3,255,247	2,912,517	2,621,861	2,623,039	2,623,010	2,633,013	2,639,106	2,641,284	2,667,843	2,765,775
Stormwater	571,984	479,125	245,805	245,407	244,936	245,269	244,805	244,107	248,132	252,420
Water & Wastewater	20,978	38,308	43,868	84,159	70,143	136,855	-	-	-	-
Capital grants and contributions	-	-	-	-	556,382	-	672,381	-	-	-
Total business-type activities program revenues	<u>3,848,209</u>	<u>3,429,950</u>	<u>2,911,534</u>	<u>2,952,605</u>	<u>3,494,471</u>	<u>3,015,137</u>	<u>3,556,292</u>	<u>2,885,391</u>	<u>2,915,975</u>	<u>3,018,195</u>
Total primary government program revenue	<u>\$ 10,119,769</u>	<u>\$ 9,543,495</u>	<u>\$ 9,610,634</u>	<u>\$ 7,887,789</u>	<u>\$ 8,042,904</u>	<u>\$ 7,554,134</u>	<u>\$ 8,211,369</u>	<u>\$ 7,848,864</u>	<u>\$ 7,652,371</u>	<u>\$ 8,652,335</u>

(Continued)

MIAMI SHORES VILLAGE, FLORIDA

CHANGES IN NET ASSETS
(Continued)

FOR THE LAST TEN FISCAL YEARS

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Net (expenses) revenue:										
Governmental activities	\$ (12,673,555)	\$ (11,976,026)	\$ (12,266,229)	\$ (13,391,414)	\$ (13,391,414)	\$ (13,073,120)	\$ (11,115,669)	\$ (11,334,049)	\$ (9,781,236)	\$ (7,567,750)
Business-type activities	663,209	255,207	(4,364,117)	140,078	140,078	699,307	186,555	1,139,423	425,455	633,849
	<u>(12,010,346)</u>	<u>(11,720,819)</u>	<u>(16,630,346)</u>	<u>(13,251,336)</u>	<u>(13,251,336)</u>	<u>(12,373,813)</u>	<u>(10,929,114)</u>	<u>(10,194,626)</u>	<u>(9,355,781)</u>	<u>(6,933,901)</u>
General revenues and other changes in net assets:										
Governmental activities:										
Property taxes	10,015,239	9,672,526	9,009,745	8,484,744	7,923,699	7,326,125	6,893,572	6,406,843	6,255,087	6,078,085
Public services tax	2,232,886	2,107,335	2,156,184	2,121,676	2,104,726	2,141,094	2,199,772	2,214,451	2,045,767	2,098,267
Intergovernmental	4,201,094	1,517,940	1,209,452	1,145,885	1,109,035	1,092,365	1,027,237	1,002,183	929,762	918,034
Miscellaneous	421,008	675,139	635,023	662,875	549,075	507,592	827,991	469,614	415,330	493,243
Investment income - unrestricted	27,133	128,434	277,431	115,869	60,740	26,210	29,568	20,670	32,015	61,071
Special item - gain (loss) on sale of asset	(145,753)	-	-	-	-	-	523,164	-	-	-
Transfers	336,425	414,052	416,737	350,076	352,819	400,000	400,000	395,000	395,000	335,000
Total governmental activities	<u>17,088,032</u>	<u>14,515,426</u>	<u>13,704,572</u>	<u>12,881,125</u>	<u>12,100,094</u>	<u>11,493,386</u>	<u>11,901,304</u>	<u>10,508,761</u>	<u>10,072,961</u>	<u>9,983,700</u>
Business-type activities:										
Investment income	2,083	12,167	27,803	17,370	10,623	4,701	5,721	5,708	5,994	1,756
Other general revenues	757	-	-	-	-	-	-	-	-	-
Transfers	(336,425)	(414,052)	(416,737)	(350,076)	(352,819)	(400,000)	(400,000)	(395,000)	(395,000)	(335,000)
Total business-type activities	<u>(333,585)</u>	<u>(401,885)</u>	<u>(388,934)</u>	<u>(332,706)</u>	<u>(342,196)</u>	<u>(395,299)</u>	<u>(394,279)</u>	<u>(389,292)</u>	<u>(389,006)</u>	<u>(333,244)</u>
Total primary government	<u>16,754,447</u>	<u>14,113,541</u>	<u>13,315,638</u>	<u>12,548,419</u>	<u>11,757,898</u>	<u>11,098,087</u>	<u>11,507,025</u>	<u>10,119,469</u>	<u>9,683,955</u>	<u>9,650,456</u>
Change in net assets:										
Governmental activities	4,414,477	2,539,400	1,438,343	(510,289)	(1,291,320)	377,717	785,635	(825,288)	291,725	2,415,950
Business-type activities	329,624	(146,678)	(4,753,051)	(192,628)	(202,118)	(208,744)	(207,724)	750,131	36,449	300,605
Total primary government	<u>\$ 4,744,101</u>	<u>\$ 2,392,722</u>	<u>\$ (3,314,708)</u>	<u>\$ (702,917)</u>	<u>\$ (1,493,438)</u>	<u>\$ 168,973</u>	<u>\$ 577,911</u>	<u>\$ (75,157)</u>	<u>\$ 328,174</u>	<u>\$ 2,716,555</u>

MIAMI SHORES VILLAGE, FLORIDA
FUND BALANCES FOR GOVERNMENTAL FUNDS
FOR THE LAST TEN FISCAL YEARS

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General fund:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	* 19,092	6,779	12,656	17,851	4,506	7,786	3,741	11,698	32,305	33,480
Restricted	* -	-	-	-	-	-	-	-	-	-
Committed	* -	-	-	-	-	-	31,562	31,562	45,947	77,512
Assigned	* 863,000	-	-	-	-	-	-	-	-	-
Unassigned	* 9,732,952	9,279,090	8,569,656	8,070,645	7,450,908	7,957,802	8,553,593	7,923,177	7,884,961	7,846,925
Total general fund	<u>\$ 10,615,044</u>	<u>\$ 9,285,869</u>	<u>\$ 8,582,312</u>	<u>\$ 8,088,496</u>	<u>\$ 7,455,414</u>	<u>\$ 7,965,588</u>	<u>\$ 8,588,896</u>	<u>\$ 7,966,437</u>	<u>\$ 7,963,213</u>	<u>\$ 7,957,917</u>
All other governmental funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital project funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	* -	2,000	2,000	-	5,174	-	-	-	-	59,270
Restricted	* 4,120,790	4,439,562	4,526,640	5,736,464	6,046,087	5,710,324	5,953,557	5,731,494	6,042,082	5,798,976
Committed	* 1,265,401	1,442,733	1,646,587	830,632	768,966	581,630	578,434	649,494	611,766	955,728
Assigned	* 68,451	-	-	-	-	-	-	-	-	-
Unassigned	* (1,198,175)	(3,357,706)	(3,373,275)	(3,323,252)	(1,079,522)	-	-	-	-	-
Total all other governmental funds	<u>\$ 4,256,467</u>	<u>\$ 2,526,589</u>	<u>\$ 2,801,952</u>	<u>\$ 3,243,844</u>	<u>\$ 5,740,705</u>	<u>\$ 6,291,954</u>	<u>\$ 6,531,991</u>	<u>\$ 6,380,988</u>	<u>\$ 6,653,848</u>	<u>\$ 6,813,974</u>

MIAMI SHORES VILLAGE, FLORIDA

CHANGES IN FUND BALANCES FOR GOVERNMENTAL FUNDS

FOR THE LAST TEN FISCAL YEARS

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues:										
Taxes	\$ 10,015,239	\$ 9,672,526	\$ 9,009,745	\$ 8,484,744	\$ 7,923,699	\$ 7,326,125	\$ 6,893,572	\$ 6,406,843	\$ 6,255,087	\$ 6,078,085
Public services taxes	2,232,886	2,107,335	2,156,184	2,121,676	2,104,726	2,141,094	2,199,772	2,214,451	2,799,637	2,795,688
Licenses and permits	1,279,733	913,015	1,291,634	1,211,448	1,212,029	1,257,228	1,237,435	1,018,301	841,572	914,833
Intergovernmental	4,958,149	2,234,976	2,025,110	1,962,185	1,910,943	1,890,677	1,879,181	2,219,683	1,052,694	1,135,715
Grants, contributions and donations	25,658	-	-	-	-	-	-	-	-	-
Charges for services	1,619,550	1,278,240	1,898,020	2,034,859	1,829,756	1,732,617	2,059,389	1,980,381	1,941,090	1,734,095
Fees and fines	325,274	1,000,705	441,823	489,247	696,709	517,648	613,743	629,524	858,753	1,955,837
Miscellaneous	366,701	675,139	664,688	662,875	549,075	507,592	827,991	555,417	415,330	493,243
Investment earnings	24,165	108,026	231,498	103,199	55,420	24,149	27,058	18,166	32,015	59,289
Total revenues	<u>20,847,355</u>	<u>17,989,962</u>	<u>17,718,702</u>	<u>17,070,233</u>	<u>16,282,357</u>	<u>15,397,130</u>	<u>15,738,141</u>	<u>15,042,766</u>	<u>14,196,178</u>	<u>15,166,785</u>
Expenditures:										
General Government	3,130,958	2,568,784	2,518,487	3,156,532	3,293,951	3,045,728	3,073,851	2,627,454	2,500,274	2,291,190
Public Safety	8,199,533	7,618,226	8,098,441	6,909,490	6,650,384	6,309,748	6,134,782	6,285,671	6,111,942	5,536,160
Public Works	2,134,157	2,662,058	2,361,667	4,351,425	3,073,272	1,990,600	1,823,936	1,761,225	1,662,089	1,684,822
Culture and Recreation	2,712,183	2,379,177	2,875,148	2,812,709	2,595,807	2,720,207	2,580,527	2,546,688	2,428,789	2,209,660
Capital outlay	1,586,472	2,339,234	1,669,824	1,378,124	1,215,777	1,927,324	1,526,136	1,613,488	1,115,631	1,449,486
Debt services:										
Principal	331,400	327,400	317,100	533,959	674,079	657,889	635,837	589,036	4,362,580	487,690
Interest and other charges	115,349	124,515	133,191	141,846	151,794	168,811	272,374	283,840	432,997	421,599
Total expenditures	<u>18,210,052</u>	<u>18,019,394</u>	<u>17,973,858</u>	<u>19,284,085</u>	<u>17,655,064</u>	<u>16,820,307</u>	<u>16,047,443</u>	<u>15,707,402</u>	<u>18,614,302</u>	<u>14,080,607</u>
(Deficiency) excesss of revenues over expenditures	2,637,303	(29,432)	(255,156)	(2,213,852)	(1,372,707)	(1,423,177)	(309,302)	(664,636)	(4,418,124)	1,086,178
Other financing sources (uses):										
Proceeds from long-term debt	-	-	-	-	-	-	4,017,600	-	3,923,000	-
Payment to refunding agent	-	-	-	-	-	-	(3,890,000)	-	-	-
Sales of capital assets	-	-	-	-	-	-	523,164	-	-	-
Transfer in	759,971	2,073,591	5,222,774	2,981,015	4,487,608	4,474,312	3,269,070	3,264,673	3,028,480	2,983,374
Transfer out	(338,221)	(1,615,965)	(4,915,694)	(2,630,939)	(4,176,324)	(4,012,312)	(2,837,070)	(2,869,673)	(2,688,180)	(2,757,627)
Total other financing sources (uses)	<u>421,750</u>	<u>457,626</u>	<u>307,080</u>	<u>350,076</u>	<u>311,284</u>	<u>462,000</u>	<u>1,082,764</u>	<u>395,000</u>	<u>4,263,300</u>	<u>225,747</u>
Net change in fund balances	<u>\$ 3,059,053</u>	<u>\$ 428,194</u>	<u>\$ 51,924</u>	<u>\$ (1,863,776)</u>	<u>\$ (1,061,423)</u>	<u>\$ (961,177)</u>	<u>\$ 773,462</u>	<u>\$ (269,636)</u>	<u>\$ (154,824)</u>	<u>\$ 1,311,925</u>
Debt service as a percentage of noncapital expenditures	2.7%	2.9%	2.8%	3.8%	5.0%	5.6%	6.3%	6.2%	27.4%	7.2%

MIAMI SHORES VILLAGE, FLORIDA
GENERAL GOVERNMENTAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

<u>Fiscal Year</u>	<u>Ad-Valorem Taxes General Purpose</u>	<u>Public Service Taxes</u>	<u>Licenses and Permits</u>	<u>Intergovernmental</u>	<u>Charges for Services</u>	<u>Fees and Fines</u>	<u>Miscellaneous</u>	<u>Investment Earnings</u>	<u>Total</u>
2012	5,524,395	2,098,267	914,833	892,474	1,734,095	320,926	361,318	42,552	11,888,860
2013	5,719,016	2,045,767	841,572	964,755	1,941,090	609,029	276,811	18,746	12,416,786
2014	5,894,716	2,214,451	1,018,301	1,002,183	1,980,381	492,285	382,149	5,213	12,989,679
2015	6,383,317	2,199,772	1,237,435	1,062,801	2,059,389	499,777	449,445	14,281	13,906,217
2016	6,864,998	2,141,094	1,257,228	1,092,365	1,732,617	352,026	357,494	14,492	13,812,314
2017	7,446,686	2,104,726	1,212,029	1,102,765	1,829,756	554,068	371,309	42,023	14,663,362
2018	8,027,601	2,121,676	1,211,448	1,131,324	2,034,859	435,792	461,779	74,081	15,498,560
2019	8,555,473	2,156,184	1,291,634	1,139,976	1,898,020	251,004	532,950	162,557	15,987,798
2020	9,201,078	2,107,335	913,015	1,002,859	1,278,240	957,749	538,330	71,392	16,069,998
2021	9,558,415	2,232,886	1,240,591	1,209,673	1,619,550	271,110	342,191	16,035	16,490,451

Revenues included in the General and Excise Tax Funds
The Excise Tax Fund was closed in FY2019

MIAMI SHORES VILLAGE, FLORIDA
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
FOR THE LAST TEN FISCAL YEARS

Fiscal Year Ended <u>September 30,</u>	<u>Property</u>	<u>Personal Property</u>	<u>Centrally Assessed</u>	<u>Total Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Total Market Value</u>	<u>Assessed Value as a percentage of Market Value</u>
2012	698,738,442	16,953,525	1,544,711	717,236,678	8.7855	1,243,667,012	57.67%
2013	727,955,201	17,910,658	1,530,814	747,396,673	8.7500	1,284,277,736	58.20%
2014	744,161,594	18,898,889	1,071,836	764,132,319	8.6949	1,294,780,508	59.02%
2015	808,067,935	20,443,472	1,281,491	829,792,898	8.6392	1,483,377,513	55.94%
2016	880,336,926	19,782,931	1,509,219	901,629,076	8.4289	1,692,889,026	53.26%
2017	953,506,766	19,610,810	1,678,470	974,796,046	8.4054	1,879,247,396	51.87%
2018	1,030,605,970	19,731,712	1,785,659	1,052,123,341	8.3491	2,009,104,786	52.37%
2019	1,095,746,087	20,399,258	1,887,615	1,118,032,960	8.3192	2,019,624,945	55.36%
2020	1,173,922,297	20,064,707	2,400,225	1,196,387,229	8.3009	2,084,500,585	57.39%
2021	1,233,170,132	21,921,504	2,215,825	1,257,307,461	8.2773	2,123,768,447	59.20%

Source: Miami-Dade County Property Appraisal Office & Florida Department of Revenue.

Note: Property in the Village is reassessed each year. State law requires the Property Appraiser to appraise property at 100% of market value. The Florida Constitution was amended, effective January 1, 1995, to limit annual increases in assessed value of property with homestead exemption to 3 percent per year or the amount of the Consumer Price index, whichever is less. The increase is not automatic since no assessed value shall exceed market value. Tax rates are per \$1,000 of assessed value.

MIAMI SHORES VILLAGE, FLORIDA

PROPERTY TAX RATES

DIRECT AND OVERLAPPING GOVERNMENTS (1)

FOR THE LAST TEN FISCAL YEARS

Fiscal Year Ended <u>September 30,</u>	<u>Miami Shores Village</u>			<u>County</u>			<u>Special Districts</u>			Total Direct & Overlapping Rates
	<u>City Wide</u>	<u>Debt Service</u>	<u>Total Direct Rate</u>	<u>County- Wide</u>	<u>Debt Service</u>	<u>Fire</u>	<u>Library</u>	<u>School</u>	<u>State</u>	
2012	8.0000	0.7855	8.7855	4.8050	0.2850	2.4627	-	8.0050	0.9708	25.3140
2013	8.0000	0.7500	8.7500	4.7035	0.2850	2.4627	-	7.9980	0.9634	25.1626
2014	8.0000	0.6949	8.6949	4.7035	0.4220	2.4623	-	7.9770	0.9455	25.2052
2015	8.0000	0.6392	8.6392	4.6669	0.4500	2.4321	-	7.9740	0.9187	25.0809
2016	7.9000	0.5289	8.4289	4.6583	0.4586	2.4293	-	7.6120	0.8871	24.4742
2017	7.9000	0.5054	8.4054	4.6669	0.4000	2.4282	-	7.3220	0.8627	24.0852
2018	7.9000	0.4491	8.3491	4.6669	0.4000	2.4282	-	6.9940	0.8093	23.6475
2019	7.9000	0.4192	8.3192	4.6669	0.4644	2.4207	-	6.7330	0.7671	23.3713
2020	7.9000	0.4009	8.3009	4.6669	0.4780	2.4207	-	7.1480	0.7795	23.7940
2021	7.9000	0.3773	8.2773	4.6669	0.4780	2.4207	-	7.1290	0.7502	23.7221

(1) Overlapping rates are those of local and county governments that apply to property owners within the Village of Miami Shores.

Additional information:

Property tax rates are assessed per \$1,000 of Taxable Assessed Valuation

Tax rate limits:

City	10.000 Mils
County	10.000 Mils
School	10.000 Mils
State	10.000 Mils

Source: Miami Dade County Finance Department, Tax Collector's Division

MIAMI SHORES VILLAGE, FLORIDA
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND TEN YEARS AGO

<u>Taxpayer</u>	<u>2021</u>			<u>2012</u>		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Value
Tropical Chevrolet, Inc.	\$ 11,893,672	1	0.95%	\$ 6,897,915	2	0.55%
Shore Square Properties, LLC	9,150,702	2	0.73%	6,575,898	3	0.53%
Florida Power & Light Company	9,016,022	3	0.72%	6,237,056	4	0.50%
Northern Trust Bank ETAL TRS (Publix)	8,833,992	4	0.70%	6,900,000	1	0.55%
Miami Shores Village	8,582,264	5	0.68%			
Carol Invest USA, Inc	4,940,224	6	0.39%			
88 Biscayne Management LLC	4,118,687	7	0.33%			
Angelo Napolitano Est Of	4,000,000	8	0.32%			
DVS LLC	3,775,493	9	0.30%	2,820,926	5	0.23%
SMSB LLC	3,575,000	10	0.28%			
Frances B Everett				2,400,000	7	0.19%
Wal Miami LLC				2,456,175	6	0.20%
Omar Cassola				2,298,065	8	0.18%
Norton L Barchan				2,044,679	9	0.16%
Robert Ader & W				<u>1,983,236</u>	10	<u>0.16%</u>
Total	<u>\$ 67,886,056</u>		<u>5.40%</u>	<u>\$ 40,613,950</u>		<u>3.26%</u>

MIAMI SHORES VILLAGE, FLORIDA
OPERATING PROPERTY TAX LEVIES AND COLLECTIONS
FOR THE LAST TEN FISCAL YEARS

Fiscal Year Ended <u>September 30.</u>	Total Levied for the <u>Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		Collections in Subsequent <u>Years</u>	<u>Total collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2012	5,756,124	5,833,835	101.4%	60,881	5,894,716	102.4%
2013	5,998,630	5,672,080	94.6%	46,936	5,719,016	95.3%
2014	6,113,059	5,894,716	96.4%	98	5,894,814	96.4%
2015	6,638,343	6,383,223	96.2%	94	6,383,317	96.2%
2016	7,122,870	6,803,657	95.5%	61,341	6,864,998	96.4%
2017	7,700,889	7,446,395	96.7%	291	7,446,686	96.7%
2018	8,311,774	8,027,509	96.6%	92	8,027,601	96.6%
2019	8,832,460	8,555,406	96.9%	67	8,555,473	96.9%
2020	9,451,459	9,170,453	97.0%	30,692	9,201,078	97.4%
2021	9,932,729	9,563,900	96.3%	25,207	9,558,415	96.2%

Source: Miami Shores Village Finance Department and Miami-Dade County Property Appraisers Office.

MIAMI SHORES VILLAGE, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
FOR THE LAST TEN FISCAL YEARS

Fiscal Year Ended <u>September 30,</u>	Governmental		Enterprise		Percentage of Actual Taxable Value of Property	Percentage of Personal Income
	General Obligation Bonds	Loan Payable	Revenue Bonds	Total		
2012	6,460,000	1,922,581	-	8,382,581	1.17%	2.38%
2013	6,298,000	1,645,000	-	7,943,000	1.06%	2.22%
2014	6,053,000	1,300,964	-	7,353,964	0.96%	1.85%
2015	5,895,300	950,427	-	6,845,727	0.82%	1.69%
2016	5,596,900	590,938	4,840,000	11,027,838	1.22%	2.62%
2017	5,291,600	222,159	4,680,000	10,193,759	1.05%	2.26%
2018	4,979,800	-	4,520,000	9,499,800	0.90%	1.89%
2019	4,662,700	-	3,760,000	8,422,700	0.75%	1.63%
2020	4,335,300	-	3,760,000	8,095,300	0.68%	1.49%
2021	4,003,900	-	3,700,000	7,703,900	0.61%	1.51%

MIAMI SHORES VILLAGE, FLORIDA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2021

(in thousands)

<u>Governmental Unit</u>		<u>Debt Outstanding</u>	<u>Percentage Applicable To City</u>	<u>Amount Applicable To City</u>
Overlapping debt:				
Miami-Dade County, Florida	(1)	\$ 2,537,575	0.39%	\$ 9,836
Miami-Dade County Public Schools	(2)	<u>912,173</u>	0.36%	<u>3,247</u>
Total overlapping debt		\$ 3,449,748		13,084
 Miami Shores Village		<u>4,004</u>	100.00%	<u>4,004</u>
Total direct and overlapping debt		<u>\$ 3,453,752</u>		<u>\$ 17,087</u>

Sources:

- (1) Miami-Dade County, Finance Department (Includes General Obligation Bonds)
- (2) The School Board of Miami-Dade County (Includes General Obligation Bonds)
- (3) The percentage of overlapping debt applicable is estimated using the taxable property value of the Village as compared to the taxable property value of the County and the School Board.

MIAMI SHORES VILLAGE, FLORIDA
LEGAL DEBT MARGIN INFORMATION
FOR THE LAST TEN FISCAL YEARS

	Fiscal Year									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt limit	\$ 121,726,846	\$ 115,303,423	\$ 107,140,596	\$ 100,232,534	\$ 92,188,005	\$ 84,566,008	\$ 77,083,990	\$ 70,360,232	\$ 68,441,667	\$ 65,491,549
Total net debt applicable to limit	<u>4,003,900</u>	<u>4,335,300</u>	<u>4,662,700</u>	<u>4,979,800</u>	<u>5,291,600</u>	<u>5,596,900</u>	<u>5,895,300</u>	<u>6,053,000</u>	<u>6,298,000</u>	<u>6,460,000</u>
Legal debt margin	<u>\$ 117,722,946</u>	<u>\$ 110,968,123</u>	<u>\$ 102,477,896</u>	<u>\$ 95,252,734</u>	<u>\$ 86,896,405</u>	<u>\$ 78,969,108</u>	<u>\$ 71,188,690</u>	<u>\$ 64,307,232</u>	<u>\$ 62,143,667</u>	<u>\$ 59,031,549</u>
Total net debt applicable to the limit as a percentage of debt limit	3.29%	3.76%	4.35%	4.97%	5.74%	6.62%	7.65%	8.60%	9.20%	9.86%

MIAMI SHORES VILLAGE, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
FOR THE LAST TEN CALENDAR YEARS

<u>Year</u>	<u>Estimated Population (1)</u>	<u>Personal Income (Thousand of Dollars)</u>	<u>Per Capita Personal Income (2)</u>	<u>Unemployment Rate (3)</u>
2012	10,493	352,932	33,635	8.7%
2013	10,659	358,515	33,635	8.4%
2014	10,781	396,741	36,800	6.6%
2015	10,776	405,048	37,588	6.2%
2016	10,806	420,883	38,949	5.7%
2017	10,493	450,947	42,976	4.6%
2018	10,810	502,870	46,519	4.1%
2019	10,761	515,592	47,913	3.1%
2020	10,817	544,506	50,338	7.4%
2021	10,817	510,952	47,236	6.0%

Sources:

- (1) State of Florida Department of Revenue
- (2) U. S. Census Bureau
- (3) U.S. Bureau of Labor Statistics

MIAMI SHORES VILLAGE, FLORIDA

PRINCIPAL EMPLOYERS LOCATED IN MIAMI-DADE COUNTY

CURRENT YEAR AND TEN YEARS AGO

<u>Employer</u>	<u>2021</u>			<u>2012</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Miami-Dade County Public Schools	33,477	1	1.89%	48,571	1	3.73%
Miami-Dade County, Florida	25,502	2	1.44%	29,000	2	2.23%
Federal Government	19,200	3	1.08%	19,500	3	1.50%
Florida State Government	17,100	4	0.97%	17,100	4	1.31%
University of Miami	12,818	5	0.72%	16,000	5	1.23%
Baptist Health South Florida	11,353	6	0.64%	13,376	6	1.03%
American Airlines	11,031	7	0.62%	9,000	9	0.69%
Jackson Health System	9,797	8	0.55%	12,571	7	0.96%
City of Miami	3,997	9	0.23%	-	-	0.00%
Florida International University	3,534	10	0.20%	8,000	10	0.61%
Publix Super Markets	-	-	0.00%	10,800	8	0.69%
Total Civilian Labor Force Employment	<u>1,769,657</u>					

Source: The Beacon Council (2015) & U.S. Census Bureau

MIAMI SHORES VILLAGE, FLORIDA

VILLAGE EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government:										
Administration:										
Full time	5	5	12	11	12	10	10	8	10	9
Part time	0.5	0	7	6	7	6	6	5	5	5
Finance:										
Full time	3	3	4	5	6	6	5	5	5	5
Part time	-	-	-	-	-	-	-	-	-	-
Public Works:										
Full time	42	42	42	43	44	43	39	43	41	40
Part time	1.5	1	1	1	1	1	1	-	1	-
Culture and Recreation:										
Parks & Recreation:										
Full time	13	15	14	13	13	15	13	12	12	13
Part time	35	28	58	63	63	67	63	72	51	30
Library:										
Full time	4	4	4	4	4	4	4	2	3	3
Part time	4	5	6	7	6	6	6	8	7	6
Public Safety										
Building*										
Full time	5	4								
Part time	9	7								
Code Compliance*										
Full time	3	3								
Part time	-	-								
Police										
Full time	44	47	48	48	46	42	40	43	43	44
Part time	1	3	3	3	3	4	4	4	3	3
Total	<u>170</u>	<u>167</u>	<u>199</u>	<u>204</u>	<u>205</u>	<u>204</u>	<u>191</u>	<u>202</u>	<u>181</u>	<u>158</u>

* Building & Code Compliance reclassified to Public Safety from General Government in FY2020

Source: Village Finance Office

MIAMI SHORES VILLAGE, FLORIDA
OPERATING INDICATORS BY FUNCTION
FOR THE LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Government:										
Finance:										
Number of lien searches processed	562	-	-	-	-	-	-	-	-	-
Public Safety:										
Building:										
Number of building permits issued	2,788	-	-	-	-	-	-	-	-	-
Code Compliance:										
Business Licenses issued	412	-	-	-	-	-	-	-	-	-
Police:										
Number of arrests	137	-	-	-	-	-	-	-	-	-
Number of calls for service	14,000	-	-	-	-	-	-	-	-	-
Number of sworn law enforcement personnel	38	-	-	-	-	-	-	-	-	-
Public Works:										
Garbage collected (tons)	4,158	-	-	-	-	-	-	-	-	-
Recycling collected (tons)	795	-	-	-	-	-	-	-	-	-
Sidewalks repaired (square feet)	1,275	-	-	-	-	-	-	-	-	-
Trash collected (tons)	164	-	-	-	-	-	-	-	-	-
Culture and Recreation:										
Number of program participants	73,649	-	-	-	-	-	-	-	-	-

Sources:
 Various Village Departments
 *Only FY2021 data available at this time

MIAMI SHORES VILLAGE, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
FOR THE LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government:										
Village Hall	1	-	-	-	-	-	-	-	-	-
Public Safety:										
Police:										
Police stations	1	-	-	-	-	-	-	-	-	-
Police vehicles	61	-	-	-	-	-	-	-	-	-
Public Works:										
Number of recycling/refuse collection trucks	14	-	-	-	-	-	-	-	-	-
Culture and Recreation:										
Aquatic Playground	1	-	-	-	-	-	-	-	-	-
Art in Public Places	6	-	-	-	-	-	-	-	-	-
Basketball Courts	2	-	-	-	-	-	-	-	-	-
Dog Park	1	-	-	-	-	-	-	-	-	-
Golf Courses	1	-	-	-	-	-	-	-	-	-
Libraries	1	-	-	-	-	-	-	-	-	-
Parks*	6	-	-	-	-	-	-	-	-	-
Parks & Recreation Center(s)	6	-	-	-	-	-	-	-	-	-
Pickleball Court(s)	4	-	-	-	-	-	-	-	-	-
Racketball Court(s)	1	-	-	-	-	-	-	-	-	-
Swimming Pool(s)	1	-	-	-	-	-	-	-	-	-
Tennis Court(s)	4	-	-	-	-	-	-	-	-	-

Sources:

Various Village Departments

* Dog Park also included in Parks total

**Only FY2021 data available at this time

COMPLIANCE SECTION

**INDEPENDENT AUDITORS' 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**

Honorable Mayor and Members of the Village Council
Miami Shores Village, 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, each major fund, and the aggregate remaining fund information of Miami Shores Village, Florida (the "Village"), as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated April 28, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village'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 Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miami, Florida
April 28, 2022

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and Members of the Village Council
Miami Shores Village, Florida

Report on Compliance for the Major Federal Program

We have audited the Miami Shores Village, Florida's (the "Village") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Village's major federal program for the fiscal year ended September 30, 2021. Village's major federal program are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the Village's major federal program 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). Those standards and the Uniform Guidance 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 occurred. An audit includes examining, on a test basis, evidence about the Village'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 the major federal program. However, our audit does not provide a legal determination of the Village's compliance.

Opinion on the Major Federal Program

In our opinion, the Village, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the fiscal year ended September 30, 2021.

Report on Internal Control over Compliance

Management of the Village 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 Village's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 Village's internal control over compliance.

Report on Internal Control over Compliance (Continued)

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 on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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 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. Accordingly, this report is not suitable for any other purpose.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miami, Florida
April 28, 2022

MIAMI SHORES VILLAGE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Total Federal Expenditures</i>
United States Department of Justice			
Pass through Florida Department of Law Enforcement			
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	2020-CESF-DADE-3-C9-112	\$ 572
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	2021-CERF-DADE-1-5A-018	47,481
<i>Total United States Department of Justice</i>			<u>48,053</u>
United States Department of Treasury			
Pass through Miami-Dade County			
COVID-19 Coronavirus Relief Fund	21.019	N/A	442,255
<i>Total United States Department of Treasury</i>			<u>442,255</u>
United States Department of Homeland Security			
Pass through Florida Division of Emergency Management			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	N/A	2,152,760
<i>Total United States Department of Homeland Security</i>			<u>2,152,760</u>
<i>Total Expenditures of Federal Awards</i>			<u><u>\$ 2,643,068</u></u>

The accompanying notes are an integral part of this schedule.

MIAMI SHORES VILLAGE, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

NOTE 1. GENERAL

The accompanying schedules of expenditures of federal awards (the “schedule”) includes the federal grant activity of the Miami Shores Village (the “Village”). For purposes of this schedule, federal awards include federal and state assistance received directly from a federal or state agency, as well as federal received indirectly by the Village from non-federal organizations.

NOTE 2. BASIS OF PRESENTATION

The information in this schedule is presented in accordance with the 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The expenditures in the accompanying schedule are presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are recognized when the Village becomes obligated for a payment as a result of the receipt of the related goods or services.

NOTE 3. CONTINGENCIES

The grant revenues received by the Village are subject to audit and adjustment. If any expenditures are disallowed by grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the Village. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal laws and regulations.

NOTE 4. INDIRECT COST RATE

The Village has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 5. PRIOR YEAR EXPENDITURES

The current year schedule includes prior fiscal year expenditures for the program noted below. Although the expenditures were incurred in prior fiscal years, the funding approvals for the expenditures were obtained in the current fiscal year.

Federal Grantor	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Prior Year Expenditures Reported in FY2021
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	N/A	\$ 2,152,760

MIAMI SHORES VILLAGE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:

Internal control over financial reporting:

Unmodified Opinion

Material weakness(es) identified?

Yes No

Significant deficiencies identified?

Yes None reported

Noncompliance material to financial statements noted?

Yes No

Federal Awards

Internal control over major program:

Material weakness(es) identified?

Yes No

Significant deficiencies identified?

Yes None Reported

Type of auditors' report issued on compliance for major federal program:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

Yes No

Identification of major federal program:

Assistance Listing No.

Name of Federal Program or Cluster

97.036

Disaster Grants - Public Assistance (Presidentially Declared Disasters)

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as a low-risk auditee?

Yes No



MANAGEMENT LETTER REQUIRED BY SECTION 10.550 OF THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Honorable Mayor and Members of the Village Council
Miami Shores Village, Florida

Report on the Financial Statements

We have audited the financial statements of Miami Shores Village, Florida (the "Village"), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated April 28, 2022.

Auditors' Responsibility

We conducted our audit 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; 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.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for the Major Federal Program and Report on internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report 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 April 28, 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 annual financial audit report. There were no findings or recommendations made in the preceding annual 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. This information has been disclosed in the notes to the 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 Village met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify of the specific condition(s) met. In connection with our audit, we determined that the Village did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Financial Condition and Management (Continued)

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Village. It is management's responsibility to monitor the Village'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. Our assessment was performed as of the fiscal year end.

Section 10.554 (1)(i)(2), Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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 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, members of the Village Council and management of the Village, and is not intended to be and should not be used by anyone other than these specified parties.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miami, Florida
April 28, 2022



**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE PURSUANT TO
SECTION 218.415 FLORIDA STATUTES**

Honorable Mayor and Members of the Village Council
Miami Shores Village, Florida

We have examined the Miami Shores Village's (the Village) compliance with the requirements of Section 218.415 Florida Statutes during the period of October 1, 2020 to September 30, 2021. Management of the Village is responsible for the Village's compliance with the specified requirements. Our responsibility is to express an opinion on the Village'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 Village complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Village 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 Village's compliance with specified requirements. In our opinion, the Village complied, in all material respects, with the requirements of Section 218.415 Florida Statutes during the period of October 1, 2020 to September 30, 2021.

This report is intended solely for the information and use of management, the Mayor, the Village Council, others within the Village and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miami, Florida
April 28, 2022