



# ANNUAL COMPREHENSIVE FINANCIAL REPORT

CITY OF HIALEAH, FLORIDA  
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2022

**CITY OF HIALEAH, FLORIDA**  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

Prepared by:  
Finance Department

**CITY OF HIALEAH, FLORIDA**  
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## INTRODUCTORY SECTION



**Esteban Bovo, Jr.**  
Mayor

**Monica Perez**  
Council President

**Jacqueline Garcia-Roves**  
Council Vice-President



**Council Members**  
**Bryan Calvo**  
**Vivian Casáls-Muñoz**  
**Luis Rodriguez**  
**Jesus Tundidor**  
**Carl Zogby**

# City of Hialeah

June 9, 2023

To the Members of the City Council and Residents of the City of Hialeah:

It is our pleasure to submit the Comprehensive Annual Financial Report for the City of Hialeah, Florida, for the fiscal year ending September 30, 2022. The financial statements included in this report conform to generally accepted accounting principles (GAAP) in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

The City of Hialeah's financial statements have been audited by Caballero Fierman Llerena & Garcia, LLP Certified Public Accountants. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Hialeah's financial statements for the fiscal year ended September 30, 2022, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

This report consists of management's representation concerning the finances of the City of Hialeah. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Hialeah 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 City of Hialeah's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Hialeah's comprehensive framework of internal controls has 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. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A).

This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Hialeah's MD&A can be found immediately following the report of the independent auditors.

## **PROFILE OF THE GOVERNMENT**

The City of Hialeah was incorporated in 1925 by the laws of the State of Florida contained in Chapter 11516 Special Acts of 1925. The City of Hialeah occupies a land area of 23 square miles and serves a population of approximately 225,000 residents.

The City of Hialeah has operated under a strong mayor form of government since its inception. Policy making and legislative authority are vested in a governing council consisting of a seven-member council. The council is responsible for, among other things, passing ordinances and adopting the budget.

The Mayor is responsible for carrying out the policies and ordinances of the council, overseeing the day-to-day operations of the government, and appointing the heads of various departments.

The City of Hialeah offers a wide range of services, including, public safety (police and fire), public works, streets, water and wastewater, sanitation, social services, cultural activities, public improvements, planning and zoning, building, libraries and educational services, and general administrative services.

## **ECONOMIC CONDITION AND OUTLOOK**

Each fiscal year provides the City an opportunity to identify, address and resolve issues facing our community and our citizens. The City's major functions are to provide the essential infrastructure and services needed to maintain and improve our citizen's quality of life, and at the same time attract the investments that provide growth and new revenue opportunities to the City. The City continues to emphasize the support of systems such as free public transit, public safety (police and fire), public housing, storm water management, potable (drinking) water, waste treatment and solid waste collection which must be balanced carefully with the quality-of-life amenities which include parks and recreation, entertainment and cultural opportunities to maintain the beauty and attractiveness of our community.

These aforementioned city functions have to be balanced against continued consumer price index increases including commodities used by the city to service its residents.

In the past year, taxable values in the City of Hialeah have increased approximately 13.2% based on the Miami Dade County Property Appraiser's Office assessments. The City continues to honor our commitment to the residents and has not increased the millage rate above the levels that have been set by the Administration for the last ten years. The following discussion is intended to demonstrate the growth and vitality of the City and at the same time to address the projected challenges of the future.

### **Annexation Area (known as Hialeah Heights)**

In 2005 the City of Hialeah annexed from Miami Dade County an area located along the northwest corner of the City of Hialeah between Highway I-75 and the Florida Turnpike lying directly to the west of the City. The Annexation Area consists of 1,920 acres (3 square miles) of land, of which one-third was designated for residential use, two-thirds have been designated for

commercial and industrial use, and includes a 30-acre passive park. As part of the inter-local agreement between the City and Miami-Dade County, the City would provide the necessary regional pre-development infrastructure, including: water and sewer services, road improvements, and regional recreational facilities. The Annexation Area provides continued strong economic growth to the City of Hialeah by expanding its revenue base and maximizing the land use within its borders. The construction of 4,000 residential units with approximately 16,000 residents and 8,000,000 square feet of industrial development were completed. Construction has begun on the first phase of a 77- acre site mixed-use classification, which includes 211,000 square feet of retail / restaurant space and 244 multi-family residential units. Another three undeveloped industrial parcels are in the permitting process to build 1,000,000 square feet of distribution warehouses. Additionally, a new multifamily development comprised of 617 residential units under construction.

## **LONG TERM FINANCIAL PLAN**

In fiscal year 2013, the City Council adopted a minimum fund balance policy for the General Fund. The policy requires that the unassigned fund balance at fiscal year-end be equal to 10% of the current fiscal year General Fund operating expenditures. This targeted reserve shall be in addition to all other reserves or designations of fund balance. The total unassigned fund balance in the General Fund at the end of fiscal year 2022 is approximately \$52.6 million, which is approximately 31% of the General Fund budget. This amount represents 2.5 months of city's operational commitments.

The City continues to pursue and use grant and other funding opportunities to provide needed infrastructure improvements to the City, such as roadway projects, water & sewer projects, sidewalks, and improvements to city parks and programs. In 2022, the City secured \$10 million in grant funding for Infrastructure projects and Life and Safety improvements.

## **MAJOR INITIATIVES AND PROGRAMS**

The City's emphasis has been to restore, maintain and expand urban and residential infrastructure through a program of major renovations and new improvements to City parks, streets, sidewalks, water & sewer improvements, development of affordable housing projects, and improving operational efficiencies.

Due to the increased activity in the annex area, the City of Hialeah has completed and continues additional roadway construction to provide streets for development and economic opportunities. Along with the roadway construction, water and sewer utility lines have been installed to support the annexed area development. Additionally, new production wells and pumps have been installed to handle the increased usage of the water system.

The City continues to repair and modernize sewer pump stations and sewer pipelines (City-wide) in accordance with the Miami Dade County Consent Order. These stations and pipelines are upgraded with the latest state-of-the-art systems enhancing an already efficient water and sewer operation. The City's Department of Public Works is also working on re-lining the City's sewer lines to avoid infiltration of ground water, decreasing the volume of waste water. Completion of these



projects is expected to reduce expenses by decreasing the volume of sewage and payments by the City to Miami Dade County Water and Sewer Department for sewage transmission, and treatment and disposal fees.

In the City's southeast area there are two Transit Oriented Districts created to increase redevelopment in the area. Envisioned as a mixed-use urban setting for shopping, entertainment and recreational activities, the districts are within walking distance of various modes of transportation.

## **RELEVANT FINANCIAL POLICIES**

**Budgetary Controls** – The annual budget serves as a foundation for the City of Hialeah financial planning and control. Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States. Annually the City adopts appropriated budgets for the general fund, special revenue funds (except for CDBG, Emergency Solutions, HOME, SHIP, the Law Enforcement Trust funds, and the Emergency Disaster funds), debt service funds and the capital projects funds. The City follows the procedures below in establishing the budgetary data reflected in the accompanying financial statements. Prior to the first public budget hearing the Mayor submits to the City Council a proposed operating budget for the ensuing fiscal year, commencing October 1. The operating budget includes proposed expenditures and the means of funding them. Public hearings are conducted to obtain taxpayer comments. Prior to October 1, the budget is legally enacted through passage of an ordinance. At any time, the Mayor may transfer any unencumbered appropriation balance or portion thereof between classifications of expenditures within a department. At the request of the Mayor and only after the first six months of the budget year have passed, the City Council, in the form of a resolution, may transfer any part of the unencumbered balance of an appropriation between departments.

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the fund from which it was appropriated and shall be subject to future appropriations. The legal level of control is at the department level. The City Council approves supplemental appropriations. Budget-to-actual comparisons are provided in this report for each fund for which an appropriated annual budget has been adopted.

**Risk Management** – The City administers a self-insurance program for workers' compensation, general liability, and group health insurance programs, subject to certain stop-loss provisions. The health insurance program is administered by an independent administrator. The workers' compensation and liability programs are administered by a separate administrator. For group health insurance, the City funds the program on a pay as you go basis. Insurance coverage is maintained with independent carriers for property damage to City facilities. The City maintains stop-loss coverage with an independent carrier for the City's self-funded group health plan.

## **CERTIFICATE OF ACHIEVEMENT**


The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Hialeah for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2021. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting. This was the twelfth consecutive year that the City of Hialeah has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, the City had to 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 2022 Annual Comprehensive Financial Report continues to meet the high standards of the Certificate of Achievement Program's requirements and we are submitting it to the GFOA for consideration of the award certificate.


## **ACKNOWLEDGEMENTS**

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Management Department, and the City's audit firm, Caballero Fierman Llerena & Garcia, LLP. We would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit also must be given to the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Hialeah's finances.

Respectfully submitted,



Esteban Bovo Jr.  
Mayor



Jorge Blanco, CPA  
Director of Finance



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Hialeah  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2021

*Christopher P. Morill*

Executive Director/CEO

**CITY OF HIALEAH, FLORIDA**

**List of Elected City Officials**

**September 30, 2022**

**Strong Mayor Form of Government**

**CITY COUNCIL**

**Esteban Bovo, Jr., Mayor**

**Carl Zogby, Council President**

**Monica Perez, Council Vice President**

**Bryan Calvo, Council Member**

**Vivian Casál-Muñoz, Council Member**

**Jacqueline Garcia-Roves, Council Member**

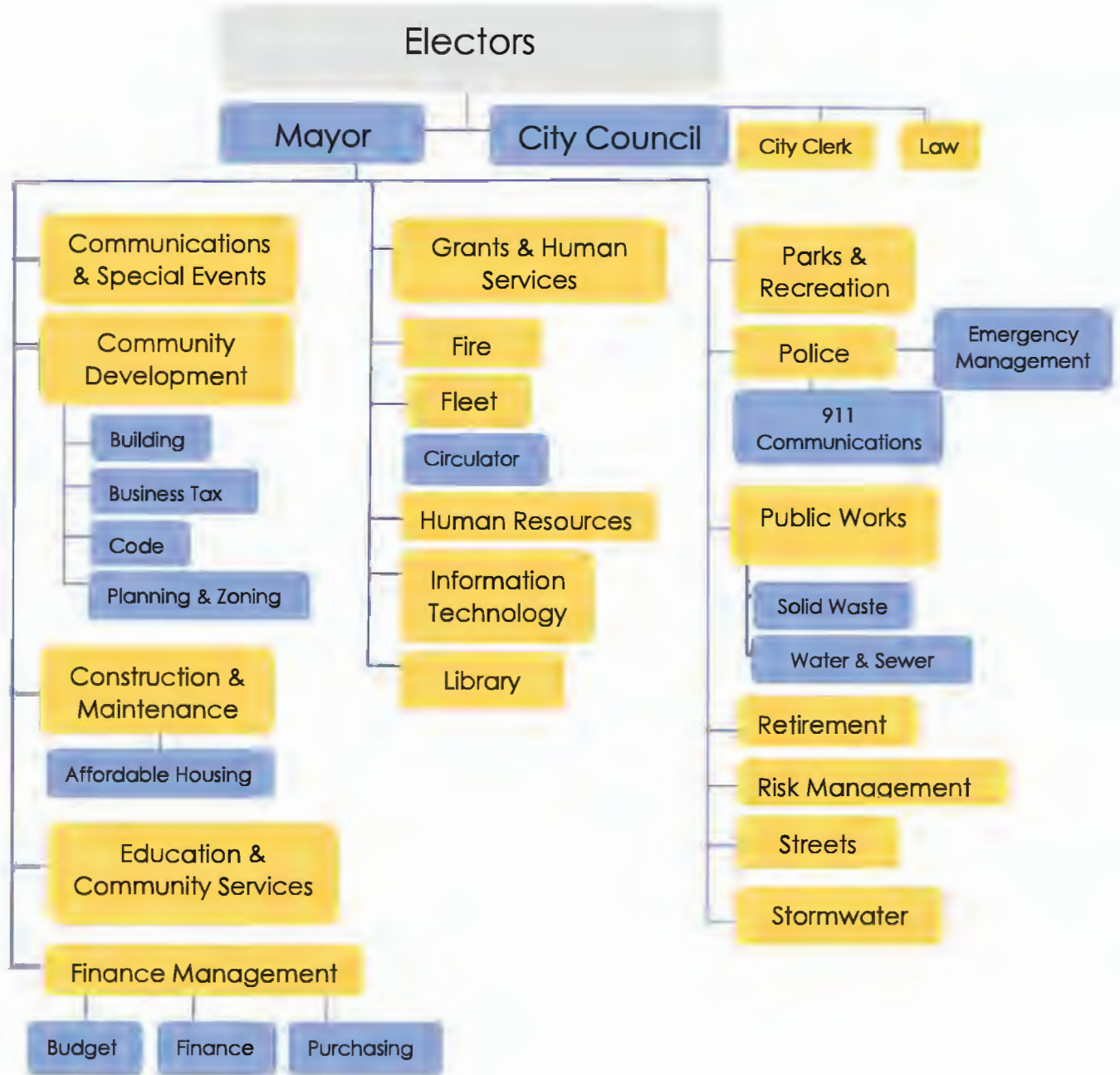
**Luis Rodriguez, Council Member**

**Jesus Tundidor, Council Member**

Prepared by:

Finance Department and Administration

**CITY OF HIALEAH, FLORIDA**  
ORGANIZATIONAL CHART  
SEPTEMBER 30, 2022



## FINANCIAL SECTION



## INDEPENDENT AUDITORS' REPORT



CABALLERO FIERMAN  
LLERENA GARCIA LLP  
accountants | advisors

## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council  
City of Hialeah, Florida

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

#### ***Opinions***

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 the City of Hialeah, Florida (the City), as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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 City, as of September 30, 2022, 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.

#### ***Basis for Opinions***

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material

if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedules, Schedule of Changes in the City's Net Pension Liability and Related Ratios – Employees' Retirement System, Schedule of City Contributions – Employees' Retirement System Schedule of Investment Returns – Employees' Retirement System, Schedule of Changes in the City's Net Pension Liability and Related Ratios – Elected Officials' Retirement System, Schedule of City Contributions – Elected Officials' Retirement System, Schedule of Investment Returns – Elected Officials' Retirement System, and the Schedule of Changes in the City's total OPEB Liability and Related Ratios on pages 4–26 and 99-108 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards and state financial assistance, as required by 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 Auditor General of the State of Florida, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2023, on our consideration of the City'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 City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

*Caballero Fierman Llerena & Garcia, LLP*

Caballero Fierman Llerena & Garcia, LLP  
Miami, Florida  
June 9, 2023

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

As management of the City of Hialeah, Florida, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2022.

**Financial Highlights**

- The liabilities and deferred inflows of resources of the City of Hialeah's governmental and business-type activities exceed its assets and deferred outflows of resources at the close of the most recent fiscal year by a deficit of \$230.8 million.
- Net Position of the City's governmental activities increased by \$44.7 million (12.87%) during the current fiscal year to a deficit of \$302.9 million. This was primarily due to decrease in OPEB liability and decrease in Net pension liability.
- Net position of the City's business-type activities increased by \$8.6 million (13.5%) during the current fiscal year to \$72.1 million. This was primarily due to decrease in OPEB liability and Net pension liability.
- At the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$126.3 million, an increase of approximately \$17.3 million.
- At the close of the current fiscal year, the unassigned fund balance for the General Fund was approximately \$46.1 million, or 87% of the total fund balance of \$52.7 million. The non-spendable fund balance was \$5.1 million which represents long term receivables, inventory and prepaid expenses, which are amounts that are not spendable in nature. The Restricted amount of \$86 thousand is lease proceeds. The committed amount of \$1.1 million is for future expenditures determined by a formal action of the City Council. The \$46.1 million of unassigned fund balance are funds available for spending at the government's discretion. It is important for readers to understand that these funds available for spending are essential for long-term commitments and unanticipated contingencies and should not be considered superfluous.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The city's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to these basic financial statements, this report contains other supplementary information.

Government-wide financial statements

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

- The *statement of net position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.
- The *statement of activities* presents information showing how the City'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 and sick leave).



**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**Overview of the Financial Statements (Continued)**

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or significant portion of their costs through user fees and charges (*Business-type activities*).

The governmental activities of the City included police, fire, streets, grants, bus circulator and human services, state housing initiative, library, code compliance, licenses, fleet maintenance, construction and maintenance, recreation and community services, building, planning and development, and general and administrative services.

The business-type activities of the City include solid waste, water and sewer and storm-water operations. The government-wide financial statements can be found on pages 27-28 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. The City, like other state and local governments, use fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds

*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the *government-wide* financial statements. 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 the City's near-term financing requirements.

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

The City maintains several 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 balances for the General Fund, the Building Fund, and the Coronavirus State and Local Fiscal Recovery Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statement* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund, Building Fund, Coronavirus State and Local Fiscal Recovery Fund, and other governmental funds. Budgetary comparison statements have been provided for the General Fund, Building Fund, Coronavirus State and Local Fiscal Recovery Fund, and governmental funds with legally adopted budgets to demonstrate compliance with these budgets. The basic governmental fund financial statements can be found on pages 29-31 of this report.

Proprietary funds

The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, solid waste, and storm-water operations.

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**Overview of the Financial Statements (Continued)**

Proprietary funds (Continued)

The 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 water and sewer, solid waste, and storm-water operations, which are considered to be major funds of the City. The basic proprietary fund financial statements can be found on pages 32-36 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found in pages 37-38 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 39-98 of this report.

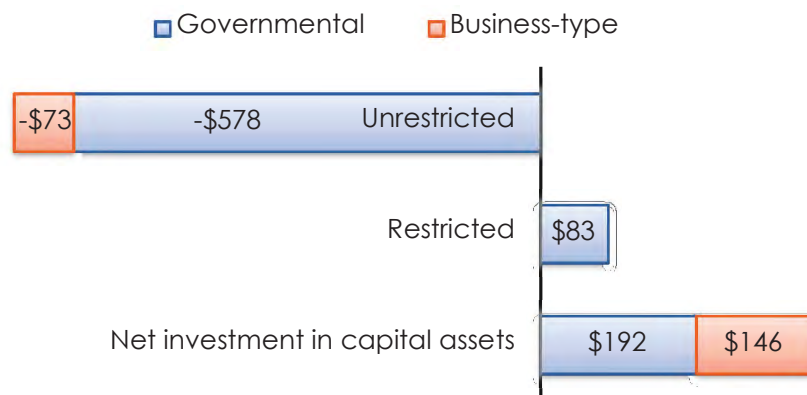
Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including, but not limited to, budgetary comparison schedules of the General Fund, Building Fund, Coronavirus State and Local Fiscal Recovery Fund, and information concerning the city's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found on pages 99-108 of this report. The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information. Combining and individual statements and schedules can be found on pages 109-140 of this report.

**Government-wide Financial Analysis**

Net position may serve over time as a useful indicator of the City's financial position. In the case of the City, the liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$230.8 million net position (deficit). This is a 18.8% reduction in the deficit compared to last year's net position (deficit) of \$284.1 million. This was due to a decrease of the deficit by \$44.7 million in governmental activities and \$8.6 million in business-type activities, respectively.

**Net Position**  
**September 30, 2022**



**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**Government-wide Financial Analysis (Continued)**

**CITY OF HIALEAH - NET POSITION**

	Governmental Activities	Business-type Activities	Total 2022	Governmental Activities	Business-type Activities	Total 2021
Current and other assets	\$187,836,045	\$71,782,353	\$259,618,398	\$152,233,959	\$67,131,907	\$219,365,866
Restricted assets	5,813,441	27,336,488	33,149,929	3,645,543	11,313,420	14,958,963
Capital assets, net	<u>246,527,294</u>	<u>196,003,410</u>	<u>442,530,704</u>	<u>255,418,877</u>	<u>201,957,929</u>	<u>457,376,806</u>
Total assets	<u>440,176,780</u>	<u>295,122,251</u>	<u>735,299,031</u>	<u>411,298,379</u>	<u>280,403,256</u>	<u>691,701,635</u>
Deferred outflows of resources	<u>123,033,372</u>	<u>13,988,049</u>	<u>137,021,421</u>	<u>143,238,893</u>	<u>22,080,204</u>	<u>165,319,097</u>
Long-term liabilities	642,280,825	145,480,110	787,760,935	821,886,325	177,802,590	999,688,915
Other liabilities	<u>83,959,069</u>	<u>67,206,159</u>	<u>151,165,228</u>	<u>51,902,813</u>	<u>56,879,762</u>	<u>108,782,575</u>
Total liabilities	<u>726,239,894</u>	<u>212,686,269</u>	<u>938,926,163</u>	<u>873,789,138</u>	<u>234,682,352</u>	<u>1,108,471,490</u>
Deferred inflows of resources	<u>139,868,141</u>	<u>24,309,034</u>	<u>164,177,175</u>	<u>28,467,571</u>	<u>4,280,554</u>	<u>32,748,125</u>
Net position						
Net investment in capital assets	192,364,855	145,582,694	337,497,549	195,636,843	150,193,207	345,830,050
Restricted	82,777,505	-	82,777,505	56,260,585	-	56,260,585
Unrestricted	<u>(578,040,243)</u>	<u>(73,467,697)</u>	<u>(651,507,940)</u>	<u>(599,544,866)</u>	<u>(86,672,654)</u>	<u>(686,217,520)</u>
Total net position	<u>\$(302,897,883)</u>	<u>\$72,114,997</u>	<u>\$(230,782,886)</u>	<u>\$(347,647,438)</u>	<u>\$63,520,553</u>	<u>\$(284,126,885)</u>

By far the largest portion of the City's net position \$230.8 million reflects its investment in capital assets; less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to its citizens; consequently, they are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position \$82.8 million represents resources that are subject to external restrictions on how they may be used. The remaining balance is considered unrestricted net position and that amount is a \$651.5 million deficit. This figure illustrates that if all liabilities became due at this point in time, total assets would be insufficient to cover all of our obligations. Capital assets of the City would need to be sold in order to meet contingencies.

Net position of the City's governmental activities decreased by 12.9% (\$44.7 million) from \$347.6 million deficit for last fiscal year, compared to \$302.9 million deficit in the current fiscal year. See detailed explanation under Financial Highlights.

Net position of the City's business-type activities increased 13.53% (\$8.6 million) from \$63.5 million for last fiscal year, compared to \$72.1 million in the current fiscal year.

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**Government-wide Financial Analysis (Continued)**

	<b>CITY OF HIALEAH - CHANGES IN NET POSITION</b>					
	Governmental	Business-type	Total	Governmental	Business-type	Total
	<u>Activities</u>	<u>Activities</u>	<u>2022</u>	<u>Activities</u>	<u>Activities</u>	<u>2021</u>
Revenues:						
Program revenues:						
Charges for services	\$39,887,747	\$114,264,614	\$154,152,361	\$61,040,247	\$103,581,263	\$164,621,510
Operating grants & contributions	33,158,637	-	33,158,637	21,087,711	-	21,087,711
Capital grants & contributions	9,463,863	339,738	9,803,601	6,521,210	202,536	6,723,746
General Revenues:						
Property taxes	82,083,914	-	82,083,914	75,538,132	-	75,538,132
Utility taxes	24,225,902	-	24,225,902	22,493,687	-	22,493,687
Franchise fees on gross receipts	16,418,919	-	16,418,919	17,017,212	-	17,017,212
Intergovernmental revenue	40,360,310	-	40,360,310	34,558,205	-	34,558,205
Unrealized gain (loss) on investments	-	(1,841,360)	(1,841,360)	-	(113,739)	(113,739)
Gain on disposal of capital assets	367,377	-	367,377	954,345	-	954,345
Unrestricted interest	<u>316,202</u>	<u>464,592</u>	<u>780,794</u>	<u>148,954</u>	<u>322,769</u>	<u>471,723</u>
Total revenues	<u>246,282,871</u>	<u>113,227,584</u>	<u>359,510,455</u>	<u>239,359,703</u>	<u>103,992,829</u>	<u>343,352,532</u>
Expenses:						
General government	64,140,377	-	64,140,377	84,180,713	-	84,180,713
Police	56,338,163	-	56,338,163	83,705,377	-	83,705,377
Fire	49,168,810	-	49,168,810	63,772,003	-	63,772,003
Streets	15,812,453	-	15,812,453	17,195,034	-	17,195,034
Recreation and community services	11,615,814	-	11,615,814	14,880,885	-	14,880,885
Interest on long-term debt	3,580,041	-	3,580,041	2,966,368	-	2,966,368
Water & sewer	-	92,241,184	92,241,184	-	88,867,911	88,867,911
Solid waste	-	8,388,117	8,388,117	-	20,002,706	20,002,706
Stormwater	<u>-</u>	<u>4,881,497</u>	<u>4,881,497</u>	<u>-</u>	<u>5,116,368</u>	<u>5,116,368</u>
Total expenses	<u>200,655,658</u>	<u>105,510,798</u>	<u>306,166,456</u>	<u>266,700,380</u>	<u>113,986,985</u>	<u>380,687,365</u>
Increase (decrease) in net position before transfers	45,627,213	7,716,786	53,343,999	(27,340,677)	(9,994,156)	(37,334,833)
Transfers	<u>(877,658)</u>	<u>877,658</u>	<u>-</u>	<u>(1,080,690)</u>	<u>1,080,690</u>	<u>-</u>
Change in net position	<u>44,749,555</u>	<u>8,594,444</u>	<u>53,343,999</u>	<u>(28,421,367)</u>	<u>(8,913,466)</u>	<u>(37,334,833)</u>
Net position-beginning	(347,647,438)	63,520,553	(284,126,885)	(319,260,332)	76,413,212	(242,847,120)
Prior period adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,261</u>	<u>(3,979,193)</u>	<u>(3,944,932)</u>
Net position - Beginning as Restated	<u>(347,647,438)</u>	<u>63,520,553</u>	<u>(284,126,885)</u>	<u>(319,226,071)</u>	<u>72,434,019</u>	<u>(246,792,052)</u>
Net position-ending	<u>\$(302,897,883)</u>	<u>\$72,114,997</u>	<u>\$(230,782,886)</u>	<u>\$(347,647,438)</u>	<u>\$63,520,553</u>	<u>\$(284,126,885)</u>

**Governmental activities**

Governmental activities decreased the City's deficit net position by \$44.7 million in the current fiscal year. The net change in fund balance for the governmental funds increased by \$17.3 million in the current fiscal year. These changes reported in the statement of activities do not require the use of current financial resources.

Revenues in ad valorem taxes increased by approximately \$6.5 million in the current fiscal year; this was due to an increase in the assessed property values within the City by the Miami-Dade County Property Appraisers' Office. Although ad valorem taxes increase it continues to be challenge for the City to maintain the high level of services while the City's operational expenditures, such as salaries, health insurance and pension costs continue to increase steadily.

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**Government-wide Financial Analysis (Continued)**

Governmental activities (Continued)

Yet despite these issues, the City remains determined to maintain its promise not to raise taxes and in fact it maintained the City's millage rate of 6.3018 from prior year and it will remain the same for the coming fiscal year.

Business-type activities

Net position of the City's business-type activities increased by \$8.6 million in the current fiscal year. The water and sewer utility fund decreased by \$4.5 million, the solid waste fund increased by \$13.4 million, and the storm water utility fund decreased by \$ 357.3 thousand. See further explanation regarding the solid waste fund deficit in Note 1 (D), item 18. See detailed explanation under Financial Highlights.

**Financial Analysis of the City's Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related requirements.



Governmental funds

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

As of the end of the current fiscal year, the City's other governmental funds reported combined ending fund balances (restricted, committed, and non-spendable) of \$ 27.9 million, an increase of approximately \$6.2 million. The individual *statement of revenues, expenditures and changes in fund balances* for non major governmental funds can be found on pages 115-119 of this report.

Unassigned fund balance in the amount of \$46.1 million in the General Fund constitutes an amount which is available for spending as explained earlier under Financial Highlights.

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**Financial Analysis of the City's Funds (Continued)**

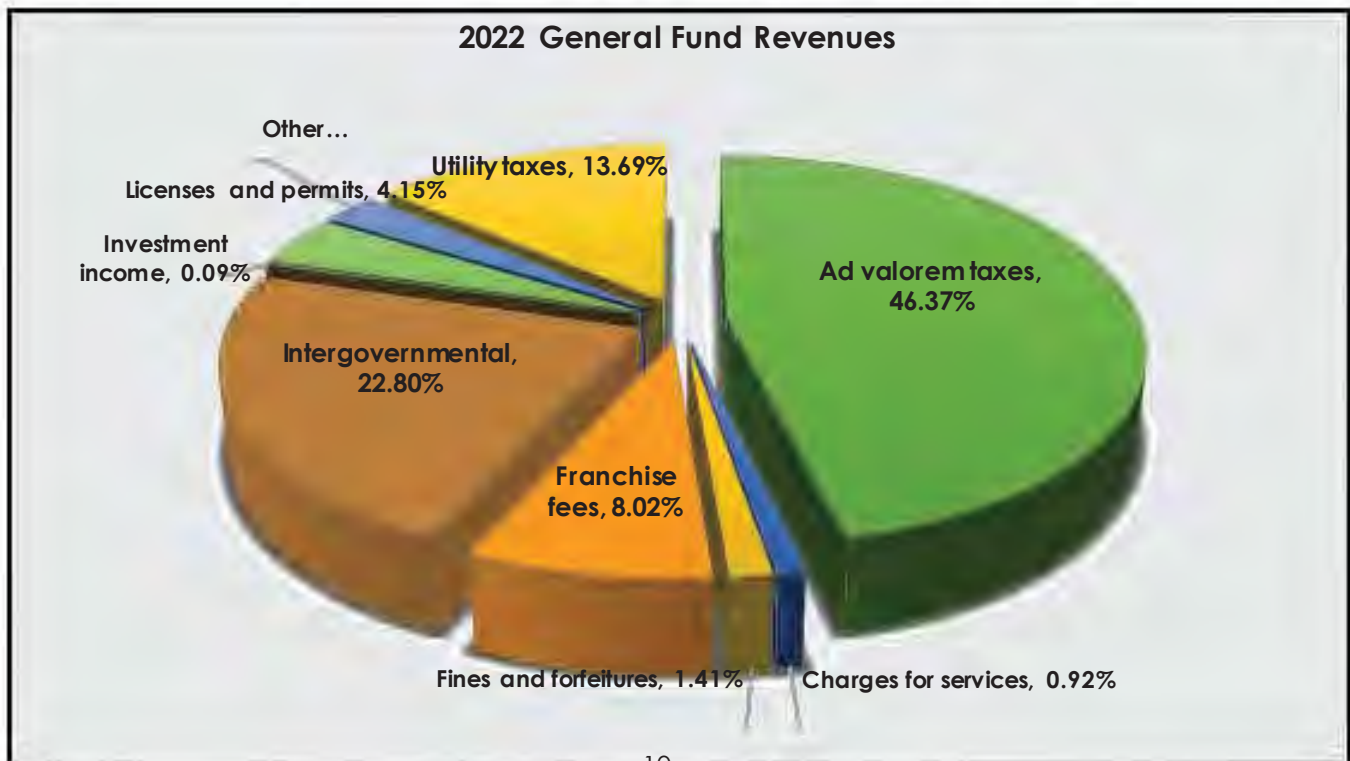
Governmental funds (Continued)

The remainder of the fund balance is non-spendable to indicate it is not available for spending because they are in non-spendable form (i.e. inventory, and prepaid expenses), restricted by creditors, assigned for specific purposes, and committed is for future expenditures determined by a formal action of the City Council.

The General Fund is the chief operating fund of the City. General tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. General operating expenses, fixed charges and capital improvement costs not paid through other funds are paid from this fund.

The amount of General Fund revenue from various sources, the percentage of the total and the amount of change compared to last fiscal year are shown in the following schedule:

Revenue Sources	2022		2021		Amount Incr (Decr) from Prior Year	Percent Incr -Decr from Prior Year
	2022 Amount	Percent of Total	2021 Amount	Percent of Total		
Ad valorem taxes	\$82,083,914	46.37%	\$75,538,132	42.67%	\$6,545,782	8.67%
Charges for services	1,635,513	0.92%	946,673	0.53%	688,840	42.12%
Fines and forfeitures	2,504,515	1.41%	2,589,778	1.46%	(85,263)	-3.29%
Franchise fees	14,197,917	8.02%	14,797,110	8.36%	(599,193)	-4.05%
Intergovernmental	40,360,310	22.80%	34,558,205	19.52%	5,802,105	14.38%
Investment income	151,478	0.09%	81,049	0.05%	70,429	46.49%
Licenses and permits	7,341,602	4.15%	7,205,884	4.07%	135,718	1.88%
Other revenues	4,514,000	2.55%	3,672,656	2.07%	841,344	18.64%
Utility taxes	24,225,902	13.69%	22,493,687	12.71%	1,732,215	7.70%
Total	<u>\$177,015,151</u>	<u>100%</u>	<u>\$161,883,174</u>	<u>91%</u>	<u>\$15,131,977</u>	<u>9.35%</u>





**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**Financial Analysis of the City's Funds (Continued)**

Governmental funds (Continued)

Total General Fund revenues increased by \$15.1 million or 9.35% in fiscal year 2022. Some of the larger increase in revenues include, increases of approximately \$6.5 million in ad valorem taxes, and approximately \$4.0 in half cent taxes, and \$2.1 million of state revenue sharing, and approximately \$1.7 million in utility tax revenue. The City did not experience a decrease in revenue during fiscal year 2022.

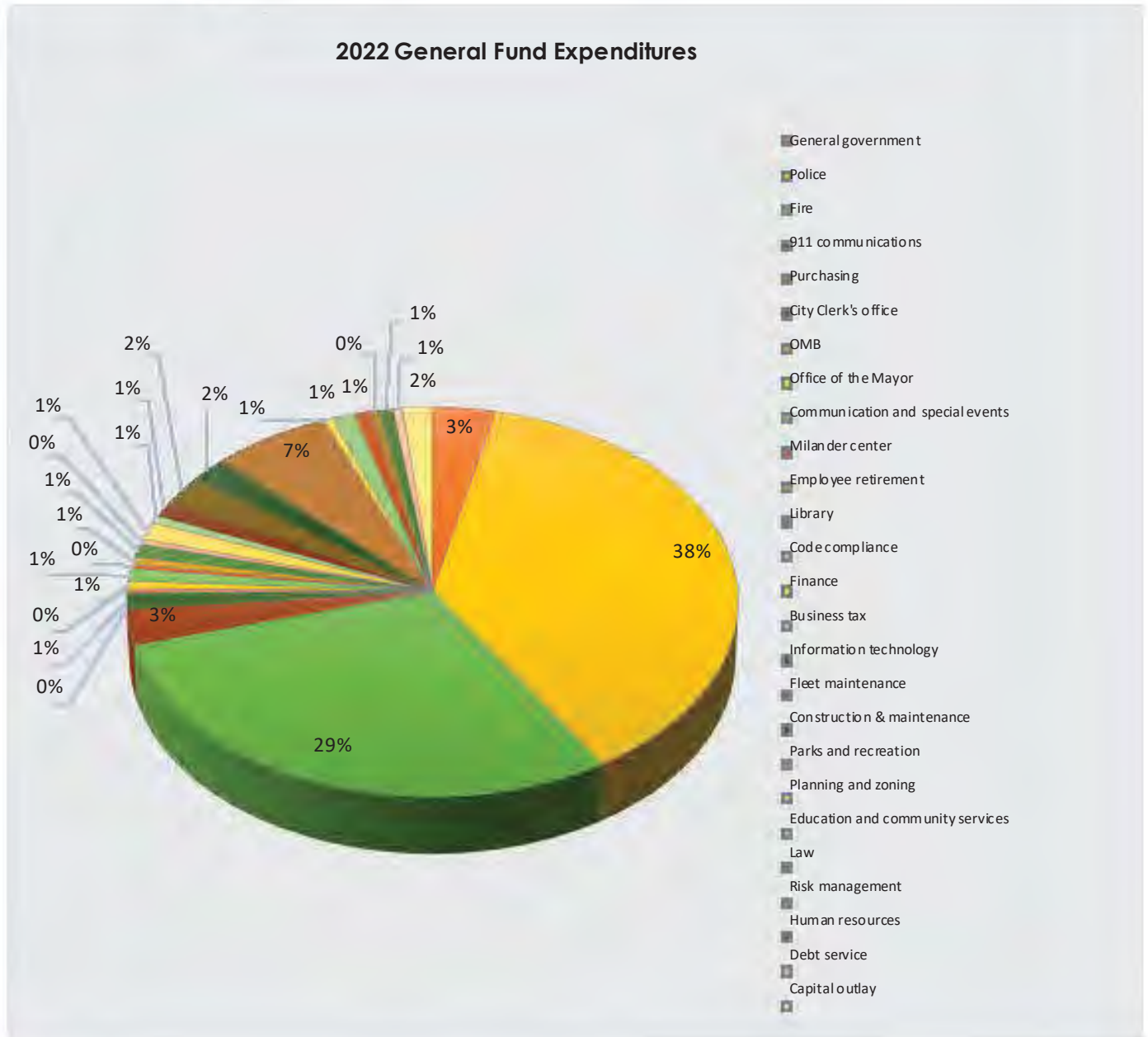
The amount the General Fund expenditures by department, the percentage of the total and the amount of change compared to last fiscal year are shown in the following schedule:

	2022		2021		Amount Incr	Percent
	Percent of		Percent of		(Decr) from	Incr-Decr
<u>Expenditures</u>	<u>2022</u>	<u>Total</u>	<u>2021</u>	<u>Total</u>	<u>Prior Year</u>	<u>from Prior Year</u>
General government	\$5,919,543	3%	\$2,391,936	1%	\$3,527,607	147%
Police	63,940,281	38%	64,927,648	40%	(987,367)	-2%
Fire	49,922,805	29%	46,783,705	29%	3,139,100	7%
911 communications	5,010,788	3%	4,793,041	3%	217,747	5%
Purchasing	17,346	0%	-	0%	17,346	-100%
City Clerk's office	2,337,438	1%	1,284,569	1%	1,052,869	82%
OMB	574,969	0%	434,000	0%	140,969	32%
Office of the Mayor	1,007,166	1%	770,125	0%	237,041	31%
Communication and special events	1,764,143	1%	1,744,990	1%	19,153	1%
Milander center	606,362	0%	610,605	0%	(4,243)	-1%
Employee retirement	1,061,805	1%	569,442	0%	492,363	86%
Library	1,874,748	1%	1,915,326	1%	(40,578)	-2%
Code compliance	752,950	0%	810,978	1%	(58,028)	-7%
Finance	2,437,534	1%	2,313,843	1%	123,691	5%
Business tax	1,074,247	1%	1,112,863	1%	(38,616)	-3%
Information technology	2,274,909	1%	2,516,168	2%	(181,257)	-7%
Fleet maintenance	3,915,311	2%	3,707,116	2%	208,195	6%
Construction & maintenance	3,685,941	2%	3,343,392	2%	342,549	10%
Parks and recreation	11,096,269	7%	10,865,521	7%	230,748	2%
Planning and zoning	856,957	1%	807,635	1%	49,322	6%
Education and community services	2,147,127	1%	1,857,078	1%	290,049	16%
Law	1,569,569	1%	1,635,001	1%	(65,432)	-4%
Risk management	750,890	0%	645,362	0%	105,528	16%
Human resources	1,378,933	1%	1,238,974	1%	139,959	11%
Debt service	983,061	1%	983,061	1%	(60,002)	100%
Capital outlay	<u>2,803,459</u>	<u>2%</u>	<u>3,257,028</u>	<u>2%</u>	<u>(453,569)</u>	-14%
Total	<u>\$169,764,551</u>	<u>100%</u>	<u>\$161,319,407</u>	<u>100%</u>	<u>\$8,445,144</u>	5%

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**Financial Analysis of the City's Funds (Continued)**

Governmental funds (Continued)



Total General Fund expenditures increased by approximately \$8.4 million or 5.24% in fiscal year 2022. There was an increase in general government of approximately \$3.5 million, an increase in fire of \$3.1 million, and an increase in office of the Clerk of approximately \$1.1 million, and an increase in retirement of approximately \$492.0 thousand.

Police had a decrease of \$987.0 thousand, information technology had a decrease of \$181.3 thousand, and also capital outlay had a decrease of \$453.6 thousand.

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**Financial Analysis of the City's Funds (Continued)**

Governmental funds (Continued)

Building Fund

This fund is used to account for all revenues and expenditures related to building fund activities. During the current fiscal year, the fund reported revenues of approximately \$11.2 million mainly from permit fees and expenditures of approximately \$5.7 million. The fund balance at year end increased by approximately \$5.4 million. Building permits fees increased primarily due to the annexation area still being under development and new redevelopment city wide.

Coronavirus State and Local Fiscal Recovery Fund

This fund is used to account for all revenues and expenditures related to the American Rescue Plan Act of 2021. During the current fiscal year, the fund reported revenues of approximately \$816.0 thousand from the resources allocated to the City, and expenditures of approximately \$816.0 thousand.

Proprietary funds

The City maintains three proprietary funds. Enterprise funds are used to provide the same type of information found in the government-wide financial statements, but in more detail. The City uses proprietary funds to account for its water and sewer, solid waste, and storm-water operations.

Unrestricted net position of all the enterprise funds at the end of the year amounted to a \$73.5 million deficit; \$27.3 million for the water and sewer fund, \$45.7 million for the solid waste fund, and \$440.0 thousand for the storm-water utility fund.

**General Budgetary Highlights**

The difference in the actual revenues and expenditures as compared to the adopted budget are summarized as follows:

- Intergovernmental revenues were greater than budgeted figures by \$9.9 million or 33% due primarily to increase in half cent tax collections.
- Utility tax revenues were greater than budgeted figures by \$2.3 million or 10.9% due primarily to increase in service tax collections.
- Franchise fees were greater than budgeted figures by \$1.9 million or 16.3% due primarily to increase in revenues generated from electrical services.
- General government expenditures were greater than budgeted figures by \$3.5 million or 79% due to inventory write off.
- The fire department expenditures were greater than budgeted figures by \$898.0 thousand or 2% primarily to costs associated with the settlement of health insurance.

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**Capital Assets and Debt Administration**

Capital assets

The City's investments in capital assets for its governmental and business-type activities as of September 30, 2022 total \$442.5 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, infrastructure, improvements other than buildings, and machinery and equipment. The total decrease in the City's investment in capital assets for the current fiscal year was approximately \$14.8 million.

	<b>CAPITAL ASSETS (NET OF DEPRECIATION)</b>					
	September 30, 2022			September 30, 2021		
	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>
Land	\$ 29,694,984	\$ 4,202,141	\$ 33,897,125	\$ 29,694,984	\$ 4,202,141	\$ 33,897,125
Construction in progress	132,656	2,084,157	2,216,813	854,853	2,084,157	2,939,010
Buildings and utility plants	91,920,915	55,497,478	147,418,393	94,030,802	56,689,989	150,720,791
Improvements other than buildings	3,779,186	23,169	3,802,355	4,466,692	24,819	4,491,511
Furniture, fixtures, machinery and equipment	23,070,541	315,233	23,385,774	23,197,603	389,718	23,587,321
Furniture, fixtures, machinery and equipment - Charter School	1,237,860	-	1,237,860	541,335	-	541,335
Infrastructure	<u>96,691,152</u>	<u>133,881,232</u>	<u>230,572,384</u>	<u>102,632,608</u>	<u>138,567,105</u>	<u>241,199,713</u>
Total capital assets	<u>\$ 246,527,294</u>	<u>\$ 196,003,410</u>	<u>\$ 442,530,704</u>	<u>\$ 255,418,877</u>	<u>\$ 201,957,929</u>	<u>\$ 457,376,806</u>

Additions and transfer to capital assets before depreciation for governmental activities equaled approximately \$12.6 million, including CIP of approximately \$273.0 thousand. The following additions and transfers include the following items:

- Additions to improvement for resurfacing and landscaping throughout the City streets totaling approximately \$1.0 million.
- Additions to infrastructure for construction and engineering services of several City street projects totaling approximately \$3.5 million and for enhancing the City's park infrastructure system totaling approximately \$1.6 million.
- Additions in the asset category of furniture, fixtures, machinery equipment were due primarily to the purchase of various equipment and vehicles for City departments, in the amount of approximately \$7.0 million for the current fiscal year.

Additions and transfers to capital assets before depreciation for business-type activities equaled approximately \$8.9 million. The following additions and transfers include the following items:

- Additions and transfers to infrastructure include water lines and mains, sewer lines and sewer pump stations throughout the City totaling approximately \$2.4 million.
- Additions to the reverse osmosis treatment plant totaling approximately \$289.0 thousand.

Additional information on the City's capital assets can be found in Note 11, starting on page 64 of this report.

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**Capital Assets and Debt Administration (Continued)**

Long-term debt

The City's net outstanding debt decreased by approximately \$211.9 million during the current fiscal year. The change was primarily due to a decrease in OPEB liability of \$111.1 million, and a decrease in net pension liability of \$88.6 million. Additional information on the City's long-term debt can be found in the notes to the financial statements. More in depth detail can be found in Note 12, starting on page 66 of this report.

**OUTSTANDING DEBT**

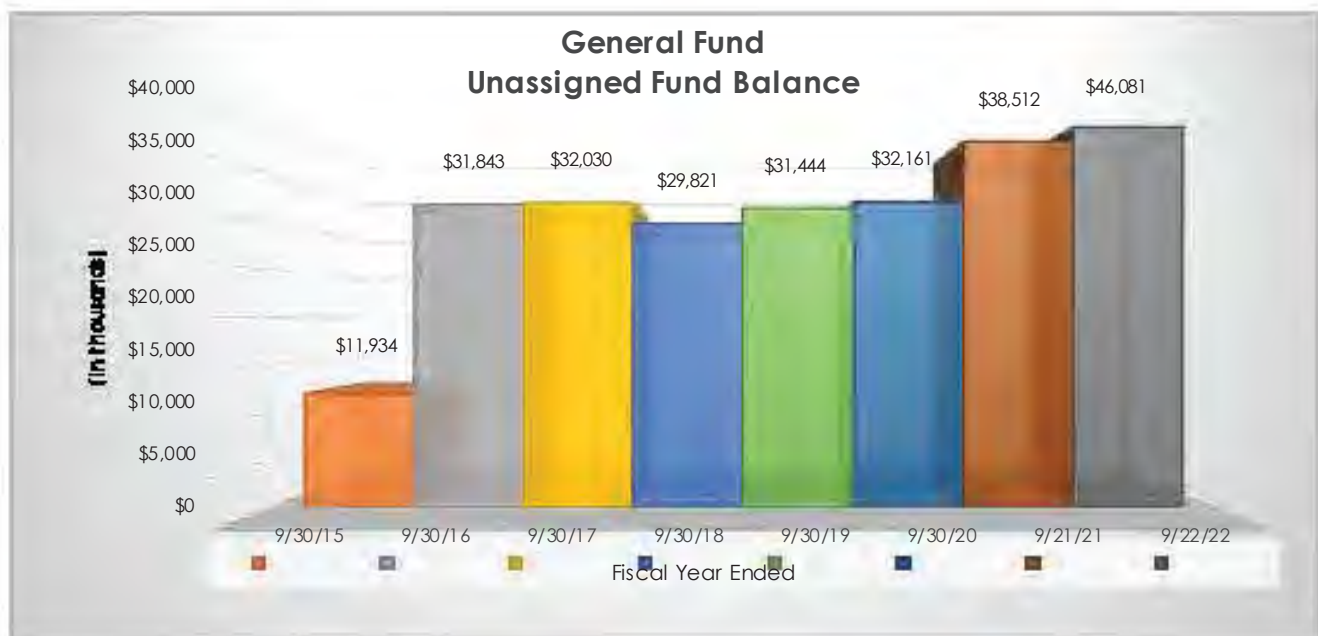
	<u>2022</u>	<u>2021</u>
Bonds, loans and notes payable	\$119,458,447	\$126,703,723
Capital leases	6,579,707	7,518,033
Other long-term debt	<u>661,722,781</u>	<u>865,395,160</u>
Total	<u><u>\$787,760,935</u></u>	<u><u>\$999,616,916</u></u>

**Economic Factors and Next Year's Budgets and Rates**

The City's local economy is primarily based upon industrial, light manufacturing and service related companies.

During the current fiscal year, unassigned fund balance in the General Fund increased to \$46.1 million. The unassigned fund balance of \$46.1 million is slightly less than four months of the General Fund budgeted expenditures for fiscal year 2022-2023.

The following graph shows the City's unassigned fund balance for the last eight fiscal years:



**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**Economic Factors and Next Year's Budgets and Rates (Continued)**

In 1995, the State of Florida limited all local governments' ability to raise homestead assessed property value in any given year by 3% or cost of living, whichever is lower. As the following graph indicates, the City's property tax rates were reduced by almost 1/4 of a mill in 2013. The City's operational expenditures, such as salaries, health insurance and pension costs continue to increase steadily, revenues during the current fiscal year increased, however revenue increases are more limited. During fiscal year 2021-2022 the City maintained the millage rate at 6.3018 mills, as it was in the previous fiscal year. The City has kept under control the costs of government, while maintaining a full complement of municipal services (police, fire, parks and recreation, libraries, education, community services, and affordable housing) at optimum levels without the need for additional voter approved debt.



**2022 Fiscal Year Accomplishments**

During the 2021-2022 fiscal year, the City of Hialeah, has invested its revenues from all sources in a manner that reflects a vision towards the future. This investment will be enjoyed by the current residents of the City as well as future generations. The following list illustrate a sampling of our major accomplishments this year.

- The City has annexed 1,920 acres of land located in the Northeast section of the City and new construction continues. The area is known as Hialeah Heights. The future land use for this area is as follows:
  - 4,000 Residential Units
  - 1,651,680 Square Feet Retail/Commercial/Office
  - 8,000,000 Square Feet Industrial
  - 30 Acre Passive Park



**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**2022 Fiscal Year Accomplishments (Continued)**

As part of the inter-local agreement between the City and Miami-Dade County the City would provide the necessary regional pre-development infrastructure including: Water and Sewer services, road improvements, and regional recreational facilities. The Annexation Area provides continued strong economic growth to the City of Hialeah by expanding its revenue base and maximizing the land use within its borders. The construction of 4,000 residential units with approximately 16,000 residents and 8,000,000 square feet of industrial development were completed. Construction has begun on the first phase of a 77-acre site mixed-use classification, which includes 211,000 square feet of retail/restaurant space and 244 multi-family residential units. Another three undeveloped industrial parcels are in the permitting process to build 1,000,000 square feet of distribution warehouses. Additionally, a new multifamily development comprised of 617 residential units is under construction.

- In October 2016, the City created two Transit Oriented Districts (Hialeah Market Station TOD and Hialeah Transfer Station TOD) in the SE area of the City. This area was envisioned as a strategic location for redevelopment due to its proximity to the Miami International Airport, Midtown, Downtown Miami and the Brickell area. The Hialeah Transfer Station currently links the existing Tri-rail and Metrorail services and in the near future will be the node that will link the new coastal link (Downtown Miami-Biscayne Boulevard Corridor-Orlando) to the existing service. The intent of this district is to promote and encourage mobility and connectivity within the district as well as to and from transit stations for pedestrians, bicycles and automobiles. The TOD district is envisioned as a mixed use urban setting where cars will not be the only transportation option to go to work, school, shop, or amuse and recreation, entertainment and retail will be available to residents within walking distance of their homes. There are two projects under advanced construction for multifamily developments and two new commercial developments have been completed. Other properties in the area got the proper land use and zoning designation to develop their sites as TODs.
- The City created an Arts District, now named the Leah Arts District. Artists gathering in the area are furiously reinventing and enlivening this old warehouse district with colorful murals and special events that showcase Hialeah's artistic creations. The oldest remaining Deli restaurant in Miami is within the district underwent significant renovations by the new owner who is a recognized entrepreneur in the food industry, and is now open and has been a great activator of the area.
- In order to serve the population growth and the housing demand, since 2015 the City has passed ordinances allowing rezoning for infill development granting entitlements to build 9,324 new multifamily units. At the time of this report the status of development and redevelopment of these units is as follows: 4,493 are completed; 3,821 are under permitting or construction and 1,007 are pending action.
- A former 8.92-acre trailer park site, on West 16th Avenue north of West Okeechobee Road is currently under construction with a portion of the commercial development complete. A mixed use development, Pura Vida including 260 apartments and 52,200 square feet of commercial is under construction.
- A former 5.24-acre shopping center site at the corner of East 4th Avenue and Hialeah Drive is currently under construction. A mixed use development, Shoma Village including 304 apartments and 32,780 square feet of commercial space is under construction.
- An old industrial district, now renamed as Amelia District, Located at the north end of West 4th Avenue, south of the Gratigny Expressway is rapidly being transformed into a live-work district with 3 multifamily developments completed and 4 others under construction including a mixed-use development. That will incorporate commercial uses to serve the residents in the adjacent area.

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**2022 Fiscal Year Accomplishments (Continued)**

- The Hialeah Downtown Urban Center is in a redevelopment mode with a 304-unit mixed use development almost completed, replacing an old shopping plaza, 118 units built among 6 sites are completed and 98 on 7 different sites are under the permitting process. A 1.55-acre vacant parcel in the area has been issued all the entitlements for the construction of the headquarters of a local medical operation including a 93,000 squared feet, 5-story building with an attached parking garage. A private/public partnership for a new workforce and affordable housing development on City property is in the final entitlement process for the construction of an 8-story, 152 -unit multifamily development.

**911 Communications**

- Acquired an uninterrupted power source for the Fire Administration Tower Site.
- Upgraded computer equipment in the 911 Communication Site, and in the EOC Site
- Upgraded the 911 staffing record keeping software
- Obtained CPR certification for all 911 Communications Division employees

**Building**

- Reduced the number of inspection type required with affidavits from architects or engineers saving time and salary expenses to the department
- Implemented electronic plan reviews, and permit issuance for minor permits
- Upgraded the lobby queue management system
- Improved the department' web page content with better and more useful information

**Business Tax**

- Updated ordinances and created a new process to better monitor Amusement Type II machines within the City
- Equipped business tax receipt inspectors with laptops in order to enhance services while out in the field
- Increased revenue collection
- Created a DERM specialized team to help the business community

**City Clerk**

- The Office of the City Clerk received 8,392 public records request from October 1, 2021 through August 12, 2022, of which 7,842 have been processed and completed
- All resolutions and ordinances passed and adopted during fiscal year 2022 are available on the City's website
- Published one supplement to the City's Code book. The City Code Book is available in hardbound format and Online at [www.municode.com](http://www.municode.com)
- Prepared and held Mayoral and Council Members election with the assistance of the Miami-Dade County Department of Elections
- Completed a total of 3,661 lien searches and 28 lien pay-off calculations during fiscal year 2022

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**2022 Fiscal Year Accomplishments (Continued)**

**Code Compliance**

- Improve outcome of sweeps/tasks forces by tracking and monitoring problem areas
- Improved case management and prompt methods of action to enforce ordinance and promote community compliance
- Worked jointly with the business community to improve the appearance of commercial areas including landscaping, parking areas, walls, fences, and the overall appearance of buildings and shopping plazas
- Obtained FACE level I certification for all code enforcement inspectors
- Updated and implemented Code Enforcement ordinances

**Communications and Special Events**

- 1st Place - Drive in/Thru Event: Grocery Gift Card Program
- 1st Place - Volunteer Program : Early Prevention & Intervention (EPI)
- 1st Place - Multi-Agency Programs: Hialeah in a Changing World Drive Thru Event
- 2nd Place - Children's Program: Operation Santa Calling
- 2nd Place - Hybrid Event: Christmas Parade & Virtual Tree Lighting
- 2nd Place - Virtual Demonstration: Arts & Crafts
- 3rd Place - Educational Program : Early Prevention & Intervention (EPI)
- 3rd Place - Multi-Agency program: Christmas Parade & Virtual Tree Lighting
- 3rd Place - Sponsor Partnership: City of Hialeah & Florida Blue

**Construction and Maintenance**

- Design and Construction of new temporary Fire Station #9-Annex
- Waterproof Milander Center
- Installed new fire alarms to various City facilities
- Design and Construction of new police shoot house training facility
- Renovated Goodlet Adult Center
- HEA Charter School Addition Phase 4
- Renovated Babcock Park & Recreation Center

**Education and Community Services**

- Awarded a grant in the amount of \$905,998 thousand from The Children's Trust for the Creative Learning and Play after school and summer program
- Awarded a grant in the amount of \$375,000 thousand from the STEP Ahead, youth enrichment program focusing on youth employment and offering an array of activities designed to enhance and integrate the academic, social life and work skill of adolescents ages 16-22 with mild to moderate intellectual disabilities
- Awarded a grant for the YLC Program serving students in grades 6-8th at Hialeah Middle, COHEA, and Henry H filer for the 2021-2022 year.
- Awarded a \$15,000 thousand grant from the Miami Foundation for the Special Population Therapeutic Enrichment Program

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**2022 Fiscal Year Accomplishments (Continued)**

**Finance**

- Completed and submitted the City's Annual Comprehensive Financial Report
- In a joint participation of the City's financial and legal management team, refinanced the 2012A & 2011D bonds obtaining a better interest rate, representing significant long-term savings to the City of approximately \$ 3.2 million and \$3.5 million respectively
- Provided accurate and timely cash flow financial information and advise to the City's administrative management team of the saving by prepaying a portion of the City's required annual contribution to the Employees retirement plan, hence reducing City expenses by approximately \$295 thousand

**Fire**

**Logistic Division**

- Upgraded fire supply and attack hose for all fire stations
- Acquired a new 2021 Pierce fire engine for fire station # 5
- Acquired a new 2022 Pierce Saber fire engine for station #1
- Acquired 4 Ferno Stretcher Inline charging / mount kits for some of the City's rescue trucks
- Acquired 2 new District Chief F-350 emergency response vehicles

**Medical Services Division**

- Worked closely with neighboring fire departments to develop policy and protocols to deal with the global pandemic
- Rolled out new elite patient report writing software
- Purchased and trained over 30 Automated External Defibrillators for Hialeah Housing locations and for Police Vehicles
- First Aid training of all Hialeah Police Department officers
- Participated in HEROS grant program with the State of Florida Department of Health to combat the opioid crisis with the lifesaving Narcan mechanism
- Provided training to the Hialeah Police Department on handling of Fentanyl overdose and exposure
- Updated and combined EMS common protocol manual with five of the six Miami-Dade County Fire Departments
- Acquired jump-out and ready bags for all ALS unit

**Fleet**

- Kept all fuel sites 100% compliant with Department of Environment Protection guidelines
- Reduced fleet size by identifying under-utilized vehicles and equipment

**Human Resources**

- Provided City employees with Miami-Dade County Commission on Ethics Training
- Partnered with RCultures Inc for sexual harassment and diversity trainings
- Revised existing policies and procedures for all employees, and new policies were implemented
- Created and revised job descriptions City-wide

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**2022 Fiscal Year Accomplishments (Continued)**

**Information Technology**

- Upgraded and migrated the Utility Billing system to the Cloud
- Computer replacement in the primary 911 center
- Configuration of the Email system
- Upgraded the City's authentication infrastructure to the latest version
- Upgraded the City's VPN infrastructure to allow better connectivity for remote users
- Upgraded the Police Stations Internet connectivity
- Assisted in deployment of Police body worn cameras

**Library**

- Implemented a laptop and mobile Wi-Fi hotspots lending program through the FCC Emergency connectivity fund to provide free internet access and facilitate remote learning and work to Hialeah residents impacted by the pandemic. Hialeah residents can check-out any of the 100 Chromebooks and or 100 mobile Wi-Fi hotspots available at any of the HPL through this new program Implemented a mobile library outreach and senior wellness calls program through a State of Florida, division of Library and information services (DLIS) ARPA grant, in order to combat isolation and expand library services to senior who cannot visit a library facility
- Received E-Rate funding that covered 80% of the Library's annual internet costs for six library facilities for funding year 2021-2022 (July 1st 2021 - June 30th, 2022) through the Universal service fund (USF) E-Rate grant program, saving the City a total of \$51,360 during funding year 2021-2022
- Applied to and were approved for E-Rate funding that will cover 80% of the library's annual internet costs for six library facilities during funding year 2022-2023
- Applied for and received a State Aid to libraries grant from the Florida Department of State, Division of Library and Information Services, which allowed the Library to purchase 26 new computers to continue replacing out of warranty equipment as needed at its six locations
- Provide free access to Hialeah residents to new digital learning resources that support remote learning and work

**Parks & Recreation**

- Reopen Milander Aquatic Center and McDonald Water Park to the public
- Incorporated a mental health initiative to assist with awareness and treatment
- Constructed perimeter pathway at Cotson Park to enhance circulation
- Renovated Babcock Park Recreation Center
- Replaced artificial turf field at Ted Hendricks Stadium
- Replaced the playground and shade structure at Walker Park

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**2022 Fiscal Year Accomplishments (Continued)**

**Planning & Zoning**

- Implementation of TOD (Transit Oriented District) projects
- Implementation of NBD (Neighborhood Business District)
- Implementation of the 49th street corridor update/upgrade
- Obtained a \$60,000 thousand grant for the application submitted for a First-Last Mile multi-modal access study

**Police**

- Purchased a state-of-the-art simulator and "shoot house" to provide realistic, yet safe environment, allowing law enforcement to practice responding to various stimuli and use this as a tool in our community engagement efforts
- Deployed 2/1 body worn cameras to all sworn employees and adopted a policy that mandates usage of cameras
- Acquired law enforcement field training application (LEFTA) software to review and track training records, vehicle damage, vehicle pursuits
- Transition from uniform crime reporting program to national incident based reporting system

**Public Works**

- Repair and modernized sewer pump stations (City-wide) in accordance with the Miami-Dade County consent order
- Continue re-lining the City's sewer lines to avoid infiltration of ground water, decreasing the volume of wastewater. These projects will reduce expenses by decreasing the volume of sewage and payments by the City to Miami-Dade County for sewage transmission, and treatment and disposal fees.
- Provided policy direction and support in order to conserve water resources
- Negotiated with the FDOT an agreement for the relocation of pipelines serving this wellfield due to the FDOT construction of an interchange in this area
- Refinanced 2011 D Bonds issued with significant savings to the Department

**Purchasing**

- Migrated to an e-Bid system with BidNet
- Update the City's Purchasing policy
- Updated City copier fleet

**Retirement**

- Prepared and submitted the State Report for the Employees Retirement System
- Provided all required data for Valuation reports preparation

**Storm-water**

- Constructed and or re-constructed 39 storm drains

**Transit**

- Replaced six new buses and also added free service for all who ride the Hialeah Transit System.
- Added one extra bus to the Marlin route

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**2022 Fiscal Year Accomplishments (Continued)**

**Grants**

- Assisted 683 elderly residents through the Educational Community Services Enrichment Program
- Assisted 574 people through Citrus Health Network Primary Care Clinic
- Provided serves and outreach to 266,485 Hialeah Residents through the Hialeah Community Coalition
- Acquired a fire truck from the CDBG public facility improvements grant
- Partnered with Citrus Health Network, other local communities, and the Homeless trust to assist individuals and families experiencing homelessness or were at risk of homelessness due to Covid-19 serving a total of 120 people with emergency shelter, 294 homeless people assisted with rapid rehousing, and 15 household at risk of becoming homeless.
- Provided 199,700 meals were served to 855 low-income elderly residents through the Elderly Meal Program
- Provided rental assistance to 176 households through the Emergency Rental Assistance Program

**Future Outlook**

**911 Communications**

- Hire and train employees to fill all budgeted vacancies
- Enhance and upgrade the AT&T Intrado for the Emergency Operations Center 911 Back-up site

**Building**

- The future outlook for the City of Hialeah Building Department consists of a steady focus on efficiency and technologically improved customer interaction. With the launch of our new permitting software, we will provide customer with 24/7 access to all permitting functions through the Citizen Self Service Portal. The idea is to offer a robust online interface for all users to apply for and obtain permits. The Department is also focus on a fully integrated electronic review of all permit applications and architectural plans. These advancements will improve turnaround time and increase productivity within the Department.

**Business Tax**

- Our Future outlook consists of working closer with the business community to better help their needs and provide optimal service. Continually improve technology and stay in touch with evolving trends and evolve with them. Create more resources to assist and aid through grant services or third-party associations. Provide quality information through educational workshops to guide new and existing business within the City.

**City Clerk**

- The Office of the City Clerk will continue to maintain the integrity of the legislative process in the City of Hialeah and ensure informed citizenry, conducting public meetings, disseminating information, protecting and preserving official city records, and administering local elections.

**Code Compliance**

- Creating and implementing a community outreach program with the purpose of educating out business owners, associations, residents and general public about the importance of our city codes.



**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**Future Outlook (Continued)**

**Communications & Special Events**

- The Communications & Special Events Department is working on getting a Farmers Market and Food and Wine Event going for the City of Hialeah. The department is also working on creating new content for the TV station that highlights our Community Leaders, Departments, City programs, and City employees.

**Education & Community Services**

- Upgrade the computer lab equipment at Edgar J. Hall, this computer lab is utilized by the participants weekly, for the free computer classes provided by HML Adult Education.

**Finance**

- Participate in the selection, transition, and full implementation of the City's new ERP system
- Complete and submit Annual Financial Reports by March 31
- Provide the mayor and administrators with timelier financial and operational information to make impactful management decisions

**Fire**

- The Future outlook for the Hialeah Fire Department is promising, due to several factors. The population and construction growth in the City of Hialeah has exploded in recent years, prompting the need for a new fire station in the annexed area of the City, which comes with opportunities for hiring new firefighters. Along with the population and business growth comes the Fire Department's responsibility of keeping pace with the growth by expanding its services, training facilities, and fleet of apparatus and equipment. The Hialeah Fire Department has many personnel that are capable and qualified to help the City and its citizens.

**Human Resources**

- Establish COH as an employer of choice
- Streamline the hiring process by becoming more innovative
- Increase flow of communication between hiring personnel and the Human Resources Department
- Implement additional training programs to improve workforce culture
- Promote effective communication across entire organization
- Strive for a continued collaborative relationship with the unions
- Support new employees by providing insight to the correlation between the importance of their positions and the role it plays in the COH
- Continuously provide public records in a timely manner
- Implement a payroll system to simplify and efficiently process payroll functions (ERP)
- Modernized the attendance report in conjunction with the tracking of the signing in and out of employees for better accuracy.

**Information Technology**

- IT will continue to assist in selecting new technologies that allow for operational efficiencies, transparency, and accountability across the organization.

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**Future Outlook (Continued)**

**Library**

- Continue to develop print and digital collections to maintain updated and relevant materials that will meet the needs of the community served by the libraries.
- Continue replacing out-of-warranty public and staff computers
- Continue to offer professional development opportunities to library staff
- Continue to create and strengthen relationships with municipal, county, and State libraries as well as with local, state, and national non-profit, civic and government organizations
- Continue to advocate for library services and resources as well as raise funds and awareness through the Friends of the Hialeah Public Libraries non-profit organization

**Parks and Recreation**

- "Customer service first" focused operations
- Diverse programming in sports, aquatics, fitness, wellness, STEM, cultural arts, and special events for all ages, abilities, and interest
- Increased volunteerism amongst the City's youth and adult populations
- Create memorable spaces that welcome visitors and reflect the unique identity of Hialeah
- Beautification of the City's parks
- Building a financially sustainable and resilient department

**Planning & Zoning**

- Implementation of two transit oriented districts will continue in the 5 next years, upgrading the City's building inventory, adding housing units, adding commercial activity and activating the mass transit nodes
- Replacement of older buildings on main corridors with new more efficient and valuable buildings will continue on the 49th Street corridor
- The City is in the analysis and research phase for the potential annexing and unincorporated area, west of the City of Hialeah
- The entertainment district (know as Factory Town) on the southeast area of the City and an old pocket of industrial properties (informally known as Amelia District) transitioning to mixed uses are expected to grow through new construction or retrofit of industrial building

**Police**

- Both violent and property crime rates in Florida have steadily decline. As with the national drop in crime, the Florida drop is primarily related to economic factors, and demographic factors, These economic and demographic factors are likely to continue to suppress crime rates further over the next five years.

**Public Works**

- The City reduced the costs of franchise fees in order to maintain the water and sewer costs stable for the customers.
- The Department's upcoming Capital Projects will be funded via American Rescue Plan Act (ARPA) funds which will reduce the financial stress on the Utility in the near term.

**Purchasing**

- The Purchasing Department will continue to find ways to streamline and improve the acquisition of services though education and following market trends. In addition, the department will continue to enhance internal controls in order to maximize tax payers resources through strict adherence to governing law, the highest ethical standards, best practices, transparency, and customer oriented.

**CITY OF HIALEAH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

**Future Outlook (Continued)**

**Retirement**

- Any and all future outlooks of the department are based within Bargain Union contract negotiations.
- Continually monitor cyber security issues including but not limited to know and unknown cyber threats, federal and state legislation changes, and implications to cyber insurance premium, coverage and limits.

**Streets**

- Continue its roadway reconstruction projects within the City
- Expand its storm-water infrastructure
- Introduce resilient and innovative designs to mitigate the effects of climate change, sea level rising that are currently impacting South Florida
- Continue sidewalk improvements to encourage walking for individuals of all ages
- Plant shade trees to cool down neighborhoods and give pedestrians a more pleasant walking experience

**Transit**

- Continue to provide accessibility to Major employment, recreation, education, health care and cultural attractions

**Request for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances.

Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Jorge Blanco, Assistant Director of Finance and Chief Accountant, Finance Department, City of Hialeah, 501 Palm Avenue, Hialeah, Florida 33010. In addition, the City's Annual Comprehensive Financial Report may be obtained through the City's website at <http://www.hialeahfl.gov>

## BASIC FINANCIAL STATEMENTS

**CITY OF HIALEAH, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2022**

	<u>Governmental</u>	<u>Business Type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	
<u>ASSETS</u>			
Cash and cash equivalents	\$ 138,749,002	23,896,823	\$ 162,645,825
Investments	-	13,524,963	13,524,963
Receivables, net	29,795,660	41,403,762	71,199,422
Notes receivable	2,822,625	-	2,822,625
Internal balances	8,406,322	(8,406,322)	-
Inventories	1,591,186	1,363,128	2,954,314
Prepays and other assets	948,442	-	948,442
Net pension asset	5,522,808		5,522,808
Restricted assets:			
Cash, cash equivalents and investments	5,813,441	27,334,388	33,147,829
Other assets	-	2,100	2,100
Capital assets:			
Non-depreciable	29,827,640	6,286,298	36,113,938
Depreciable, net of depreciation	216,699,654	189,717,111	406,416,765
Total assets	<u>440,176,780</u>	<u>295,122,251</u>	<u>735,299,031</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension	53,176,058	7,244,833	60,420,891
Advance contribution to pension	32,788,837	-	32,788,837
OPEB	37,068,477	6,743,216	43,811,693
Total deferred outflows of resources	<u>123,033,372</u>	<u>13,988,049</u>	<u>137,021,421</u>
<u>LIABILITIES</u>			
Accounts payable and other current liabilities	12,778,882	48,845,137	61,624,019
Accrued interest	332,896	-	332,896
Unearned revenue	70,847,291	35,000	70,882,291
Liabilities payable from restricted assets	-	18,326,022	18,326,022
Non-current liabilities:			
Due within one year	24,710,473	3,895,469	28,605,942
Due in more than one year	617,570,352	141,584,641	759,154,993
Total liabilities	<u>726,239,894</u>	<u>212,686,269</u>	<u>938,926,163</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Local business tax	4,027,034	-	4,027,034
Pension	49,295,282	8,565,274	57,860,556
OPEB	86,545,825	15,743,760	102,289,585
Total deferred inflows of resources	<u>139,868,141</u>	<u>24,309,034</u>	<u>164,177,175</u>
<u>NET POSITION</u>			
Net invested in capital assets	192,364,855	145,582,694	337,947,549
Restricted			
Debt service	10,831,961	-	10,831,961
Human services	4,226,284	-	4,226,284
Public safety	4,001,187	-	4,001,187
Recreation and community services	10,294,542	-	10,294,542
Other	53,423,531	-	53,423,531
Unrestricted	<u>(578,040,243)</u>	<u>(73,467,697)</u>	<u>(651,507,940)</u>
Total net position	<u>\$ (302,897,883)</u>	<u>\$ 72,114,997</u>	<u>\$ (230,782,886)</u>

**CITY OF HIALEAH, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 64,140,377	\$ 23,685,948	\$ 28,769,720	\$ 6,712,267	\$ (4,972,442)	\$ -	\$ (4,972,442)
Police	56,338,163	897,602	649,593	308,639	(54,482,329)	-	(54,482,329)
Fire	49,168,810	2,976,880	-	5,748	(46,186,182)	-	(46,186,182)
Streets	15,812,453	190,312	3,739,324	2,339,427	(9,543,390)	-	(9,543,390)
Recreation and community services	11,615,814	12,137,005	-	97,782	618,973	-	618,973
Interest on long term debt	3,580,041	-	-	-	(3,580,041)	-	(3,580,041)
Total governmental activities	<u>200,655,658</u>	<u>39,887,747</u>	<u>33,158,637</u>	<u>9,463,863</u>	<u>(118,145,411)</u>	<u>-</u>	<u>(118,145,411)</u>
Business-type activities:							
Water and sewer	92,241,184	88,813,328	-	339,738	-	(3,088,118)	(3,088,118)
Solid waste	8,388,117	21,819,159	-	-	-	13,431,042	13,431,042
Stormwater	4,881,497	3,632,127	-	-	-	(1,249,370)	(1,249,370)
Total business-type activities	<u>105,510,798</u>	<u>114,264,614</u>	<u>-</u>	<u>339,738</u>	<u>-</u>	<u>9,093,554</u>	<u>9,093,554</u>
	<u>\$ 306,166,456</u>	<u>\$ 154,152,361</u>	<u>\$ 33,158,637</u>	<u>\$ 9,803,601</u>	<u>(118,145,411)</u>	<u>9,093,554</u>	<u>(109,051,857)</u>
General revenues:							
Property taxes					82,083,914	-	82,083,914
Utility taxes					24,225,902	-	24,225,902
Franchise fees on gross receipts					16,418,919	-	16,418,919
Intergovernmental revenues not restricted to specific program					40,360,310	-	40,360,310
Unrealized gain (loss) on investments					-	(1,841,360)	(1,841,360)
Gain on sale of capital assets					367,377	-	367,377
Unrestricted interest					316,202	464,592	780,794
Transfers					(877,658)	877,658	-
Total general revenues					<u>162,894,966</u>	<u>(499,110)</u>	<u>162,395,856</u>
Change in net position					44,749,555	8,594,444	53,343,999
Net position - beginning					(347,647,438)	63,520,553	(284,126,885)
Net position - ending					<u>\$ (302,897,883)</u>	<u>\$ 72,114,997</u>	<u>\$ (230,782,886)</u>

**CITY OF HIALEAH, FLORIDA**  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022

	General	Building Fund	Coronavirus State and Local Fiscal Recovery Fund	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash and cash equivalents	\$ 136,510,627	\$ -	\$ -	\$ 2,238,375	\$ 138,749,002
Receivables, net	17,163,558	42,179	-	12,589,923	29,795,660
Due from other funds	27,884,187	45,962,660	61,503,312	35,602,516	170,952,675
Inventories	1,591,186	-	-	-	1,591,186
Prepays	718,000	-	-	230,442	948,442
Notes receivable	2,822,625	-	-	-	2,822,625
Restricted cash, cash equivalents, and investments	86,417	-	-	5,727,024	5,813,441
Total assets	<u>186,776,600</u>	<u>46,004,839</u>	<u>61,503,312</u>	<u>56,388,280</u>	<u>350,673,031</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Advance contribution to pension	<u>32,788,837</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,788,837</u>
<u>LIABILITIES</u>					
Accounts payable and accrued liabilities	9,303,732	337,702	9,686	3,127,762	12,778,882
Compensated absences payable	1,487,884	-	-	-	1,487,884
Self-insurance claims payable	407,571	-	-	-	407,571
Due to other funds	149,438,574	-	-	13,107,779	162,546,353
Unearned revenue	2,855,911	-	61,493,626	9,320,379	73,669,916
Total liabilities	<u>163,493,672</u>	<u>337,702</u>	<u>61,503,312</u>	<u>25,555,920</u>	<u>250,890,606</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Local business tax	3,396,325	-	-	630,709	4,027,034
Unavailable revenues	-	-	-	2,279,711	2,279,711
Total deferred inflows of resources	<u>3,396,325</u>	<u>-</u>	<u>-</u>	<u>2,910,420</u>	<u>6,306,745</u>
<u>FUND BALANCES</u>					
Nonspendable	5,131,811	-	-	230,442	5,362,253
Restricted	86,417	45,593,408	-	31,574,872	77,254,697
Committed	313,387	73,729	-	2,657,201	3,044,317
Assigned	1,062,100	-	-	-	1,062,100
Unassigned	46,081,725	-	-	(6,540,575)	39,541,150
Total fund balances	<u>52,675,440</u>	<u>45,667,137</u>	<u>-</u>	<u>27,921,940</u>	<u>126,264,517</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 219,565,437</u>	<u>\$ 46,004,839</u>	<u>\$ 61,503,312</u>	<u>\$ 56,388,280</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	246,527,294
Long-term liabilities, including bonds payable, are not due and payable in the current period	(75,617,439)
Compensated absences	(30,668,992)
Claims payable	(48,346,038)
Accrued interest	(332,896)
Unavailable revenue recognized	2,279,711
Net pension asset	5,522,808
Net pension liability	(180,681,120)
Deferred outflows - pensions	53,176,058
Deferred inflows - pensions	(49,295,282)
Deferred outflows - OPEB	37,068,477
Deferred inflows - OPEB	(86,545,825)
Notes receivable - long term	2,822,625
OPEB liability	(305,071,781)
Net position of governmental activities	<u>\$ (302,897,883)</u>



**CITY OF HIALEAH, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	General	Building Fund	Coronavirus State and Local Fiscal Recovery Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Ad valorem taxes	\$ 82,083,914	\$ -	\$ -	\$ -	\$ 82,083,914
Charges for services	1,635,513	-	-	9,009,335	10,644,848
Fines and forfeitures	2,504,515	-	-	61,242	2,565,757
Franchise fees	14,197,917	-	-	2,221,002	16,418,919
Impact fees	-	-	-	3,763,634	3,763,634
Intergovernmental	40,360,310	-	815,949	41,806,551	82,982,810
Investment income	151,478	107,488	-	57,236	316,202
Licenses and permits	7,341,602	11,083,557	-	-	18,425,159
Other revenues	4,514,000	1,048	-	249,343	4,764,391
Utility taxes	24,225,902	-	-	-	24,225,902
<b>Total revenues</b>	<b>177,015,151</b>	<b>11,192,093</b>	<b>815,949</b>	<b>57,168,343</b>	<b>246,191,536</b>
<b>Expenditures:</b>					
<b>Current:</b>					
911 communications	5,010,788	-	-	890,395	5,901,183
Business tax division	1,074,247	-	-	-	1,074,247
City Clerk's office	2,337,438	-	-	-	2,337,438
Code compliance	752,950	-	-	-	752,950
Communications and special events	1,764,143	-	-	-	1,764,143
Construction and maintenance	3,685,941	-	-	-	3,685,941
Education and community services	2,147,127	-	-	-	2,147,127
Employee retirement	1,061,805	-	-	-	1,061,805
Finance	2,437,534	-	-	-	2,437,534
Fire	49,922,805	-	546,605	4,683,331	55,152,741
Fleet maintenance	3,915,311	-	-	-	3,915,311
General government	5,919,543	5,255,238	115,201	5,605,666	16,895,648
Grants and human services	-	-	-	17,987,487	17,987,487
Human resources	1,378,933	-	-	-	1,378,933
Information technology	2,274,909	-	-	-	2,274,909
Law	1,569,569	-	-	-	1,569,569
Library	1,874,748	-	-	-	1,874,748
Milander center	606,362	-	-	-	606,362
Office of Management and Budget	574,969	-	-	-	574,969
Office of the Mayor	1,007,166	-	-	-	1,007,166
Parks and recreation	11,096,269	-	65,699	-	11,161,968
Planning and zoning	856,957	-	-	-	856,957
Police	63,940,281	-	67,952	483,867	64,492,100
Public works	-	-	20,492	-	20,492
Purchasing	17,346	-	-	-	17,346
Risk management	750,890	-	-	-	750,890
State housing initiative program	-	-	-	140,103	140,103
Streets	-	-	-	4,630,203	4,630,203
Capital outlay	2,803,459	490,233	-	10,558,950	13,852,642
<b>Debt Service:</b>					
Principal	798,310	-	-	4,507,850	5,306,160
Interest	184,751	-	-	3,395,290	3,580,041
<b>Total expenditures</b>	<b>169,764,551</b>	<b>5,745,471</b>	<b>815,949</b>	<b>52,883,142</b>	<b>229,209,113</b>
<b>Excess of revenues over expenditures before other financing sources (uses)</b>	<b>7,250,600</b>	<b>5,446,622</b>	<b>-</b>	<b>4,285,201</b>	<b>16,982,423</b>
<b>Other financing sources (uses):</b>					
Proceeds from disposal of capital assets	367,377	-	-	-	367,377
Transfers in	-	-	-	14,969,103	14,969,103
Transfers out	(1,854,211)	-	-	(13,114,892)	(14,969,103)
<b>Total other financing sources (uses)</b>	<b>(1,486,834)</b>	<b>-</b>	<b>-</b>	<b>1,854,211</b>	<b>367,377</b>
<b>Net change in fund balances</b>	<b>5,763,766</b>	<b>5,446,622</b>	<b>-</b>	<b>6,139,412</b>	<b>17,349,800</b>
<b>Fund balances, beginning</b>	<b>46,911,674</b>	<b>40,220,515</b>	<b>-</b>	<b>21,782,528</b>	<b>108,914,717</b>
<b>Fund balances, ending</b>	<b>\$ 52,675,440</b>	<b>\$ 45,667,137</b>	<b>\$ -</b>	<b>\$ 27,921,940</b>	<b>\$ 126,264,517</b>

**CITY OF HIALEAH, FLORIDA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

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

Net change in fund balances - total governmental funds (Page 30) \$ 17,349,800

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

The details of the difference are as follows:

Capital outlay	13,852,642	
Depreciation expense	<u>(21,652,129)</u>	
Net adjustment		(7,799,487)

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

Capital outlay which did not meet the threshold for capitalization	(1,224,753)	
Other adjustments	<u>(994,229)</u>	
Net adjustment		(2,218,982)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

The details of the difference are as follows:

Unavailable revenue - CITT funds	<u>2,279,711</u>	2,279,711
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Principal payments:		
Notes payable	4,367,834	
Capital leases	<u>938,326</u>	
	<u>5,306,160</u>	
Net adjustment		5,306,160

Cash pension contributions reported in the funds were more than calculated pension expense on the statement of activities	11,669,734
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The details of the difference are as follows:

Decrease due to OPEB	4,693,554	
Decrease in net pension liability	9,257,851	
Decrease in accrued interest	(44)	
Decrease in claims payable	2,185,220	
Amortization of bond discount/premium	1,533,434	
Decrease in compensated absences	<u>492,604</u>	
Net adjustment		<u>18,162,619</u>

Change in net position of governmental activities (Page 28)	<u>\$ 44,749,555</u>
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**CITY OF HIALEAH, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2022**

	Water and Sewers Utility System	Solid Waste Utility System	Stormwater Utility System	Total
<u>ASSETS</u>				
Current assets:				
Cash and cash equivalents	\$ 23,555,180	\$ 341,643	\$ -	\$ 23,896,823
Investments	13,524,963	-	-	13,524,963
Customers accounts receivable, net	30,641,242	-	-	30,641,242
Other receivables	4,873,999	1,230,685	-	6,104,684
Due from other funds	28,869	4,704,119	7,647,239	12,380,227
Inventories	1,363,128	-	-	1,363,128
Prepays	-	-	-	-
Restricted assets:				
Cash, cash equivalents and investments	27,334,388	-	-	27,334,388
Other assets	2,100	-	-	2,100
Total current assets	<u>101,323,869</u>	<u>6,276,447</u>	<u>7,647,239</u>	<u>115,247,555</u>
Non-current assets:				
Interfund loan receivable	4,657,836	-	-	4,657,836
Capital assets, not being depreciated	5,842,229	444,069	-	6,286,298
Capital assets, net of accumulated depreciation	168,116,390	3,228,430	18,372,291	189,717,111
Total capital assets, net	<u>173,958,619</u>	<u>3,672,499</u>	<u>18,372,291</u>	<u>196,003,409</u>
Total non-current assets	<u>178,616,455</u>	<u>3,672,499</u>	<u>18,372,291</u>	<u>200,661,245</u>
Total assets	<u>279,940,324</u>	<u>9,948,946</u>	<u>26,019,530</u>	<u>315,908,800</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Pension	3,691,485	3,024,635	528,713	7,244,833
OPEB	4,285,537	1,956,301	501,378	6,743,216
Total deferred outflows of resources	<u>7,977,022</u>	<u>4,980,936</u>	<u>1,030,091</u>	<u>13,988,049</u>

**CITY OF HIALEAH, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
(Continued)  
**SEPTEMBER 30, 2022**

	Water and Sewers Utility System	Solid Waste Utility System	Stormwater Utility System	Total
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 39,654,780	\$ 4,133,394	\$ 399,127	\$ 44,187,301
Current portion of self-insurance claims payable	524,974	351,378	31,256	907,608
Current portion of loans payable	1,619,179	-	643,000	2,262,179
Current portion of compensated absences	620,524	67,591	37,567	725,682
Due to other funds	6,126,380	8,488,427	-	14,614,807
	<u>48,545,837</u>	<u>13,040,790</u>	<u>1,110,950</u>	<u>62,697,577</u>
Current liabilities payable from restricted assets:				
DERM payable	6,207,519	-	-	6,207,519
Due to other funds	6,171,742	-	-	6,171,742
Other payables	1,156,955	-	-	1,156,955
Customer deposits	10,961,548	-	-	10,961,548
Total current liabilities payable from restricted assets	<u>24,497,764</u>	<u>-</u>	<u>-</u>	<u>24,497,764</u>
Total current liabilities	<u>73,043,601</u>	<u>13,040,790</u>	<u>1,110,950</u>	<u>87,195,341</u>
Non-current liabilities:				
Revolving loan	412,021	-	-	412,021
Loan payable	39,533,515	-	8,213,000	47,746,515
Interfund loan payable	-	4,657,836	-	4,657,836
Unearned revenues	-	35,000	-	35,000
Net pension liability	16,514,668	13,531,373	2,365,327	32,411,368
Self-insurance claims payable	2,028,512	1,357,792	122,083	3,508,387
OPEB liability	35,269,764	16,100,265	4,126,314	55,496,343
Compensated absences payable	1,690,711	78,884	240,412	2,010,007
Total non-current liabilities	<u>95,449,191</u>	<u>35,761,150</u>	<u>15,067,136</u>	<u>146,277,477</u>
Total liabilities	<u>168,492,792</u>	<u>48,801,940</u>	<u>16,178,086</u>	<u>233,472,818</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Pension	4,364,292	3,575,903	625,079	8,565,274
OPEB	10,005,681	4,567,485	1,170,594	15,743,760
Total deferred inflow of resources	<u>14,369,973</u>	<u>8,143,388</u>	<u>1,795,673</u>	<u>24,309,034</u>
<u>NET POSITION</u>				
Net investment in capital assets	132,393,904	3,672,499	9,516,292	145,582,695
Unrestricted	<u>(27,339,323)</u>	<u>(45,687,945)</u>	<u>(440,430)</u>	<u>(73,467,698)</u>
Total net position	<u>\$ 105,054,581</u>	<u>\$ (42,015,446)</u>	<u>\$ 9,075,862</u>	<u>\$ 72,114,997</u>

**CITY OF HIALEAH, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Water and Sewers Utility System	Solid Waste Utility System	Stormwater Utility System	Total
Operating revenues:				
Metered water sales	\$ 27,237,661	\$ -	\$ -	\$ 27,237,661
Sanitary sewer service	54,181,607	-	-	54,181,607
Sanitation fees	-	21,197,754	-	21,197,754
Stormwater fees	-	-	3,632,127	3,632,127
Other	7,394,060	621,405	-	8,015,465
Total operating revenues	<u>88,813,328</u>	<u>21,819,159</u>	<u>3,632,127</u>	<u>114,264,614</u>
Operating expenses:				
Operating, administrative and maintenance (1)	83,264,333	8,086,240	1,649,959	93,000,532
Depreciation	6,097,870	144,042	2,747,845	8,989,757
Total operating expenses	<u>89,362,203</u>	<u>8,230,282</u>	<u>4,397,804</u>	<u>101,990,289</u>
Operating income (loss)	<u>(548,875)</u>	<u>13,588,877</u>	<u>(765,677)</u>	<u>12,274,325</u>
Non-operating revenues (expenses):				
Unrealized gain on investments	(1,841,360)	-	-	(1,841,360)
Investment Income	447,611	2,533	14,448	464,592
Interest expense	(2,878,981)	(157,835)	(483,693)	(3,520,509)
Net non-operating revenues (expenses)	<u>(4,272,730)</u>	<u>(155,302)</u>	<u>(469,245)</u>	<u>(4,897,277)</u>
Gain (loss) before contributions	(4,821,605)	13,433,575	(1,234,922)	7,377,048
Capital contributions	339,738	-	877,658	1,217,396
Change in net position	(4,481,867)	13,433,575	(357,264)	8,594,444
Net position, beginning	<u>109,536,448</u>	<u>(55,449,021)</u>	<u>9,433,126</u>	<u>63,520,553</u>
Net position, ending	<u>\$ 105,054,581</u>	<u>\$ (42,015,446)</u>	<u>\$ 9,075,862</u>	<u>\$ 72,114,997</u>

(1) - See Note 1, paragraph 18

**CITY OF HIALEAH, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Water and Sewers Utility System	Solid Waste Utility System	Stormwater Utility System	Totals
Cash flows from operating activities:				
Cash received from customers	\$ 74,257,304	\$ 19,854,668	\$ 3,205,680	\$ 97,317,652
Cash received from others	7,482,855	376,256	-	7,859,111
Cash received for interfund services used	2,239,670	-	-	2,239,670
Cash payments to suppliers	(62,898,013)	(15,332,665)	(579,793)	(78,810,471)
Cash payments to employees	(6,881,867)	(602,231)	(972,386)	(8,456,484)
Net cash provided by (used in) operating activities	<u>14,199,949</u>	<u>4,296,028</u>	<u>1,653,501</u>	<u>20,149,478</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(1,962,181)	(1)	(195,401)	(2,157,583)
Proceeds from interfund note receivable	4,072,439	-	-	4,072,439
Interest paid	(2,878,981)	(157,835)	(483,693)	(3,520,509)
Capital contributions	339,738	-	-	339,738
Payments on interfund note payable	-	(4,072,439)	-	(4,072,439)
Payments on long-term debt	(314,514)	-	(988,855)	(1,303,369)
Net cash provided by (used in) capital and related financing activities	<u>(743,499)</u>	<u>(4,230,275)</u>	<u>(1,667,949)</u>	<u>(6,641,723)</u>
Cash flows from investing activities:				
Sale of investment securities	-	-	-	-
Interest received on investments	<u>228,663</u>	<u>2,533</u>	<u>14,448</u>	<u>245,644</u>
Net cash provided by (used in) investing activities	<u>228,663</u>	<u>2,533</u>	<u>14,448</u>	<u>245,644</u>
Net increase (decrease) in cash and cash equivalents	13,685,113	68,286	-	13,753,399
Cash and cash equivalents, beginning	<u>37,204,455</u>	<u>273,357</u>	<u>-</u>	<u>37,477,812</u>
Cash and cash equivalents, ending	<u>50,889,568</u>	<u>341,643</u>	<u>-</u>	<u>51,231,211</u>
Cash and cash equivalents per statement of net position:				
Unrestricted	23,555,180	341,643	-	23,896,823
Restricted - current	<u>27,334,388</u>	<u>-</u>	<u>-</u>	<u>27,334,388</u>
	<u>\$ 50,889,568</u>	<u>\$ 341,643</u>	<u>\$ -</u>	<u>\$ 51,231,211</u>

**CITY OF HIALEAH, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
(Continued)  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Water and Sewers Utility System	Solid Waste Utility System	Stormwater Utility System	<u>Totals</u>
Reconciliation of operating loss to net cash provided by operating activities:				
Operating income (loss)	\$ (548,875)	\$ 13,588,877	\$ (765,677)	\$ 12,274,325
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	6,097,870	144,042	2,747,845	8,989,757
Changes in operating assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	(7,373,057)	-	-	(7,373,057)
Other receivables	89,001	(245,149)	-	(156,148)
Due from other funds	1,038,423	(1,343,086)	(426,447)	(731,110)
Prepays	2,242,102	-	223,822	2,465,924
Inventories	(260,532)	-	-	(260,532)
Deferred outflows	3,273,578	4,237,297	581,283	8,092,158
Increase (decrease) in:				
Accounts payable and accrued liabilities	4,951,405	680,550	(157,736)	5,474,219
Self insurance claims payable	(675,854)	(516,786)	(28,378)	(1,221,018)
Compensated absences payable	(153,829)	3,002	84,411	(66,416)
OPEB liability	(1,275,477)	(13,840,411)	(1,105,948)	(16,221,836)
Deferred inflows	12,188,888	6,356,307	1,483,285	20,028,480
Net pension liability	(6,863,007)	(5,623,238)	(982,959)	(13,469,204)
Due to other funds	1,201,247	854,623	-	2,055,870
Customer deposits	<u>268,066</u>	<u>-</u>	<u>-</u>	<u>268,066</u>
Total adjustments	<u>14,748,824</u>	<u>(9,292,849)</u>	<u>2,419,178</u>	<u>7,875,153</u>
Net cash provided by (used in) operating activities	<u>\$ 14,199,949</u>	<u>\$ 4,296,028</u>	<u>\$ 1,653,501</u>	<u>\$ 20,149,478</u>
Schedule of non-cash capital and related financing activities:				
Contributions of capital assets from governmental activities	\$ -	\$ -	\$ 1,080,690	\$ 1,080,690
Increase (decrease) in fair value of investments	(1,841,360)	-	-	(1,841,360)



**CITY OF HIALEAH, FLORIDA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2022**

	Pension Trust
<u>ASSETS</u>	
Cash and cash equivalents	\$ 67,405,359
Securities lending cash collateral	<u>5,359,276</u>
Receivables:	
Other receivables	614,134
Employer and employee contributions	-
Accrued interest and dividends	<u>1,564,401</u>
Total receivables	<u>2,178,535</u>
Investments, at fair value:	
U.S. Government	133,292,616
U.S. Federal Agencies	3,953,058
Real estate investment trusts	11,437,852
Corporate bonds	119,016,182
Foreign bonds	1,104,437
Limited partnerships	3,359,728
Mutual funds	19,696,114
ADRs	25,281,315
Foreign stocks	5,746,265
CIF - equity	892,754
Common stocks	296,971,713
Private placements	<u>497,744</u>
Total investments	<u>621,249,778</u>
Loans to members	<u>6,836,943</u>
Total assets	<u>703,029,891</u>
<u>LIABILITIES AND NET POSITION</u>	
Obligations under securities lending	5,359,276
Investments purchased	846,947
Accounts payable and accrued liabilities	<u>35,300</u>
Total liabilities	<u>6,241,523</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Advance contribution from City	<u>32,788,837</u>
Net position restricted for pensions	<u>\$ 663,999,531</u>

**CITY OF HIALEAH, FLORIDA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Pension Trust
	<u>ADDITIONS</u>
Contributions:	
Employer	\$ 33,760,869
Employee	9,186,219
State	<u>461,877</u>
Total contributions	<u>43,408,965</u>
Investment income:	
Net depreciation in fair value of investments	(140,234,327)
Investment earnings	<u>15,088,697</u>
Total investment loss	(125,145,630)
Less investment expenses	<u>2,279,556</u>
Net investment loss	<u>(127,425,186)</u>
Total additions	<u>(84,016,221)</u>
	<u>DEDUCTIONS</u>
Pension benefits	67,269,578
Refunds of contributions	7,527,911
DROP benefits	6,738,704
Administrative expenses	<u>710,764</u>
Total deductions	<u>82,246,957</u>
Net increase (decrease)	(166,263,178)
Net position restricted for pensions:	
Beginning of year	<u>830,262,709</u>
End of year	<u>\$ 663,999,531</u>

## NOTES TO BASIC FINANCIAL STATEMENTS

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Hialeah, Florida (the "City") was incorporated in 1925. The City operates under a strong mayor form of government with the legislative function being vested in a seven-member council. The City provides the following services as authorized by its charter: public safety (police and fire), streets, water and wastewater, sanitation, social services, culture-recreation, public improvements, planning and zoning and general administrative services. The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United State of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental and financial reporting principles. The more significant of the City's accounting policies are described below.

**A. The Financial Reporting Entity**

As required by generally accepted accounting principles, these basic financial statements present the reporting entity of the City. 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 City'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 on the application of the criteria set forth by the Governmental Accounting Standards Board, management has determined that the City of Hialeah Educational Academy, Inc. (the "HEA") met the definition for inclusion as a blended component unit. There were no discretely presented component units.

Blended Component Unit - HEA is a charter school operating as a charter-school municipality through a school charter agreement between the School Board of Miami Dade County, Florida and the City. HEA is governed by oversight committee, which was established by City Ordinance 08-48, which is composed of the City's Mayor and council members. The members of the oversight committee also serve as the HEA Board of Directors. HEA is included as a blended component unit because the City, through the Board of Directors, approves the budget and oversees the HEA operations. Further, there is a direct financial benefit to the City. HEA has a fiscal year ending on June 30, 2022. The June 30, 2022 financial statements are reported as a special revenue fund of the City, and HEA issues separate financial statements.

Related Organization - The City Council is also responsible for appointing the members of the Board of the Hialeah Housing Authority, but the City's accountability for this organization does not extend beyond making the appointments.

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

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government. 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.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Government-Wide and Fund Financial Statements (Continued)**

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 clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers 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.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, insurance claims, pensions and other post-employment benefits are recorded only when payment is due or when the City has made a decision to fund these obligations with current available resources.

Property taxes, franchise fees, utility 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. All other revenue items are considered to be measurable and available only when the cash is received by the City.

The City reports the following major governmental funds:

General Fund

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

Building Division Fund

This fund is responsible for the safety and welfare of the general public by ensuring that the review and inspection of permitted activity is in compliance with the Florida Building Code, State Statutes, and local ordinances.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

Coronavirus State and Local Fiscal Recovery Fund

This fund accounts for the Coronavirus State and Local Fiscal Recovery Funds that congress has allocated to state, local, territorial, Tribal governments, in order to support their response to and recovery from the COVID-19 public health emergency.

The City reports the following major proprietary funds:

Water and Sewer Utility System Fund

This fund accounts for the activities of the water and sewer department. The Department operates the sewage treatment plan, sewage pumping stations and collection systems, and the water distribution system.

Solid Waste Utility System Fund

This fund accounts for providing solid waste services to customers of the City.

Stormwater Utility System Fund

This fund accounts for providing stormwater services to customers of the City.

The City reports the following non-major governmental funds:

Special Revenue Funds

These funds account for the proceeds of specific revenue sources (other than those for major capital projects) that are restricted legally to expenditures for specified purposes.

Debt Service Funds

These funds account for the financial resources that are restricted for periodic payment of principal and interest expenditures on long-term debt of the governmental funds.

Capital Projects Funds

These funds account for the financial resources that are restricted or committed for the acquisition or construction of specific capital projects.

Additionally, the City reports the following fund type:

Pension Trust Funds

These funds account for the activities of the retirement plans for the Employees' Retirement System and Elected Officials' Retirement System, which accumulate resources for pension benefits to those qualified employees.

In the government-wide financial statements, amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 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.

Proprietary fund 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.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

Operating expenses for enterprise 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 the City policy to use restricted resources first, and then unrestricted resources as needed.

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

1. **Deposits and Investments** - The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The City's retirement plans are authorized by its governing boards to invest in obligations of the U.S. Government, common stocks, corporate bonds, real estate, and other investment types allowed by Florida Statutes.

Investments in the City's Retirement Plans are governed by each of the Plans' investment policies.

Investments are reported at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Certain investments are recorded at net asset value (NAV) per share. This method of determining fair value uses member units to which a proportionate share of net assets is attributed.

Investments are categorized according to the fair value hierarchy established by GASB Statement No.72, Fair Value Measurement and Applications, which requires the City to use valuation techniques which are appropriate under the circumstances and are either a market approach, a cost approach, or income approach. The Statement establishes a hierarchy of inputs used to measure fair value consisting of three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs, and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability.

Unrealized gains and losses are presented as net appreciation (depreciation) in fair value of investments along with gains and losses realized on the sales of investments. Purchases and sales of investments are recorded on a trade-date basis.

2. **Interfund Receivables, Payables, and Transfers** - Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Interfund transfers are reported as other financing sources/ uses in governmental funds and after non-operating revenues/ expenses in proprietary funds.
3. **Inventories and Prepaid Items** - Inventories of the governmental funds are valued at cost determined on the average method, and consist of gasoline and expendable supplies available for consumption. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories of the water and sewer fund are valued at cost and consist of pipes, valves, fittings and meters.



**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)**

3. Inventories and Prepaid Items (Continued)- Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expenditure/expense when consumed(consumption method).
4. Capital Assets - Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable government or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are they are constructed. Interest incurred during the construction phase or capital assets of business-type is included as part of the capitalized value of the assets constructed.

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

<u>Assets</u>	<u>Estimated Useful Lives (Years)</u>
Buildings	10-50
Improvements other than buildings	10-25
Furniture, fixtures, machinery and equipment	5-20
Public domain and system infrastructure	15-50

5. 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 assets that applies to future periods and therefore will not be recognized as an outflow of resources (expense/expenditure) until then. The City has pension, advance contributions to pension, and other post-employment benefits that qualify for reporting in this category in the amount of \$60,420,891, \$32,788,837, and \$43,811,693 respectively.

In addition 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 assets that applies to future periods and therefore will not be recognized as inflow of resources (revenue) until that time. The City has pension, other post-employment benefits, and local business tax receipts/fire prevention fees, that qualify for reporting in this category in the amount of \$57,860,556, \$102,289,585, and \$4,027,034 respectively.

Unavailable revenues consists of CITT Surtax funds, and the Emergency Assistance Program Fund received after the period of availability.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)**

6. Unearned Revenues - Unearned revenues represents grants and similar items received in advance for which the City has not all the eligibility requirements to allow for revenue recognition.
7. Compensated Absences - City employees are granted vacation and sick leave in varying amounts based on length of service and the department which the employee services. The City's vacation and sick leave policy is to permit employees to accumulate earned but unused vacation and sick benefits. Such leave is accrued and reported as a fund liability when it is probable that the City will compensate the employee with expendable available financial resources. All vacation and sick leave is accrued when incurred in the government-wide financial statements and in the proprietary fund financial statements as a fund liability. 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.
8. Long-Term Obligations - In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable premium or discount. Issuance costs are expensed in the period incurred.

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 whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Net position - As of September 30, 2022, net position is categorized as follows:
  - Net investment in capital asset  
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.
  - 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.
10. Net Position Flow Assumption - Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide financial statements, a flow assumption must be made about the order in which resources are considered to be applied. The City considers restricted net position to have been depleted before unrestricted net position is applied.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)**

11. Fund Balance - As of September 30, 2022, fund balances of the governmental funds are classified as follows:

- **Non-spendable**  
Amounts that cannot be spent either because they are not in spendable form (e.g. inventories and prepaid) or 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 City Council. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the City Council. Ordinances and resolutions are equally binding and are the highest level of decision making authority.
- **Assigned**  
Assigned fund balances are amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Intent is established by the City Council who has the authority to assign, modify or rescind amounts to be used for specific purposes. This is delineated in the policy approved 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 non-spendable, 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 City itself.
- **Unassigned**  
Unassigned fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)**

11. Fund Balance (Continued)

	<u>General</u>	<u>Building Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund Balances:				
Nonspendable:				
Inventories	\$1,591,186	\$-	\$-	\$1,591,186
Prepays	718,000	-	230,442	948,442
Notes receivable	2,822,625	-	-	2,822,625
Restricted:				
General government	86,417	45,593,408	12,419,029	58,098,854
Human services	-	-	736,856	736,856
Parks and recreation	-	-	48,834	48,834
Public safety	-	-	3,494,928	3,494,928
Road improvements	-	-	12,654,334	12,654,334
Committed:				
General government	305,993	73,729	-	379,722
Human services	-	-	2,778	2,778
Parks and recreation	6,729	-	-	6,729
Public safety	665	-	910,993	911,658
Road improvements	-	-	1,743,430	1,743,430
Assigned:	1,062,100	-	-	1,062,100
Unassigned:	<u>46,081,725</u>	<u>-</u>	<u>(4,319,683)</u>	<u>41,762,042</u>
Total Fund Balances	<u>\$52,675,440</u>	<u>\$45,667,137</u>	<u>\$27,921,941</u>	<u>\$126,264,518</u>
Fund Balances:				
Nonspendable	\$5,131,811	\$-	\$230,442	\$5,362,253
Restricted	86,417	45,593,408	29,353,981	75,033,806
Committed	313,387	73,729	2,657,201	3,044,317
Assigned	1,062,100	-	-	1,062,100
Unassigned	<u>46,081,725</u>	<u>-</u>	<u>(4,319,683)</u>	<u>41,762,042</u>
Total Fund Balances	<u>\$52,675,440</u>	<u>\$45,667,137</u>	<u>\$27,921,941</u>	<u>\$126,264,518</u>

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)**

12. Capital Contributions - Capital contributions in proprietary fund financial statements arise from grants or outside contributions of resources restricted to capital acquisition and construction.
13. Utility Billings – Utility customers are billed either monthly or bi-monthly on a cycle basis. Unbilled revenue is recognized in the accompanying financial statements based upon estimates of revenues for services rendered between billing cycle dates and fiscal year end.
14. Employee Benefit Plans - The City provides two separate defined benefit pension plans for its employees and elected officials. 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 Employees' Retirement System and the Elected Officials' Retirement System 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 15 for further information.
15. Post-Employment Benefits Other Than Pensions (OPEB) - Pursuant to Section 112.0801, Florida Statutes, the City 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 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 City currently provides these benefits in accordance with the vesting and retirement requirement of the City of Hialeah Employees' Retirement System and Elected Officials Retirement Plan covering substantially all elected officials, regular full time general, police, and fire department employees of the City.

The plan is not accounted for as a trust fund and an irrevocable trust has not been established to fund this plan. The City is financing the post employee benefits on a pay-as-you go basis. The OPEB plan does not issue separate financial statements.

16. Risk Management - The City is self-insured for automobile liability, general liability, and property damage claims pursuant to Florida Statute Section 768.28 (Waiver of Statute of Limitations; Exclusions; Indemnifications; Risk Management Programs). The City is protected by Florida Statute 768.28, which limits losses to (a) \$100,000 per person / \$200,000 per occurrence for claims arising between October 1, 1981 and October 1, 2011; and (b) \$200,000 per person / \$300,000 per occurrence for claims arising after October 1, 2011. These limits do not apply, though, to action brought in federal courts or to claim relief bills approved by the Florida legislature. The City is also self-insured for worker's compensation claims. The City is self-insured for health claims and uses a commercial carrier as the administrator. The discounted accrued liability for estimated insurance claims represents an estimate of the ultimate cost of settling claims arising prior to year-end including claims incurred by not yet reported.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)**

17. Use of Estimates - The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States of America. Management is required to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources, the disclosure of contingent assets/deferred outflows and liabilities/deferred inflows at the date of the financial statements and revenue and expenditures/expenses during the period reported. These estimates include assessing the collectability of accounts receivable, the use and recoverability of inventory, pension and post-retirement obligations, useful lives of capital assets, impairment of tangible assets, and the determination of the actuarially accrued liability for unpaid claims. Although these 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.
18. Fund Deficits - The following fund had a deficit in the amount indicated as of September 30, 2022:

<u>Funds</u>	<u>Deficit</u>
Proprietary Fund:	
Solid Waste Utility System	\$42,015,446

The Solid Waste Utility System fund had a prior year ending fund deficit of \$55.4 million.

The City has completed the transition from municipal services to private services for Solid Waste, which began in November 2015, and amounts applicable for employee personnel expenses remain fairly consistent. For the fiscal year 2021-2022 the change in net position for the Solid Waste Utility System was approximately \$13 million. This change is inclusive of a credit to expenses for other post-employment benefits of approximately \$8.2 million, and a credit to expenses for pension of approximately \$700 thousand. The City's business-type activity funds continue to have significant fluctuations in operating income/losses due to adjustments and changes in actuarially determined long term liabilities. The City Council adjusted the monthly Solid Waste fee charged to customers from \$31.99 to \$36.50. Given the current monthly retail rate for solid waste services it is projected that additional adjustments in FY 2022-2023 are necessary to cover operating expenses. The City anticipates annual CPI adjustments to the residential monthly fees in FY 2023, including a fuel adjustment. Financial estimates, as adjusted by CPI, show the fund achieving a net operating surplus of an estimated amount of \$500 thousand during the period of FY 22-23, after accounting for debt service payments to the Water and Sewers fund.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)**

19. Excess of Expenditures over Appropriations - For fiscal year ended September 30, 2022, expenditures exceeded appropriations in the following departments of the General Fund:

	<u>Final Budget</u>	<u>Actual</u>	<u>Amount in Excess of Final Budget</u>
Communications and special events	\$1,550,014	\$1,764,143	\$214,129
Construction and maintenance	3,630,456	3,685,941	55,845
Employee retirement	943,787	1,061,805	118,018
Fire	49,024,071	49,922,805	898,734
Fleet	3,881,836	3,915,404	33,568
General government	3,854,380	6,904,943	3,050,563
Human Resources	1,305,084	1,378,933	73,849
Office of management and budget	490,864	577,326	86,462
Office of the Mayor	839,063	1,007,166	168,103
Purchasing	-	17,346	17,346

These excess of expenditures in those departments were funded with surpluses in other departments and excess revenues received in the current year.

20. Excess of Expenditures over Appropriations - For fiscal year ended September 30, 2022, expenditures exceeded appropriations in the following non-major governmental funds:

	<u>Final Budget</u>	<u>Actual</u>	<u>Amount in Excess of Final Budget</u>
Emergency Disaster COVID-19 Fund	\$ -	\$338,706	\$338,706
Emergency Disaster Fund	-	237,836	237,836
Park Impact Fees and Grants Fund	113,764	8,391,986	8,278,222
E-911 Wireless Fund	950,423	1,213,108	262,685
Affordable Housing Fund	3,100,021	3,240,253	140,232
Law Enforcement Trust Federal Fund	46,463	106,914	60,451
Emergency Assistance Program Fund	439,804	1,974,175	1,534,371
Revenue Bond Series 2015A Fund	2,220,120	2,221,002	900
CITT Surtax Transportation Fund	3,889,990	9,365,397	5,475,407

These excess of expenditures in those departments were funded with surpluses in other departments and excess revenues received in the current year.



**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 2 - PROPERTY TAXES**

Property taxes (ad valorem taxes) are assessed on January 1 and are billed and payable November 1, with discounts of one to four percent if paid prior to March 1 of the following calendar year. All unpaid taxes on real and personal property become delinquent on April 1 and accrue interest charges from April 1 until a tax sale certificate is sold at auction. Assessed values are established by the Miami-Dade County Property Appraiser at approximately fair market value. The County bills and collects all property taxes for the City.

Under Florida law, the assessment of all properties and the collection of all county, municipal, school district and special district property taxes are consolidated in the offices of the Miami Dade County Property Appraiser and County Tax Collector.

State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed valuation) for general governmental services (other than the payment of principal and interest on general obligation long-term debt). In addition, unlimited amounts may be levied for the payment of principal and interest on general obligation long-term debt, subject to a limitation on the amount of debt outstanding. The millage rate to finance general governmental services for the year ended September 30, 2022 was 6.3018 mills per \$1,000 of assessed valuation.

**NOTE 3 - DEPOSITS AND INVESTMENTS**

**Deposits**

In addition to insurance provided by the Federal Deposit 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 deemed as insured or collateralized with securities held by the entity or its agent in the entity's name.

**Investments**

As required by Florida Statutes, the City has adopted a written investment policy, which may, from time to time, be amended by the City. The administration is authorized to invest in those instruments authorized by the Florida statutes and the City's investment policy. Investments consist of the Florida Municipal Investment Trust administered by the Florida League of Cities, Inc., Vanguard funds, and investments held by the City's retirement funds. The investments held in the Plans' may be invested in obligations of the U.S. Government or its agencies, first mortgages or first mortgage bonds, corporate bonds, and common and preferred stock.

Interest Rate Risk - Interest rate risk refers to the portfolio's exposure to fair value losses arising from increasing interest rates. In accordance with its investment policy, the City places no limit on the amount that may be invested in securities of the U.S.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
Vanguard - Bond	\$5,678,350	\$5,142	\$1,105,336	\$4,567,872	\$ -
FMIT - Bond	7,846,613	746,383	7,100,230	-	-
Total	<u>\$13,524,963</u>	<u>\$751,525</u>	<u>\$8,205,566</u>	<u>\$4,528,253</u>	<u>\$ -</u>



**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)**

**Investments - City**

As of September 30, 2022, the City's investments consisted of the following:

		<u>Fitch Rating</u>
0-2 Year High Quality Bond	\$746,383	AAAf/S1
1-3 Year High Quality Bond	751,692	AAAf/S2
Intermediate High Quality Bond	3,185,559	AAAf/S3
Broad Market High Quality Fund	<u>3,162,979</u>	AAAf/S4
Total	<u>\$7,846,613</u>	

		<u>Fitch Rating</u>
Inter-Term Bond Index Adm	\$3,683,704	AAA
Short-Term Corp Bond Index Adm	1,108,632	BBB
Inter-Term Corp Bond	880,884	BBB
Prime Money Market Fund	<u>5,130</u>	A
Total	<u>\$5,678,350</u>	

Concentration Credit Risk - Disclosure of investments in any one issuer that represents 5% or more of the total of the City's investments is required. Conversely, investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds or pools are excluded from the concentration of credit risk disclosure requirement.

**Investments - Pension Plans**

The Board of Trustees has developed certain investment policies 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 policies. The investment managers are compensated based on a percentage of their portfolio's market value.

The Plans' investment policies are determined by each 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 policies have been identified by each 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 City ordinances, preserving principal while maximizing the rate of return.

Employee Retirement System (PERS) - Investment in all equity securities shall be limited to those listed on a major U.S. stock exchange or traded over-the-counter. The equity position in any one company shall not exceed 5% of the total cost of equity investments. Investments in stocks of foreign companies shall be limited to 10% of the manager's portfolio. Fixed income securities must be rated "BBB" or higher by a major rating agency. The average quality rating of the fixed income portfolio shall be "A" or better by a major rating agency.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)**

**Investments - Pension Plans (Continued)**

Elected Officials' Retirement System (EORS) - Investment in all equity securities shall be limited to those listed on a major U.S. stock exchange or traded over-the-counter. The equity position in any one company shall not exceed 5% of the total cost of equity investments. Fixed income securities must be rated "BBB" or higher by a major rating agency. The average quality rating of the fixed income portfolio shall be "A" or better by a major rating agency.

Types of Investments - Florida statutes and the Plans' investment policies authorize each Board to invest funds in various investments. The current target allocation of these investments at fair value is as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	
	<u>Employees' Retirement System</u>	<u>Elected Officials Retirement System</u>
Domestic Equity	50%	45%
International Equity	5%	10%
Domestic Bonds	41.25%	30%
Alternatives - Other	<u>3.75%</u>	<u>15%</u>
	100%	100%

Rate of Return - For the year ended September 30, 2022 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -15.21% and -14.10% for the PERS and EORS, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. Inputs to the internal rate of return calculations are determined on a monthly basis.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)**

**Investments - Pension Plans (Continued)**

As of September 30, 2022, the Plans' had the following investments:

<u>City of Hialeah Employees' Retirement System</u>		<u>Investment Maturities (In Years)</u>			
<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
Corporate					
Asset backed	\$40,048,068	\$-	\$38,254,564	\$1,793,504	\$-
Bonds	69,695,268	495,410	34,220,688	32,816,207	2,162,963
Collateralized mortgage obligations	9,272,846	-	-	-	9,272,846
Private placement	497,744	-	497,745	-	-
Foreign bonds					
Bonds	1,104,437	-	1,104,437	-	-
U.S. Government					
Agency	3,953,058	-	3,853,058	-	-
Collateralized mortgage obligations	2,655,277	447,170	-	1,419,503	788,604
Mortgage backed	64,862,837	-	287,849	17,836	64,557,153
TIPS	625,172	-	-	625,172	-
Treasuries, notes and bonds	<u>65,149,330</u>	<u>-</u>	<u>27,906,384</u>	<u>37,242,946</u>	<u>-</u>
Sub-total	<u>257,864,037</u>	<u>\$942,580</u>	<u>\$106,124,725</u>	<u>\$73,915,168</u>	<u>\$76,781,566</u>
Real estate investment trusts	10,491,340				
Limited partnerships	3,359,728				
Mutual funds	8,021,948				
American depository receipts	25,281,315				
Foreign stocks	5,746,265				
CIF - equity	892,754				
Common stocks	<u>296,971,713</u>				
Total Fair Value	<u>\$608,629,100</u>				

<u>Elected Officials' Retirement Plan</u>		<u>Investment Maturities (In Years)</u>			
<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
Vanguard-IT Bond mutual funds	\$2,938,988	\$588	\$34,386	\$2,829,364	\$74,650
Vanguard-ST Bond mutual funds	601,069	2,284	588,447	10,338	-
Vanguard-HY Bond mutual funds	<u>1,224,853</u>	<u>109,992</u>	<u>369,538</u>	<u>683,713</u>	<u>61,610</u>
Sub-total	<u>4,764,910</u>	<u>\$112,864</u>	<u>\$992,371</u>	<u>\$3,523,415</u>	<u>\$136,260</u>
Vanguard-equity mutual funds	6,909,256				
Real estate investment trusts	<u>946,512</u>				
Total Fair Value	<u>\$12,620,678</u>				

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)**

**Investments - Pension Plans (Continued)**

Interest Rate Risk - Interest rate risk exists when there is possibility that changes in interest rates could adversely affect an investment's fair value. In accordance with its investment policy, the Plan places no limit on the amount that may be invested in securities of the U.S. Government or its agencies. Interest rate risk disclosures are required for all debt investments as well as investments in mutual funds, external investment pools, and other pooled investments that do not meet the definition of a 2a7-like pool.

Credit Risk - Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The Plan's investment policy limits investments to the highest ratings by nationally recognized statistical rating organizations (NRSPo) – (Standard and Poor's, Moody's Investors Services and Fitch Ratings). Fixed income investments must be direct issues of the United States Treasury, United States Government Agencies, or Instrumentalities including Mortgage Backed Securities and their derivative products. Mortgage and Asset backed securities not issued by an agency of the Federal Government must be rated "A" or better by a NRSPo. Other than securities of the U.S. Government or its agencies the fixed income portfolio shall not exceed 5% of any one issuer.

As of September 30, 2022, the Plan's fixed income investments with credit ratings consisted of the following:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>
U.S. Government guaranteed *	\$3,953,058	Aaa
Treasuries, notes and bonds *	65,149,330	Aaa
TIPS *	625,172	N/A
Collateralized mortgage obligations *	2,655,277	N/A
Mortgage Backed	64,862,837	N/A
Asset backed	22,212,742	Aaa
Asset backed	17,835,326	N/A
Collateralized mortgage obligations	6,007,679	Aaa
Collateralized mortgage obligations	3,265,167	N/A
Foreign bonds	649,702	A1
Foreign bonds	454,735	Baa1
Private placement	497,744	Baa1
Corporate bonds	720,023	Aaa
Corporate bonds	826,002	Aa3
Corporate bonds	16,085,478	A1
Corporate bonds	10,226,923	A2
Corporate bonds	5,574,900	A3
Corporate bonds	35,451,137	Baa1
Corporate bonds	810,805	N/A
Total	<u>\$257,864,037</u>	

\*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.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)**

**Investments - Pension Plans (Continued)**

Concentration Credit Risk - Disclosure of investments in any one issuer that represents 5% or more of the total of the City's investments is required. Conversely, investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds or pools are excluded from the concentration of credit risk disclosure requirement. As of September 30, 2022, no investments in any one issuer represented 5% or more of the total of the City's investments.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of the failure of the counter-party, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the City of Hialeah Employees' Retirement System's (the "Plan") investment policy, the investments are held by the Plan's custodial bank and registered in the Plan's name.

Foreign Currency Risk - Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of the investment or a deposit. The investment policy of the Plan limits the foreign investments to no more than 5% of the Plan's investment balance. As of September 30, 2022, the Plan had no investments denominated in foreign currency.

**NOTE 4 - SECURITIES LENDING TRANSACTIONS**

State statutes do not prohibit the Plan from participating in securities lending transactions. The City of Hialeah Employees' Retirement System (the "Plan"), pursuant to a Securities Lending Authorization Agreement, has authorized Comerica Bank ("Comerica") to act as the Plan's agent in lending the Plan's securities to approved borrowers. Comerica, as agent enters into Securities Loan Agreements with borrowers. Cash collateral received in respect to the Plan's securities lent to approved borrowers was invested at the direction of the Plan. Please note the following:

- a) Method for Determining Fair Value. The fair value of investments held by the Fund is based upon valuation provided by a recognized pricing service.
- b) Involuntary Participation. There was no involuntary participation in an external investment pool by the Plan for the Fiscal Year.
- c) Necessary Information. Not Applicable.
- d) Income Assignment. No income from one fund was assigned to another fund by Comerica during the fiscal year.

During the fiscal year, Comerica lent, on behalf of the Plan, certain securities of the Plan held by Comerica as custodian and received cash or other collateral including securities issued or guaranteed by the United States government. Comerica does not have the ability to pledge or sell collateral securities delivered absent a borrower default. Borrowers were required to deliver collateral for each loan equal to at least 100% of the market value of the loaned securities.

Pursuant to the Securities Lending Authorization Agreement, Comerica does not indemnify the Plan in the event of default by a borrower. There were no failures by any borrowers to return loaned securities or pay distributions thereon during the fiscal year that resulted in a declaration and notice of Default of the Borrower.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 4 - SECURITIES LENDING TRANSACTIONS (Continued)**

During the fiscal year, the Plan and the borrowers maintained the right to terminate securities lending transactions upon notice. The cash collateral received on each loan was invested, together with the cash collateral of other qualified tax-exempt plan lenders, in a collective investment pool.

GASB Statement No. 28, Accounting and Financial Reporting for Securities Lending Transactions, establishes accounting and financial reporting standards for securities lending transactions. The standard requires governmental entities to report securities lent as assets in their balance sheets unless the entity did not have the ability to pledge or sell collateral securities absent a borrower default as the case with the Plan. Cash received as collateral and investments made with that cash must also be reported as assets. The statement also requires the costs of the securities lending transactions to be reported as expenses separately from income received. In addition, the statement requires disclosures about the transactions and collateral related to them. On September 30, 2022, the Plan had no credit risk exposure to borrowers. The market values of collateral held and the market value (USD) of securities on loan for the Plan as of September 30, 2022, was \$5,359,276. The \$5,359,276 was cash and securities collateral and has been reported in the statement of fiduciary net position as an asset of the Plan along with the liability of \$5,359,276 for obligations under security lending.

**NOTE 5 - FAIR VALUE MEASUREMENTS**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City does not have any investments that are categorized as Level 3.

As of September 30, 2022, the City had the following investments within the fair value hierarchy:

		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs
<u>Investments by fair value level</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>
Bond Mutual Funds	<u>\$7,846,613</u>	<u>\$ -</u>	<u>\$7,846,613</u>
Total Investment by fair value level	<u>\$7,846,613</u>	<u>\$ -</u>	<u>\$7,846,613</u>

These funds invest mainly in US government and agency securities, asset-backed securities and corporate bonds and notes. The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted. The City is reporting these shares as level 2, since the value is based on market-corroborated data.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 5 - FAIR VALUE MEASUREMENTS (Continued)**

As of September 30, 2022, the Elected Officials' Retirement System had the following investments within the fair value hierarchy:

		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs
<u>Investments by fair value level</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>
Equity Mutual Funds	\$6,909,256	\$6,909,256	\$ -
Bond Mutual Funds	4,764,910	4,764,910	-
Real Estate Investments Trusts	<u>946,512</u>	<u>-</u>	<u>946,512</u>
Total Investment by fair value	<u>\$12,620,678</u>	<u>\$11,674,166</u>	<u>\$946,512</u>

The fair value of investments is based on quoted market prices (Level 1). Real estate values are based upon independent appraisals performed for assets held by the open-end fund annually, with restricted-scope appraisals conducted on a quarterly basis for those assets not receiving a full appraisal. The fair value of real estate is determined as the price that the fund would expect to receive if the asset was sold to a market participant assuming the highest and best use of each asset at the date of the consolidated statement of net position.

As of September 30, 2022, the Employees' Retirement System had the following investments within the fair value hierarchy:

		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs
<u>Investments by fair value level</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>
American depository receipts	\$25,281,315	\$25,281,315	\$ -
Common stocks	296,971,713	296,971,713	-
CIF - Equity	892,754	892,754	-
Foreign stocks	5,746,265	5,746,265	-
U.S. Government Collateralized mortgage Obligations	2,655,277	2,655,277	-
Mutual funds	8,021,945	8,021,948	-
Foreign bonds	1,104,437	1,104,437	-
Real estate investment trust	10,491,340	10,491,340	-
U.S. Federal agencies	3,953,058	-	3,953,058
Corporate bonds	69,695,268	-	69,695,268
Assets backed	40,048,068	-	40,048,068
Collateralized mortgage obligations	9,272,846	-	9,272,846
Inflation index bonds	625,172	-	625,172
Private placements	497,744	-	497,744
Short-term investments	65,149,330	-	65,149,330
Mortgage backed securities	<u>64,862,837</u>	<u>-</u>	<u>64,862,837</u>
Subtotal Investments by fair value level	<u>605,269,372</u>	<u>351,165,049</u>	<u>254,104,323</u>
<u>Investments measured at the net asset value (NAV)*</u>			
Limited Partnerships	<u>3,359,728</u>		
Total Investments by fair value level	<u>\$608,629,100</u>		

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 5 - FAIR VALUE MEASUREMENTS (Continued)**

\*As required by GAAP, certain investments that are measured at net asset value have not been classified in the fair value hierarchy.

The following is a description of the fair value techniques for the Plan's investments. Level 1 and 2 prices are obtained from various pricing sources by the Plan's custodian:

Short-term investments, which consist of money market funds, are reported at cost, which is fair value.

Equity securities traded on national or international exchanges are valued at the last reported sales price or current exchange rates (Level 1). This included common stock, mutual funds, and REITs.

Debt 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 (Level 2). This includes U.S. Treasuries, mortgage backed and collateralized securities, municipal bonds and corporate obligations.

The Plan has investments in limited partnerships that are considered an alternative asset class which hold a variety of investment vehicles that do not have readily available market quotations. These investments are measured at net asset value based on their proportionate share of the value of the investments as determined by the fund managers and are valued according to methodologies, which include pricing models, discounted cash flow model and similar techniques.

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient, including their related unfunded commitments and redemption restrictions.

	Fair <u>Value</u>	Unfunded <u>Commitments</u>	Redemption Frequency (if <u>Currently-eligible</u> )	Redemption Notice <u>Period</u>
Limited Partnerships (1)	<u>\$3,359,728</u>	\$ -	Quarterly	95 Days
Total Investments measured at NAV	<u>\$3,359,728</u>			

(1) Limited partnerships aim to invest highly attractive, select investment opportunities by maintaining investments through private investments entities and/or separately managed accounts with investment management professionals specializing in various alternative investment strategies.



**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 6 - RECEIVABLES**

Receivables as of September 30, 2022 for the City's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

					<u>Nonmajor</u>	
					<u>Governmental</u>	
	<u>General</u>	<u>Building</u>	<u>Water &amp; Sewer</u>	<u>Solid Waste</u>	<u>Funds</u>	<u>Total</u>
Receivables:						
Billed	\$-	\$-	\$20,553,556	\$-	\$2,692,020	\$23,245,576
Unbilled	-	-	12,618,998	-	-	12,618,998
Franchise and utility	5,989,964	-	-	-	-	5,989,964
State and local shared	1,956,182	-	3,343,739	-	5,590,100	10,890,021
Grants	-	-	-	-	5,603,325	5,603,325
Other	5,467,238	42,179	6,188,096	1,230,685	14,393	12,942,591
Sales taxes	<u>3,750,174</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,750,174</u>
Gross receivables	17,163,558	42,179	42,704,389	1,230,685	13,899,838	75,040,649
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>	<u>2,531,312</u>	<u>-</u>	<u>1,309,915</u>	<u>3,841,227</u>
Net total receivables	<u>\$17,163,558</u>	<u>\$42,179</u>	<u>\$40,173,077</u>	<u>\$1,230,685</u>	<u>\$12,589,923</u>	<u>\$71,199,422</u>

Governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned.

Revenues of the Rescue Transportation fund are reported net of uncollectible amounts. The amount charged to the provision related to revenues of the current period was \$5,469,283.

At the end of the current fiscal year, unearned revenue reported in the governmental funds was as follows:

Grants and other unearned Revenues	\$6,531,248
State Housing Initiative Program (SHIP)	2,789,131
Other General Fund unearned revenue	33,286
Notes Receivable (see note 7)	2,822,625
Coronavirus SLFR Fund	<u>61,493,626</u>
	<u>\$73,669,916</u>

**NOTE 7 - NOTE RECEIVABLE**

The Hialeah Housing Authority (the "Authority") assumed a Housing Development Grant ("HODAG Loan") awarded on July 12, 1989 to a developer through the City in the amount of \$2,843,097 through the purchase of the Palm Centre Project (the "Project"). The HODAG Loan bears interest at 10.125% and is payable in full, including interest, on December 1, 2036 unless the Project is sold or transferred, or due to a violation of the grant covenants with HUD. Interest does not accrue unless the Project's revenues exceed the sum of the Project's net operating income (after payment of debt service in the Palm Centre Bonds) plus a cumulative return to the Authority of twelve percent (12%) per annum on the Authority's equity contribution. The HODAG loan is secured by a Second Mortgage issued to the City and is subordinated to Hialeah Housing Authority Bonds.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 7 - NOTE RECEIVABLE**

The Project was constructed on land leased from the City of Hialeah for a period of 49 years (starting December 26, 1985) with an option to renew for an additional 50 years. The Authority as part of the acquisition of the Project assumed the lease with the City. The lease agreement requires for lease payments to the City based on annual rent revenues generated by the property. In 2006, the City and the Authority amended the land lease agreement and the City accepted a payment of \$500,000 as payment in full of all past due rents due from the Authority.

The amended land lease agreement provides for the following terms:

- a. Provides free tenant selection services to the City for City owned housing units,
- b. Provides the City each year a minimum of six thousand five hundred (6,500) square feet of commercial space in the Palm Centre, free of charge, and
- c. Provides forty-two (42) affordable lower-income housing units to be rented at below market rents for the term of the HODAG loan.

The future long-term receivable as of September 30, 2022 was:

Long-term receivable	<u>\$2,822,625</u>
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In connection with the construction of the Hialeah Housing Project mentioned above, the United States Department of Housing and Urban Development ("HUD") has challenged the manner in which certain of the proceeds of the HODAG Loan were used. HUD has claimed that \$989,039 of the HODAG Loan was expended for non-qualified purposes (the "Claim"). The City has challenged the Claim.

The Authority has agreed that the City will not be responsible for payment of any such challenged cost in the event it is required to fully indemnify the City for any payments to HUD regarding the claim. In a subordination agreement, the Authority and the City have agreed that, in the event that litigation is instituted by HUD regarding payment of the Claim, the City will fully cooperate with the Authority to resolve the litigation, and that the City will not foreclose on the second mortgage in the event the Claim is not paid on demand.

The City has recorded the note receivable in its governmental-wide financial statements as of September 30, 2022. No allowance against the note receivable is deemed necessary at September 30, 2022. The note receivable was also recorded in the City's general fund and offset by unearned revenues since the proceeds of the receivables are not considered to be available to liquidate liabilities of the current period.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 8 - INTERFUND ACTIVITY**

The amounts due to/from other funds at September 30, 2022 were as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$27,884,187	\$149,438,574
Building Fund	45,962,660	-
Coronavirus State and Local Fiscal Recovery Fund	61,503,312	-
Non-Major Governmental Funds	35,602,516	13,107,779
Major Proprietary Type Funds		
Water and Sewer	28,869	12,298,122
Solid Waste	4,704,119	8,488,427
Stormwater	<u>7,647,239</u>	<u>-</u>
Total Major Proprietary Type Funds	<u>12,380,227</u>	<u>20,786,549</u>
	<u>\$183,332,902</u>	<u>\$183,332,902</u>

- Amounts due from the non-major governmental funds to the general fund are for advances made to those funds to cover expenditures until the receivables on those funds are collected.
- Amounts due to the non-major governmental funds from the general fund are for amounts due to those funds for amounts collected on their behalf.
- Amounts due to the solid waste fund are for receivables collected by the water and sewer fund before year end which are owed to those funds.
- Amounts due from the water and sewer fund to the solid waste fund, stormwater fund and general fund are for waste fees collected and utility taxes collected at year end.

As of September 30, 2022, major fund and non-major fund activity was as follows:

	<u>Transfers in</u>	<u>Transfers out</u>
General Fund	\$-	\$1,854,211
Non-Major Governmental Funds	<u>14,969,103</u>	<u>13,114,892</u>
	<u>\$14,969,103</u>	<u>\$14,969,103</u>

The general fund transfers to the non-major governmental funds were made to provide additional resources for current operations.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 9 - INTERFUND LOAN**

On December 10, 2013 the Council approved the internal transfer of assets comprised of 35.438 acres improved with buildings located at 900 East 56 Street, Hialeah, Florida in the amount of \$19,000,000 from the City of Hialeah to its Department of Public Works. The City determined the fair market value of the assets, which includes the land and the CBS buildings, as the average of two asset appraisals by state-certified appraisers: 1) \$18,500,000 from Appraisal First Real Estate Appraisers, LLC; and 2) \$19,500,000 from Gallagher & Birch, Inc. The Department of Public Works utilized this asset transfer as part of the privatization of trash collection within the Solid Waste Fund, to lease a portion of the land and solid waste building to the private hauler for use of its contracted service, and to relocate and consolidate its fleet with the city fleet and to lease vacant land to a third party for a recycling/trash transfer station.

On June 9, 2015 the Council approved an amended resolution approving the terms of the unsecured promissory note to memorialize the interfund loan from the Water & Sewer Fund of the Public Works Department (the "Lender") to the Solid Waste Fund of the Public Works Department (the "Borrower"), in the amount of \$19,000,000, for the purpose of financing the internal transfer of assets from the City's General Fund (the "Transferor") to the Solid Waste Fund (the "Transferee") of the Public Works Department. Whereas, the Water & Sewer Fund of the Public Works Department loaned the sum of \$19,000,000 to the Solid Waste Fund of the Public Works Department to pay the fair market value of the assets to the City's General Fund. The note calls for interest to accrue from January 1, 2014 to March 1, 2021 at an annual rate of 2.5%. The agreement calls for quarterly payments of principal and interest of \$395,893 commencing on March 1, 2021 and concluding on September 1, 2033.

Annual payments to maturity for the above interfund loan are as follows:

<b>Fiscal Year End</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	372,671	112,970	485,641
2024	382,076	103,566	485,642
2025	391,717	93,924	485,641
2026	401,603	84,039	485,642
2027	411,737	73,904	485,641
2028-2032	2,219,885	208,322	2,428,207
2033	478,147	7,494	485,641
	<u>4,657,836</u>	<u>684,219</u>	<u>5,342,055</u>

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 10 - RESTRICTED ASSETS**

Restricted assets consist of the cash restricted for debt service, capital projects, advances, public safety and customer deposits at September 30, 2022:

Water and Sewers Fund	
Customers' deposit - cash and investments	\$10,961,548
Derm Fees	6,207,519
Other restricted assets	<u>15,845,771</u>
Total restricted cash water and sewers fund	<u>33,014,838</u>
 Governmental Funds	
General Fund	86,417
Special Revenue Funds	
Rescue Transportation	2,602,529
Emergency Disaster Fund	10,000
Fire Prevention	720,339
Law Enforcement Trust - State	612,859
Law Enforcement Trust - Federal	258,381
Affordable Housing	<u>1,522,916</u>
Total Governmental Funds	<u>5,813,441</u>
Total restricted assets	<u>\$38,828,279</u>

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 11 - CAPITAL ASSETS**

A summary of the City's capital assets at September 30, 2022 is as follows:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	Ending <u>Balance</u>
<u>Governmental Activities:</u>					
Capital assets not being depreciated:					
Land	\$29,694,984	\$-	\$-	\$-	\$29,694,984
Construction in Progress	<u>854,853</u>	<u>272,948</u>	<u>(140,292)</u>	<u>(854,853)</u>	<u>132,656</u>
Total capital assets not being depreciated	<u>30,549,837</u>	<u>272,948</u>	<u>(140,292)</u>	<u>(854,853)</u>	<u>29,827,640</u>
Capital assets being depreciated:					
Buildings	144,741,460	1,025,980	-	242,134	146,009,574
Improvements other than buildings	30,201,191	101,912	-	-	30,303,103
Furniture, fixtures, machinery and equipment - Charter School	1,304,661	943,191	(12,249)	-	2,235,603
Furniture, fixtures, machinery and equipment	80,917,190	7,045,977	(490,690)	190,290	87,662,767
Infrastructure	<u>324,693,923</u>	<u>3,510,830</u>	<u>-</u>	<u>422,429</u>	<u>328,627,182</u>
Total capital assets being depreciated	<u>581,858,425</u>	<u>12,627,890</u>	<u>(502,939)</u>	<u>854,853</u>	<u>594,838,229</u>
Less accumulated depreciation for:					
Buildings	50,710,658	3,378,001	-	-	54,088,659
Improvements other than buildings	25,734,499	789,418	-	-	26,523,917
Furniture, fixtures, machinery and equipment - Charter School	763,326	246,666	(12,249)	-	997,743
Furniture, fixtures, machinery and equipment	57,719,587	7,363,329	(490,690)	-	64,592,226
Infrastructure	<u>222,061,315</u>	<u>9,874,715</u>	<u>-</u>	<u>-</u>	<u>231,936,030</u>
Total accumulated depreciation	<u>356,989,385</u>	<u>21,652,129</u>	<u>( 502,939)</u>	<u>-</u>	<u>378,138,575</u>
Total capital assets being depreciated, net	<u>224,869,040</u>	<u>(9,024,239)</u>	<u>-</u>	<u>854,853</u>	<u>216,699,654</u>
Governmental activities capital assets, net	<u>\$255,418,877</u>	<u>\$(8,751,291)</u>	<u>\$(140,292)</u>	<u>\$-</u>	<u>\$246,527,294</u>

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 11 - CAPITAL ASSETS (Continued)**

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	Ending <u>Balance</u>
<u>Business-type Activities:</u>					
Capital assets not being depreciated:					
Land	\$4,202,141	\$-	\$-	\$-	\$4,202,141
Construction in progress	<u>2,084,157</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,084,157</u>
Total capital assets not being depreciated	<u>6,286,298</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,286,298</u>
Capital assets being depreciated:					
Buildings and utility plant	71,693,130	583,270	-	-	72,276,400
Improvements other than buildings	353,533	-	-	-	353,533
Machinery and equipment	10,601,263	9,520	-	-	10,610,783
Infrastructure	<u>304,792,156</u>	<u>2,442,448</u>	<u>-</u>	<u>-</u>	<u>307,234,604</u>
Total capital assets being depreciated	<u>387,440,082</u>	<u>3,035,238</u>	<u>-</u>	<u>-</u>	<u>390,475,320</u>
Less accumulated depreciation for:					
Buildings and utility plant	15,003,141	1,775,781	-	-	16,778,922
Improvements other than buildings	328,714	1,650	-	-	330,364
Machinery and equipment	10,211,545	84,005	-	-	10,295,550
Infrastructure	<u>166,225,051</u>	<u>7,128,321</u>	<u>-</u>	<u>-</u>	<u>173,353,372</u>
Total accumulated depreciation	<u>191,768,451</u>	<u>8,989,757</u>	<u>-</u>	<u>-</u>	<u>200,758,208</u>
Total capital assets being depreciated, net	<u>195,671,631</u>	<u>(5,954,519)</u>	<u>-</u>	<u>-</u>	<u>189,717,112</u>
Business-type activities capital assets, net	<u>\$201,957,929</u>	<u>\$(5,954,519)</u>	<u>\$-</u>	<u>\$-</u>	<u>\$196,003,410</u>

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

Governmental activities:	
General government	\$4,420,182
Police	1,242,822
Fire	2,052,046
Streets	11,856,889
Recreation	<u>2,080,190</u>
Total depreciation expense - governmental activities	<u>\$21,652,129</u>
Business-type activities:	
Water and sewer	\$6,097,870
Solid waste	144,042
Stormwater	<u>2,747,845</u>
Total depreciation expense - business-type activities	<u>\$8,989,757</u>

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 12 - LONG-TERM DEBT**

**Notes Payable**

1. Tax-exempt Refunding Revenue Note – Series 2021- On May 1, 2003, the City executed a loan agreement with the Florida Municipal Loan Council to borrow \$48,135,000 the proceeds of the Florida Municipal Loan Council Revenue Bonds, Series 2003A, were for major roadway improvements and infrastructure projects. The loan bears interest at varying rates ranging from 2.0% to 5.25%.

On November 5, 2012, the City executed a loan agreement with the Florida Municipal Loan Council to borrow \$41,620,000 the purpose of the proceeds of the Florida Municipal Loan Council Revenue Bonds, Series 2012A, were to refinance Florida Municipal Loan Council Revenue Bonds, Series 2003A. The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of approximately \$4,090,000. The loan matures on May 1, 2033 and bears an interest rate of approximately 3.5%

On September 22, 2021, the City executed a loan agreement with Truist Bank, to borrow \$28,400,00 taxable refunding revenue note, Series 2021. Proceeds of the bonds were used to refund the City's outstanding Florida Municipal Loan Council Revenue Bonds, Series 2012A. The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of approximately \$2.7 million. The loan matures on May 1, 2033 and bears an interest rate of 1.98%.

Annual debt service requirements to maturity for the Truist Bank Taxable Revenue Bond Series 2022 loan payable are as follows:

<b>Tax-Exempt Refunding Revenue Note - Series 2021 (Refinanced 2012A Bond) (Refinanced 2003 Bond)</b>
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	Governmental Activities			Business - type Activities		
<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$1,836,000	\$376,870	\$2,212,870	\$459,000	\$94,218	\$553,218
2024	1,872,000	343,795	2,215,795	468,000	85,949	553,949
2025	1,904,000	312,346	2,216,346	476,000	78,086	554,086
2026	1,944,000	280,358	2,224,358	486,000	70,090	556,090
2027	1,984,000	247,699	2,231,699	496,000	61,925	557,925
2028-2032	10,528,000	724,954	11,252,954	2,632,000	181,238	2,813,238
2033	<u>2,232,000</u>	<u>37,498</u>	<u>2,269,498</u>	<u>558,000</u>	<u>9,374</u>	<u>567,374</u>
	<u>\$22,300,000</u>	<u>\$2,323,520</u>	<u>\$24,623,520</u>	<u>\$5,575,000</u>	<u>\$580,880</u>	<u>\$6,155,880</u>



**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 12 - LONG-TERM DEBT (Continued)**

**Notes Payable (Continued)**

2. Revolving Loan - On May 11, 2001, the City entered into a revolving loan agreement with the State of Florida Department of Environmental Protection for the purpose of providing financial assistance for planning and designing water and sewer system improvements. As of September 30, 2017, the project has been completed and the City has withdrawn \$2,779,844 for the project. The loan shall be repaid in 18 semiannual loan payments beginning September 15, 2007, which is based on the total amount owed. The amount due as of September 30, 2022 was \$568,185, which includes capitalized interest and other costs.

Annual debt service requirements to maturity for the revolving loan payable are as follows:

<b>State Revolving Loan Fund</b>			
<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	156,164	14,810	170,974
2024	160,580	10,395	170,975
2025	165,121	5,854	170,975
2026	<u>86,320</u>	<u>1,184</u>	<u>87,503</u>
	<u>\$568,185</u>	<u>\$32,243</u>	<u>\$600,427</u>

3. Affordable Housing Note, Series 2011 - On March 23, 2011 City issued the City of Hialeah Affordable Housing Note, Series 2011 (the TD Bank Note) in the principal amount of \$14,489,840 to refund and extend the maturity of the Amended and Restated Bond Anticipation Refunding Note, Series 2010 and pay-off the mortgage payable due to the Miami-Dade Housing Agency. The transaction resulted in an economic gain of approximately \$115,740. The proceeds of the Series 2010 note were used for the purpose of financing the construction of a 300-unit affordable housing project in the City of Hialeah. The TD Bank Note is secured by a pledge of net rental income and a covenant to budget and appropriate non-ad valorem revenues sufficient to pay the principal and interest due on the note for the fiscal year. At September 30, 2022, the TD Bank Note had an outstanding balance of \$9,652,608.

Annual debt service requirements to maturity for the TD Bank Note are as follows:

<b>Affordable Housing Note, Series 2011</b>			
<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	542,626	413,952	956,579
2024	566,787	389,792	956,579
2025	592,023	364,556	956,579
2026	618,382	338,197	956,579
2027	645,915	310,663	956,579
2028-2032	3,687,446	1,095,448	4,782,894
2033-2036	<u>2,997,840</u>	<u>244,963</u>	<u>3,242,803</u>
	<u>\$9,651,019</u>	<u>\$3,157,572</u>	<u>\$12,808,591</u>

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 12 - LONG-TERM DEBT (Continued)**

**Notes Payable (Continued)**

4. Utility System Revenue Refunding Bond Series 2022 - On May 1, 2011, the City executed a loan agreement with the Florida Municipal Loan Council to borrow \$48,235,000 from the proceeds of the Florida Municipal Loan Council Revenue Bonds, Series 2011D, for construction, expansion and improvements of the City's sewer treatment plant. The loan has an outstanding balance of \$45,220,000 and calls for annual principal payments due on October 1, commencing on October 1, 2012 through October 1, 2041 and semi-annual interest payments commencing on October 1, 2011 at varying rates of interest ranging from 3.0% to 5.5%. The arbitrage rebate requirement generally requires issuers of tax-exempt debt to rebate to the U.S. Treasury that investment income arising from the proceeds of tax-exempt debt to the extent that such income results from investments yields in excess of the bond yield. The City has pledged the net revenues (gross revenues after reduction of the cost of operation and maintenance of the project).

On May 19, 2022, the City executed a loan agreement with Morgan Stanley, to borrow \$38,270,000 tax-exempt utility system revenue refunding bonds, Series 2022. Proceeds of the bonds were used to refund the City's outstanding Florida Municipal Loan Council Revenue Bonds, Series 2011D. The refunding resulted in a decrease of future debt payments of \$5.1 million and an economic gain (difference between the present value of the debt service on the old and the new bonds) of approximately \$3.5 million. The loan matures on October 1, 2041 and bears an interest rate of 5.0%.

Annual debt service requirements to maturity for the Series 2022 note payable are as follows:

<b>Utility System Revenue Refunding Bonds, Series 2022</b>			
<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	1,400,000	1,623,367	3,023,367
2024	1,210,000	1,813,250	3,023,250
2025	1,260,000	1,751,500	3,011,500
2026	1,335,000	1,686,625	3,021,625
2027	1,390,000	1,618,500	3,008,500
2028-2032	8,105,000	6,945,625	15,050,625
2033-2037	10,350,000	4,649,225	14,999,225
2038-2042	13,220,000	1,717,500	14,937,500
Unamortized Premium	<u>2,356,908</u>	<u>-</u>	<u>2,356,908</u>
	<u>\$40,626,908</u>	<u>\$21,805,592</u>	<u>\$62,432,500</u>

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 12 - LONG-TERM DEBT (Continued)**

**Revenue Bonds**

5. Special Obligation Revenue Bonds Series 2015A and Special Obligation Refunding Revenue Bonds Series 2015B - On December 2, 2015, the City issued the Series 2015A and 2015B bonds in the amounts of \$25,000,000 and \$21,145,000 respectively. The Series 2015A bonds were issued to provide funds to finance a portion of the annual required contribution for fiscal years 2015 and 2016 with respect to the contributory defined benefit retirement plan known as the Employees' Retirement System ("ERS"). The Series 2015B bonds were issued to provide funds to pay the outstanding amount of a loan pursuant to a loan agreement between the City and the Florida Municipal Loan Council ("FMLC") dated February 1, 2005 (the "refunded bonds") and such funds will be used by FMLC to refund all of that portion of the outstanding Florida Municipal Loan Council Revenue Bonds, Series 2005A. The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of approximately \$2,555,000. The 2015 Bonds are special limited obligations of the City payable solely from and secured by a lien upon pledged Franchise Fee Revenues. Franchise Fee Revenues are defined in the Bond Ordinance to mean franchise fees levied and collected by the City, pursuant to Ordinance No. 07-55 (the "Electric Franchise Ordinance").

The Series 2015A bonds have an outstanding balance of \$21,455,000 and calls for annual principal payments due on December 1, commencing on December 1, 2020 through December 2, 2035 and semi-annual interest payments commencing on June 1, 2016 at varying rates of interest ranging from 2.0% to 5.0%. The Series 2015B bonds has an outstanding balance of \$16,405,000 and calls for annual principal payments due on December 1, commencing on December 1, 2017 through December 1, 2035 and semi-annual interest payments commencing on June 1, 2016 at varying rates of interest ranging from 2.0% to 5.0%. The arbitrage rebate requirement generally requires issuers of tax-exempt debt to rebate to the U.S. Treasury that investment income arising from the proceeds of tax-exempt debt to the extent that such income results from investments yields in excess of the bond yield. There is no arbitrage rebate liability in connection with either of the Special Obligation Revenue Bonds at September 30, 2022.

Annual debt service requirements to maturity for the Series 2015A and B bonds payable are as follows:

<b>REVENUE BOND 2015 A</b>			
Governmental Activities			
<b><u>Fiscal Year End</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2023	\$1,265,000	\$957,150	\$2,222,150
2024	1,310,000	909,595	2,219,595
2025	1,360,000	858,099	2,218,099
2026	1,415,000	802,849	2,217,849
2027	1,475,000	743,126	2,218,126
2028-2032	8,455,000	2,638,953	11,093,953
2033-2035	<u>6,175,000</u>	<u>486,602</u>	<u>6,661,602</u>
	<u>\$21,455,000</u>	<u>\$7,396,373</u>	<u>\$28,851,373</u>

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 12 - LONG-TERM DEBT (Continued)**

**Revenue Bonds(Continued)**

<b>REVENUE BOND 2015 B</b>						
	Governmental Activities			Business - type Activities		
<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$736,000	\$637,800	\$1,373,800	\$184,000	\$159,450	\$343,450
2024	776,000	600,000	1,376,000	194,000	150,000	344,000
2025	812,000	560,300	1,372,300	203,000	140,075	343,075
2026	856,000	518,600	1,374,600	214,000	129,650	343,650
2027	900,000	474,700	1,374,700	225,000	118,675	343,675
2028-2032	5,224,000	1,633,400	6,857,400	1,306,000	408,350	1,714,350
2033-2035	<u>3,820,000</u>	<u>292,700</u>	<u>4,112,700</u>	<u>955,000</u>	<u>73,175</u>	<u>1,028,175</u>
	<u>\$13,124,000</u>	<u>\$4,717,500</u>	<u>\$17,841,500</u>	<u>\$3,281,000</u>	<u>\$1,179,375</u>	<u>\$4,460,375</u>

**Capital Leases**

The City has entered into various lease agreements; a transit bus in the amount of \$340,400, a fire ladder truck in the amount of \$633,827, twenty (20) Zoll Series X manual defibrillators in the amount of \$423,920, computer software in the amount of \$1,305,606, radio tower equipment in the amount of \$3,517,760, radios in the amount of \$4,600,925, and computer equipment in the amount of \$171,655.

These lease agreements qualify as capital leases for accounting purposes and therefore, have been recorded at the present value of the future minimum lease payments as of the inception date in the capital assets section and the related liability in the governmental-wide financial statements.

Capital assets acquired through the issuance of capital leases are as follows:

	Governmental <u>Activities</u>
Equipment	\$4,747,162
Vehicles	5,875,678
Infrastructure	340,400
Less: accumulated depreciation	<u>(4,383,533)</u>
	<u>\$6,579,707</u>

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 12 - LONG-TERM DEBT (Continued)**

**Capital Leases (Continued)**

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2022 are as follows:

<b>Leases</b>			
<b><u>Fiscal Year End</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2023	906,280	192,421	1,098,702
2024	932,142	166,911	1,099,053
2025	958,757	140,659	1,099,416
2026	986,147	113,643	1,099,790
2027	1,014,337	83,313	1,097,650
2028-2030	<u>1,782,044</u>	<u>53,482</u>	<u>1,835,527</u>
	<u>\$6,579,707</u>	<u>\$750,429</u>	<u>\$7,330,137</u>

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 12 - LONG-TERM DEBT (Continued)**

**Changes in Long-Term Liabilities**

The following is a summary of changes in the long-term debt for the year ended September 30, 2022:

	October 1, 2021	Additions	Reductions	September 30, 2022	Due Within One Year
<b>Governmental Activities</b>					
<i>Revenue Bonds:</i>					
FMLC 2012A	1,508,000	-	(1,508,000)	-	-
Special Obligation Revenue Bonds, Series 2015A	22,675,000	-	(1,220,000)	21,455,000	1,265,000
Special Obligation Refunding Revenue Bonds, Series 2015B	13,824,000	-	(700,000)	13,124,000	736,000
Refunding Revenue Note, Series 2021	22,720,000	-	(420,000)	22,300,000	1,836,000
<i>Notes:</i>					
TD Bank (Refi Trulst Loan)	<u>10,170,515</u>	<u>-</u>	<u>(519,835)</u>	<u>9,651,680</u>	<u>542,626</u>
Total bonds and notes payable	<u>70,897,515</u>	<u>-</u>	<u>(4,367,835)</u>	<u>66,529,680</u>	<u>4,379,626</u>
<i>Less deferred amounts:</i>					
Premium	1,121,840	-	(92,283)	1,029,557	92,283
Premium (Series 2021)	1,327,420	-	(1,327,420)	-	-
Premium (2015B)	<u>1,592,226</u>	<u>-</u>	<u>(113,731)</u>	<u>1,478,495</u>	<u>113,731</u>
	<u>4,041,486</u>	<u>-</u>	<u>(1,533,434)</u>	<u>2,508,052</u>	<u>206,014</u>
Bonds and notes payable net	<u>74,939,001</u>	<u>-</u>	<u>(5,901,269)</u>	<u>69,037,732</u>	<u>4,585,640</u>
<i>Capital leases</i>					
Banc of America Public Capital (Radio equip)	2,590,842	-	(335,381)	2,255,461	346,235
Motorola Solutions Credit Company, LLC (radios)	3,586,423	-	(405,756)	3,180,667	417,238
Banc of America Public Capital (Fire equipment)	1,283,594	-	(140,015)	1,143,579	144,224
Hewlett-Packard (computer equip)	<u>57,174</u>	<u>-</u>	<u>(57,174)</u>	<u>-</u>	<u>-</u>
Total capital leases	<u>7,518,033</u>	<u>-</u>	<u>(938,326)</u>	<u>6,579,707</u>	<u>907,697</u>
Claims payable	50,938,829	15,782,629	(17,967,849)	48,753,609	9,750,516
Compensated absences	32,649,480	16,169,485	(16,662,089)	32,156,876	9,466,620
OPEB liability	400,002,133	-	(94,930,352)	305,071,781	-
Net pension liability	<u>255,766,849</u>	<u>-</u>	<u>(75,085,729)</u>	<u>180,681,120</u>	<u>-</u>
	<u>739,357,291</u>	<u>31,952,114</u>	<u>(204,646,019)</u>	<u>566,663,386</u>	<u>19,217,136</u>
Total Governmental activities	<u>821,814,325</u>	<u>31,952,114</u>	<u>(211,485,614)</u>	<u>642,280,825</u>	<u>24,710,473</u>

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 12 - LONG-TERM DEBT (Continued)**

**Changes in Long-Term Liabilities (Continued)**

	October 1, 2021	Additions	Reductions	September 30, 2022	Due Within One Year
<b>Business-Type Activities</b>					
Revolving loan	720,055	-	(151,870)	568,185	156,164
FMLC 2011D	41,065,000	-	(41,065,000)	-	-
FMLC 2012A	377,000	-	(377,000)	-	-
Utility System Revenue Refunding Bonds, Series 2022	-	38,270,000	-	38,270,000	1,400,000
Special Obligation Refunding Revenue Bonds, Series 2015B	3,456,000	-	(175,000)	3,281,000	184,000
Refunding Revenue Note, Series 2021	<u>5,680,000</u>	<u>-</u>	<u>(105,000)</u>	<u>5,575,000</u>	<u>459,000</u>
Total bonds and loans payable	<u>51,298,055</u>	<u>38,270,000</u>	<u>(41,873,870)</u>	<u>47,694,185</u>	<u>2,199,164</u>
Less deferred amounts:					
Discount	(263,243)	-	263,243	-	-
Premium (Series 2022)	-	2,369,116	(12,208)	2,356,908	34,582
Premium (2012A)	331,855	-	(331,855)	-	-
Premium (2015B)	<u>398,055</u>	<u>-</u>	<u>(28,433)</u>	<u>369,622</u>	<u>28,433</u>
	<u>466,667</u>	<u>2,369,116</u>	<u>(109,253)</u>	<u>2,726,530</u>	<u>63,015</u>
Bonds and loans payable net	<u>51,764,722</u>	<u>40,639,116</u>	<u>(41,983,123)</u>	<u>50,420,715</u>	<u>2,262,179</u>
Claims payable	5,637,013	975,472	(2,196,490)	4,415,995	907,608
Compensated absences	2,802,102	1,096,195	(1,162,608)	2,735,689	725,682
OPEB liability	71,718,179	-	(16,221,836)	55,496,343	-
Net pension liability	<u>45,880,572</u>	<u>-</u>	<u>(13,469,204)</u>	<u>32,411,368</u>	<u>-</u>
	<u>126,037,866</u>	<u>2,071,667</u>	<u>(33,050,138)</u>	<u>95,059,395</u>	<u>1,633,290</u>
Total Business-type activities	<u>177,802,588</u>	<u>42,710,783</u>	<u>(75,033,261)</u>	<u>145,480,110</u>	<u>3,895,469</u>

Claims and judgments, compensated absences, net pension and net OPEB obligations are generally liquidated by the General Fund for the governmental activities.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 13 - RISK MANAGEMENT**

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City is self-insured for general liability, automobile, workers' compensation, and health. The City also purchases stop loss coverage on its health insurance program. For all other coverage, the City carries commercial insurance. The City currently reports all of its risk management activities in its General Fund, except those related to Enterprise Funds, which are reported in those funds.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported (IBNR). Claims liabilities are actuarially determined using historical and recent claim settlement trends. There were no significant reductions in insurance coverage from coverage in the prior year, and there were no settlements that exceeded insurance coverage for each of the past three years.

The City only records the current portion of claims payable within the General Fund if there is a settled claim which is due and payable at year end and is outstanding. The long-term portion is reported in the statement of net position. Amounts payable from proprietary funds are accounted for within those funds.

The following is a summary of changes in claims payable for the year ended September 30, 2022:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Unpaid claims, beginning	\$56,575,842	\$55,060,299	\$52,948,669
Incurred claims (including IBNR)	16,758,101	21,611,626	22,467,019
Claims payments	<u>(20,164,339)</u>	<u>(20,096,083)</u>	<u>(20,355,389)</u>
Unpaid claims, ending	<u>\$53,169,604</u>	<u>\$56,575,842</u>	<u>\$55,060,299</u>

**NOTE 14 - COMMITMENTS AND CONTINGENCIES**

**Grants**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds.

**Hialeah Branch Courthouse Lease**

On November 4, 1996, the City entered into a lease with Miami-Dade County for two parcels of land owned by the City and reimbursement of design, construction and financing of a courthouse. The lease was amended in fiscal year 2000 and extended to fiscal year 2030 with annual payments from the County of \$500,000.



**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 14 - COMMITMENTS AND CONTINGENCIES (Continued)**

**Grants (Continued)**

**Charter School Agreements**

On April 17, 2008, the City executed a contract with the School Board of Miami-Dade County, Florida that provides for the City of Hialeah Education Academy (the "HEA") to (1) provide a high-quality career-oriented curriculum for 21st Century occupations; (2) prepare students for productive employment within a multilingual work environment; and (3) prepare students for successful progression into postsecondary studies. The contract ended in June 2014 and was subsequently renewed for a period of 15 years by a mutual agreement of both parties.

**Water and Sewers Fund- Agreements with Miami-Dade County**

In 2008, the City Council approved a 20-year agreement with Miami-Dade County (the "County") providing for the rendition of water service to the City by the County and the purchase of treated water from the County until 2027. In 2011, the City of Hialeah entered into a 20-year agreement with the County to provide wastewater treatment and disposal services until 2029. Rates paid by the City of Hialeah vary depending and costs incurred by the County. The charges to operations under these agreements for the year ended September 30, 2022 were \$11,202,665 for water services and \$41,481,101 for wastewater treatment and disposal services.

**Joint Participation Agreement- Reverse Osmosis Water Treatment Plant**

On December 27, 2007, (as amended on August 2009) the City entered into a Joint Participation agreement with Miami-Dade County (the "County") for the design, construction and operation of a 17.5 MGD reverse osmosis water treatment plant (the "Plant"). The City and the County have equal 50% ownership of the Plant, inclusive of land, structures, facilities and appurtenances to be situated in the Annexation Area of the City, having an initial operational capacity of 10 MGD expandable to 17.5 MGD. The Plant is operating at 7.5 MGD supplying potable water to the Annexation Area of the City and adjacent areas of unincorporated Miami-Dade County and Hialeah. At all times during the operation of the Plant, the County and City each receive 50% of the water production produced; however, either party is able to purchase a portion of the other party's 50% share.

The County has and continues to contribute for 50% of the costs for the Plant, and the City has and continues to contribute for 50% of the costs of the Plant.

The County has provided in excess of \$55 million during the construction phase of the project. In 2011, the City issued the \$48,235,000 Florida Municipal Loan Council Revenue Bonds, Series 2011D (City of Hialeah Series) which in May 19, 2022 were refinance into Utility System Revenue Refunding Bond, Series 2022 to fund its share of the costs to construct the Plant. The schedule below provides a reconciliation of the capital expenses as of September 30, 2022 and the total contributions from the County and the City.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 14 - COMMITMENTS AND CONTINGENCIES (Continued)**

**Joint Participation Agreement- Reverse Osmosis Water Treatment Plant (Continued)**

	October 1, <u>2021</u>	<u>Additions</u>	<u>Deletions</u>	September 30, <u>2022</u>
Land	\$3,300,000	\$-	\$-	\$3,300,000
RO Plant	<u>54,999,292</u>	<u>577,300</u>	<u>-</u>	<u>55,576,592</u>
	<u>\$58,299,292</u>	<u>\$577,300</u>	<u>\$-</u>	<u>\$58,876,592</u>
Other Receivables - Miami Dade County	<u>\$3,726,370</u>	<u>\$2,854,800</u>	<u>\$(3,237,432)</u>	<u>\$3,343,738</u>
Total Contributed by Miami Dade County				
Contributions to the City	\$49,769,032			
Due from Miami Dade County	3,726,370			
50% Share of interest income earned	731,190			
50% Share of value of the land	1,650,000			
50% Share of grants from SFWMD	<u>3,000,000</u>			
	<u>\$58,876,592</u>			

**Construction Commitments**

At September 30, 2022, the City had in process various construction projects that were not completed with a remaining balance totaling approximately \$1,743,433. Funding of these projects is to be made primarily through tax revenues, fees and grants.

**Litigation**

The City is a defendant in various lawsuits incidental to its operations. The outcome of these lawsuits is undetermined as is an amount of range of potential loss.

**Tax-Exempt Bonds**

As disclosed in Note 12 Long-Term Debt; the City has issued tax-exempt bonds to fund capital projects and infrastructure. If the bonds were deemed to be taxable, then the City's interest costs would markedly rise; the potential increase in interest costs would only be determinable at the time such debt was deemed taxable. The City does not at this time; expect the tax-exempt status of the debt to change.

**NOTE 15 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS**

**Employees' Retirement System**

The following brief description of the Plan is provided for general information purposes only. Participants should refer to the City of Hialeah Employees' Retirement System Plan document for more complete information.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 15 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS**

**Employees' Retirement System**

1. Plan Description - The City is the administrator of a single-employer Public Employee Retirement System (PERS) established to provide pension, annuity, death, and disability benefits through a defined benefit and a defined contribution pension plan that covers substantially all of the employees of the City. Cost of living adjustments of 2% annually (excluding beneficiaries and those members who are receiving a Deferred Retirement Allowance), are made to members for Basic and Service Pensions. The City of Hialeah Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Hialeah Employees' Retirement System, 501 Palm Avenue, Hialeah, Florida, 33010.

On May 22, 2012, the City passed Ordinance No. 2012-27, retroactively to April 1, 2012, closing membership to the Plan for all general employees hired after April 1, 2012. New employees will instead participate in a new defined contribution plan. The latest available actuarial valuation is as of October 1, 2021.

Membership in the Plan as of October 1, 2021 consisted of the following:

Inactive plan members:	
Beneficiaries currently receiving benefits	1,603
Entitled to benefits but not yet receiving them	291
Active plan members	<u>742</u>
Total	<u>2,636</u>

2. Loans to Members - The Employees' Retirement System Plan permits members to borrow from the Plan assets (subject to the rules of the Internal Revenue Service) at rates determined by the Plan Trustees. Interest charged on loans is 1.5% above the Wall Street Journal prime rate, (which was 7.0% as of September 30, 2022). Such loans are limited to and fully secured by the respective member's annuity savings account. Loan payments are deducted directly from the member's bi-weekly payroll.
3. Administrative Expenses - Administrative expenses incurred by the Plan is absorbed by the City.
4. Funding Requirements - The contribution requirements of the Plan members and the City are established and may be amended by the Employees' Retirement System Board of Trustees.
  - Plan Members Contribution  
All members may contribute up to 7% of their compensation per year into the Annuity Savings Fund. All members not eligible for normal retirement on the date the ordinance took effect will also be required to make the following additional contributions:
    - Non-Police Officers and Firefighters must contribute 5.00% of pensionable compensation from May 15, 2014 to September 30, 2014 and 4.00% of pensionable compensation from October 1, 2014 forward except that it drops to 3.00% if the funded ratio is between 80% to 100% and 0% if it is 100% funded.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 15 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)**

**Employees' Retirement System (Continued)**

- Firefighters must contribute 5.00% of pensionable compensation from October 1, 2013 to September 30, 2014 (4.00% of pensionable compensation if hired on or after November 15, 2013) and 4.00% of pensionable compensation from October 1, 2014 forward except that it drops to 3.00% if the funded ratio is between 80% to 100% and 0% if it is 100% funded.
- Police Officers must contribute 5.00% of pensionable compensation from March 2, 2014 to September 30, 2014 (4.00% of pensionable compensation if hired on or after March 2, 2014) and 4.00% of pensionable compensation from October 1, 2014 forward except that it drops to 3.00% if the funded ratio is between 80% to 100% and 0% if it is 100% funded.

• City Contribution

On August 25, 2009, the City passed Ordinance 09-54, which established a minimum City contribution ("floor") to the Plan equal to 22% of the member payroll. Once every five years, the City may increase or decrease the floor up to 2% of member payroll, if supported by an actuarial study. The floor shall not be less than 16% or more than 28% of member payroll. The new provisions also indicate that the floor is subject to Section 70-168(b) which specifies the contribution shall be computed as a level percent of payroll in accordance with generally recognized actuarial principles and the provisions of Chapter 112 of the Florida Statutes. Provisions under Chapter 112 of the Florida Statutes will take precedence in the event the required City contribution calculated under Chapter 112 exceeds the 28% of member payroll.

The City 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, 2022.

5. Net Pension Liability - The City's net pension liability of \$380,480,333 was measured as of September 30, 2022, (GASB 68 measurement date).

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 15 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)**

**Employees' Retirement System (Continued)**

6. Actuarial Assumptions - The total pension liability was determined using the following actuarial assumptions:

Measurement Date:	September 30, 2022	September 30, 2021
Actuarial Valuation:	October 1, 2021	October 1, 2020
Interest rates:		
Single Discount rate	7.5%	7.5%
Inflation rate	2%	2%
Salary Increases	Service Based	Service Based
Mortality table	<p>Healthy Active Lives:</p> <p>Female: PubS.H-2010 (Below Median) for Employees, set forward one year.</p> <p>Male: PubS.H-2010 (Below Median) for Employees, set forward one year.</p> <p>Healthy Retiree Lives:</p> <p>Female: PubS.H-2010 (Above Median) for Healthy Retirees, set forward one year.</p> <p>Male: PubS.H-2010 (Above Median) for Healthy Retirees, set forward one year.</p> <p>Beneficiary Lives:</p> <p>Female: PubG.H-2010 (Above Median) for Healthy Retirees.</p> <p>Male: PubG.H-2010 (Above Median) for Healthy Retirees, set back one year.</p> <p>Disabled Lives:</p> <p>Healthy Active Lives:</p> <p>Female: PubG.H-2010 for Employees.</p> <p>Male: PubG.H-2010 for Employees.</p> <p>Healthy Inactive Lives:</p> <p>Female: PubG.H-2010 (Above Median) for Healthy Retirees.</p> <p>Male: PubG.H-2010 for Healthy Retirees, set back one year.</p> <p>Beneficiary Lives:</p> <p>Female: PubG.H-2010 (Above Median) for Healthy Retirees.</p> <p>Male: PubG.H-2010 (Above Median) for Healthy Retirees, set back one year.</p> <p>Disabled Lives:</p> <p>Female: PubG.H-2010 for Disabled Retirees, set forward three years.</p> <p>Male: PubG.H-2010 for Disabled Retirees, set forward three years.</p> <p>All rates are projected generationally with Mortality Improvement Scale MP-2018.</p>	<p>Healthy Active Lives:</p> <p>Female: PubS.H-2010 (Below Median) for Employees, set forward one year.</p> <p>Male: PubS.H-2010 (Below Median) for Employees, set forward one year.</p> <p>Healthy Retiree Lives:</p> <p>Female: PubS.H-2010 (Above Median) for Healthy Retirees, set forward one year.</p> <p>Male: PubS.H-2010 (Above Median) for Healthy Retirees, set forward one year.</p> <p>Beneficiary Lives:</p> <p>Female: PubG.H-2010 (Above Median) for Healthy Retirees.</p> <p>Male: PubG.H-2010 (Above Median) for Healthy Retirees, set back one year.</p> <p>Disabled Lives:</p> <p>Healthy Active Lives:</p> <p>Female: PubG.H-2010 for Employees.</p> <p>Male: PubG.H-2010 for Employees.</p> <p>Healthy Inactive Lives:</p> <p>Female: PubG.H-2010 (Above Median) for Healthy Retirees.</p> <p>Male: PubG.H-2010 for Healthy Retirees, set back one year.</p> <p>Beneficiary Lives:</p> <p>Female: PubG.H-2010 (Above Median) for Healthy Retirees.</p> <p>Male: PubG.H-2010 (Above Median) for Healthy Retirees, set back one year.</p> <p>Disabled Lives:</p> <p>Female: PubG.H-2010 for Disabled Retirees, set forward three years.</p> <p>Male: PubG.H-2010 for Disabled Retirees, set forward three years.</p> <p>All rates are projected generationally with Mortality Improvement Scale MP-2018.</p>

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 15 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)**

**Employees' Retirement System (Continued)**

7. Long-Term Expected Rate of Return - The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2022 and 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>2022</u>	<u>2021</u>
Domestic Equity	50%	7.42%	7.42%
International Equity	5%	6.25%	7.25%
Domestic Bonds	41%	3.77%	2.27%
Other	<u>4%</u>	6.50%	4.96%
Total	<u>100%</u>		

8. Rate of Return - For the fiscal years ended September 30, 2022 and 2021, the annual money-weighted rate of return on Plan investments, net of investment expense, was -15.21% and 18.60%, respectively. 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.
9. Discount Rate - The discount rate used to measure the total pension liability as of September 30, 2022 and 2021 was 7.50% and 7.50% respectively. The projection of cash flows used to determine the discount rate assumed that plan member's contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those 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 was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 15 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)**

**Employees' Retirement System (Continued)**

10. 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, 2021	\$1,026,243,287	\$724,595,866	\$301,647,421
Changes for the year:			
Service Cost	7,134,328	-	7,134,328
Interest	75,701,386	-	75,701,386
Change in Annuity Savings Fund	3,568,229	-	3,568,229
Differences between expected and actual experience	787,690	-	787,690
Changes of assumptions	8,454,318	-	8,454,318
Changes of benefits terms	-	-	-
Contributions - Employer	-	47,235,269	(47,235,269)
Contributions - State	-	461,877	(461,877)
Contributions - Employee	-	4,723,287	(4,723,287)
Contributions - Buy Back	609,371	609,371	-
Net investment income	-	132,666,392	(132,666,392)
Benefit payments, including refunds of employee contributions	(74,613,487)	(74,613,487)	-
Administrative expense	-	(885,940)	885,940
New changes	<u>21,641,835</u>	<u>110,196,769</u>	<u>(88,554,934)</u>
Reporting period ending at September 30, 2022	<u>\$1,047,885,122</u>	<u>\$834,792,635</u>	<u>\$213,092,487</u>
Plan fiduciary net position as a percentage of the total pension liability		79.66%	
Covered payroll		\$51,911,720	
Net pension liability as a percentage of covered payroll		410.49%	

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 15 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)**

**Employees' Retirement System (Continued)**

10. 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, 2022	\$1,047,885,122	\$834,792,635	\$213,092,487
Changes for the year:			
Service Cost	7,727,927	-	7,727,927
Interest	76,142,405	-	76,142,405
Change in Annuity Savings Fund	3,715,053	-	3,715,053
Differences between expected and actual experience	9,629,910	-	9,629,910
Changes of assumptions	-	-	-
Change of benefit terms	(17,530)	-	(17,530)
Contributions - Employer	-	50,135,256	(50,135,256)
Contributions - State	-	461,877	(461,877)
Contributions - Employee	-	5,160,421	(5,160,421)
Contributions - Buy Back	300,110	300,110	-
Net investment income	-	(125,063,854)	125,063,854
Benefit payments, including refunds of employee contributions	(80,726,913)	(80,726,913)	-
Administrative expense	-	(883,781)	883,781
New changes	16,770,962	(150,616,884)	167,387,846
Reporting period ending at September 30, 2023	<u>\$1,064,656,084</u>	<u>\$684,175,751</u>	<u>\$380,480,333</u>

Plan fiduciary net position as a percentage of  
the total pension liability

64.26%

Covered payroll

\$53,919,088

Net pension liability as a percentage of  
covered payroll

705.65%

\*The City increased the annual advance contribution to the Employee Retirement system by \$12,788,837 million during the fiscal year. The actuary elected to treat this increase as an employer contribution subsequent to the measurement date, however, the City intends to treat this as an advance and will recognize this increase as a contribution during fiscal year ended September 30, 2023.



**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 15 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)**

**Employees' Retirement System (Continued)**

11. Sensitivity of the Net Pension Liability to the Changes in the Discount Rate - The following presents the net pension liability of the City, calculated using the discount rate of 7.50% and 7.50% respectively, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher:

	Current Discount		
	1% Decrease	Rate	1% Increase
	6.50%	7.50%	8.50%
September 30, 2022	\$473,496,956	\$380,480,333	\$301,980,898
	6.50%	7.50%	8.50%
September 30, 2021	\$305,080,887	\$213,092,487	\$135,494,549

12. Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in a separately issued Plan financial report.
13. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended September 30, 2022, the City will recognize pension expense of \$33,174,679. At September 30, 2022, the City 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
Differences Between Expected and Actual Experience	\$525,126	\$3,068,954
Changes of Assumptions	13,013,685	-
Net difference between projected and Actual Earnings on Pension investments	-	53,244,490
Employer and State Contributions subsequent to the measurement date	<u>46,882,080</u>	<u>-</u>
	<u>\$60,420,891</u>	<u>\$56,313,444</u>

The deferred outflow of resources, resulting from the City's contribution to the Plan subsequent to the measurement date of September 30, 2021 in the amount of \$46,882,080 will be recognized as a reduction of the City's net pension liability in the fiscal year ended September 30, 2022. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 15 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)**

**Employees' Retirement System (Continued)**

Year ended <u>September 30,</u>	
2023	\$(3,519,357)
2024	(6,270,393)
2025	(17,294,693)
2026	(15,690,190)
2027	-
Thereafter	-
Total	<u>\$(42,774,633)</u>

14. Drop Plan - The City established a deferred retirement option plan (DROP) for General Employees on February 19, 2008, and for Police and Firefighters on March 1, 2007. An active participant of the City's retirement system may enter into the DROP, on the first day of the month following completion of 25 years of membership service credit, provided that the sum of the member's age and years of service is 70 points or more. Upon entry into the DROP, a member's monthly retirement benefits (basic plus service pension), based on final average earnings and service upon entering the DROP, which would have been payable had the member elected to cease employment and receive a normal retirement benefit, shall be paid into the member's DROP account. At the end of each fiscal year, interest will be credited to the DROP account at the same rate credited to the annuity savings account. Member contributions cease upon entering the DROP and the member shall be ineligible for disability benefits provided by the Plan. Upon termination of employment or death, the DROP account balance will be paid in a cash lump sum. The maximum duration for participation in the DROP shall not exceed thirty-six (36) months and members cannot buy service in order to be eligible for the DROP.

Currently both police officers and firefighters DROP Members have the option to extend their DROP period an additional two (2) years for a total DROP participation of five (5) years.

General employees who are members of the retirement system are prohibited from entering the DROP on or after April 2, 2012. As of September 30, 2022, there were fifty-two (52) DROP participants and their fair value of DROP investment was \$8,666,085 which is included in the Plan's net position.

**Elected Officials' Retirement System**

1. Plan Description - The City of Hialeah Elected Officials' Retirement System (EORS) is a single employer defined benefit pension plan administered by the City of Hialeah. The EORS was established by City Ordinance effective June 1998. The Plan is considered part of the City's financial reporting entity and is included in the City's financial statements as a pension trust fund. All qualified elected officials and city attorneys are eligible to participate in the plan. The Plan does not issue a stand-alone financial report. Benefit and contribution provisions are established by City ordinance and may be amended only by the City Council. The latest available actuarial valuation is as of October 1, 2021.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 15 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)**

**Elected Officials' Retirement System (Continued)**

Membership in the Plan as of October 1, 2021 consisted of the following:

Inactive plan members:	
Beneficiaries currently receiving benefits	12
Entitled to benefits but not yet receiving them	7
Active plan members	<u>4</u>
Total	<u>23</u>

2. Pension Benefits - Participants earn one vesting credit for each year of service completed. A participant is considered fully vested after 8 years of credited service. After 8 years of credited service, the participant need not render any further service as an employee of the City, in order to begin receiving a pension benefit upon attaining eligibility.

A participant is eligible for normal retirement benefits when the participant has attained age 55 and 8 vesting credits or has attained 20 vesting credits regardless of age.

Normal retirement benefits are based on 3% of average final compensation multiplied by the years of service for each year of prior service.

3. Funding Requirement - Plan members are required to contribute 7% of their basic compensation. The City 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 a 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, 2022.
4. Net Pension Asset - The Plan's net pension asset of \$5,522,808 was measured as of September 30, 2022 (GASB 68 measurement date).

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 15 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)**

**Elected Officials' Retirement System (Continued)**

5. Actuarial Assumptions - The total pension liability was determined using the following actuarial assumptions:

Measurement Date:	September 30, 2022	September 30, 2020
Actuarial Valuation:	October 1, 2021	October 1, 2019
Interest rates:		
Single Discount rate	6%	6%
Inflation rate	2.75%	2.75%
Salary Increases	8%	8%
Mortality table	For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, setback 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.	For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, setback 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.
	For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, setback 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018	For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, setback 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018

6. Long-Term Expected Rate of Return - The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2022 and 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>2022</u>	<u>2021</u>
Domestic Equity	45%	10%	4.80%
International Equity	10%	5%	0.60%
Fixed Income	30%	4%	1.60%
Cash	15%	2%	0.40%
	<u>100%</u>		

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 15 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)**

**Elected Officials' Retirement System (Continued)**

7. Rate of Return - For the fiscal years ended September 30, 2022 and 2021, the annual money-weighted rate of return on Plan investments, net of investment expense, was -14.10% and 17.40%, respectively. 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.
8. Discount Rate - The discount rate used to measure the total pension liability as of September 30, 2022 and 2021 was 6.00 percent. The projection of cash flows used to determine the discount rate assumed that plan members' contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those 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 was applied to all periods of projected benefit payments to determine the total pension liability.

9. Changes in Net Pension Asset

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
	(a)	(b)	(a)-(b)
Reporting period ending at September 30, 2021	\$9,885,347	\$13,623,389	\$(3,738,042)
Changes for the year:			
Service Cost	105,265	-	105,265
Interest	580,910	-	580,910
Differences between expected and actual experience	6,687	-	6,687
Assumption Changes	-	-	-
Contributions - Employer	-	147,015	(147,015)
Contributions - Employee	-	15,607	(15,607)
Net investment income	-	2,332,612	(2,332,612)
Benefit payments, including refunds of employee contributions	(630,943)	(630,943)	-
Administrative expense	-	(17,606)	17,606
New changes	61,919	1,846,685	(1,784,766)
Reporting period ending at September 30, 2022	\$9,947,266	\$15,470,074	\$(5,522,808)

Plan fiduciary net position as a percentage of  
the total pension liability

155.52%

Covered payroll

\$499,025

Net pension asset as a percentage of  
covered payroll

-1106.72%

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 15 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)**

**Elected Officials' Retirement System**

9. Changes in Net Pension Asset

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
	(a)	(b)	(a)-(b)
Reporting period ending at September 30, 2022	\$9,947,266	\$15,470,074	\$(5,522,808)
Changes for the year:			
Service Cost	73,200	-	73,200
Interest	605,462	-	605,462
Differences between expected and actual experience	514,843	-	514,843
Assumption Changes	(39,630)	-	(39,630)
Contributions - Employer	-	129,503	(129,503)
Contributions - Employee	-	10,635	(10,635)
Net investment income	-	(2,131,839)	2,131,839
Benefit payments, including refunds of employee contributions	(809,281)	(809,281)	-
Administrative expense	-	(56,475)	56,475
New changes	344,594	(2,857,457)	3,202,051
Reporting period ending at September 30, 2023	\$10,291,860	\$12,612,617	\$(2,320,757)
Plan fiduciary net position as a percentage of the total pension liability		122.55%	
Covered payroll		\$154,364	
Net pension asset as a percentage of covered payroll		-1503.43%	

10. Sensitivity of the Net Pension Liability to the Changes in the Discount Rate - The following presents the net pension asset of the Plan, calculated using the discount rate of 6.0%, as well as what the City's net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.00%) or 1-percentage-point higher (7.00%):

	1% Decrease	Current Discount Rate	1% Increase
	5%	6%	7%
September 30, 2022	\$(1,193,672)	\$(2,320,757)	\$(3,258,891)
September 30, 2021	\$(4,399,453)	\$(5,522,808)	\$(6,455,065)

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 15 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)**

**Elected Officials' Retirement System (Continued)**

11. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended September 30, 2022, the EORS will recognize pension expense of \$(794,978). At September 30, 2022, the EORS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience on liabilities	\$-	\$-
Changes of assumptions or other inputs	-	-
Net Difference Between Projected and Actual Earnings on the Pension Plan Investments	-	<u>1,547,113</u>
Total	<u>\$-</u>	<u>\$1,547,113</u>

There was not deferred outflow of resources, resulting from the City's contribution to the Plan subsequent to the measurement date of September 30, 2021, to be recognized for fiscal year ended September 30, 2022. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended September 30,</u>	
2023	(427,830)
2024	(408,684)
2025	(404,641)
2026	(305,958)
2027	-
Thereafter	-
Total	<u><u>\$(1,547,113)</u></u>

There was not deferred outflow of resources, resulting from the City's contribution to the Plan subsequent to the measurement date of September 30, 2021, to be recognized for fiscal year ended September 30, 2022. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>Employee Retirement System</u>	<u>Elected Officials</u>	<u>Total</u>
Net Pension Liability	213,092,488	-	213,092,488
Net Pension Asset	-	5,522,808	5,522,808
Deferred Outflows of Resources	60,420,891	-	60,420,891
Deferred Inflows of Resources	56,313,444	1,547,113	57,860,557
Pension Expense	33,174,679	(794,978)	32,379,701

\*The City increased the annual advance contribution to the Employee Retirement system by \$12,788,837 million during the fiscal year. The actuary elected to treat this increase as an employer contribution subsequent to the measurement date, however, the City intends to treat this as an advance and will recognize this increase as a contribution during fiscal year ended September 30, 2023.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 15 - EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS (Continued)**

**Employees' Retirement System (Continued)**

12. Statement of net position and statement of changes in net position - The statement of net position and statement of changes in net position for the Elected Officials' Retirement System as of September 30, 2022 are presented below:

STATEMENT OF NET POSITION

<u>ASSETS</u>	
Cash and cash equivalents	\$685
Investments, at fair value:	
Mutual funds	11,674,166
Real estate investment trusts	<u>946,512</u>
Total assets	<u>\$12,621,363</u>
 <u>LIABILITIES AND NET POSITION</u>	
Accounts payable and accrued liabilities	<u>\$8,746</u>
Net position restricted for pensions	<u>\$12,612,617</u>

STATEMENT OF CHANGES IN NET POSITION

ADDITIONS	
Contributions - City	\$129,503
Contributions - Member	10,635
Net investment income (loss)	<u>(2,170,141)</u>
Total additions	\$(2,030,003)
DEDUCTIONS	
Pension benefits	809,281
Administrative Expenses	<u>18,174</u>
Total deductions	\$827,455
Net increase	(2,857,458)
Net position restricted for pensions	
Beginning of year	<u>15,470,075</u>
Ending	<u>\$12,612,617</u>



**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 16 - DEFINED CONTRIBUTIONS PLANS**

The City of Hialeah has two defined contribution plans; the City of Hialeah Police Pension Fund and the City of Hialeah Fire men's Relief and Pension Fund. The Plans were created on March 27, 1984 by Ordinance 1781 as amended by Ordinance 84-43 and on May 26, 1981 by Ordinance 631 as amended by Ordinance 81-62, respectively. The purpose of these Plans is to provide a means whereby police officers and firefighters of the City may receive benefits from funds provided for that purpose by contributions of the City through state contributions provided by Chapter 175/185 of the Florida Statutes. The participants do not contribute to the Plans. These funds are a supplement to and in no way affect police officer and firefighter benefits under the City of Hialeah Employees' Retirement System. The City no longer receives passed-through State contributions for the police officers or firefighters. The City under Chapter 185 of the Florida Statutes has provided authorization to the State for the direct contribution of benefits to the Police Pension Fund. The City's Employment Retirement System received passed-through contributions from the two defined contribution plans totaling \$461,877 for the fiscal year ended September 30, 2022.

Both funds issue publicly available financial reports that include financial statements and required supplementary information. Those reports may be obtained by writing to Hialeah Employees' Retirement Department, 501 Palm Avenue, Hialeah, Florida, 33010.

The City created the City of Hialeah Employee's Retirement Plan on April 1, 2012. The City as a single-employer contributes to the Money Purchase Plan, which is a defined contribution plan created in accordance with Internal Revenue Code Section 401(a). The Plan is available to all full-time general employees hired after April 1, 2012, and the City contributes 7% of the employees' salary for employees classified as AFSCME, and 4% for employees classified as Management and Confidential. Employees are required to contribute the same percentage amount that the City contributes. Employer contributions for the fiscal year ended September 30, 2022 were approximately \$1.1 million.

**NOTE 17 - OTHER POST EMPLOYMENT BENEFITS**

**Plan Description**

The City of Hialeah sponsors a single-employer defined benefit OPEB plan. Retirees who meet certain age and service requirements may elect coverage for themselves and dependents. Self-funded and fully insured options are available. The employer currently charges no contribution for retirees with single coverage, and the single funding rate for double (employee plus spouse) coverage. Self-funded management retirees pay less for double coverage. Disabled contributions vary between plans. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

**Benefits Provided**

Program Members

Current full-time, part-time employees hired prior to April 1, 2012 and scheduled to work in excess of an average of 29 hours per week along with eligible former employees (including eligible dependents) of the City of Hialeah.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 17 - OTHER POST EMPLOYMENT BENEFITS (Continued)**

**Benefits Provided (Continued)**

Normal Retirement

Eligibility conditions for retiree health care benefits are as follows:

- Elected Officials - completion of eight (8) years of service.
- Members of the City of Hialeah Employees' Retirement System (defined benefit plan):
  1. Members hired before January 27, 1970, the earlier of (a) age 50 with at least 10 years of service and (b) completion of 20 years of service. – No longer applicable because all current actives are hired after January 1, 1974.
  2. Members hired on or after January 27, 1970 but before January 1, 1974, the earlier of (a) age 55 with at least 15 years of service and (b) completion of 20 years of service. – No longer applicable because all current actives are hired after January 1, 1974.
  3. Members hired on or after January 1, 1974, age plus service equal to at least 70 and completion of at least 20 years of service.
  4. Non-grandfathered General employees on or after December 1, 2017, age 62 with 20 years of service.
  5. Firefighter members hired on or after November 15, 2013, age plus service equal to at least 76 and completion of at least 20 years of service.
  6. Police Officer members hired on or after March 2, 2014, age plus service equal to at least 76 and completion of at least 20 years of service.
  7. Police Officer members classified as Tier 1E and Tier 1F as of October 1, 2018, the earlier of (a) age 55 with 10 years of service, (b) age 52 with 25 years of service or (c) completion of 27 years of service regardless of age.
  8. Police Officer members classified as Tier 1G and Tier 2 as of October 1, 2018, the earlier of (a) age 55 with 10 years of service or (b) age 52 with 25 years of service.

Members of the City of Hialeah Employees' Retirement Plan (money purchase plan) - attainment of age 59.5.

Early Retirement

Eligibility conditions for retiree health care benefits are as follows:

- General Employees, age 55 and completion of at least 10 years of service.
- Firefighters and Police Officers, age 50 and completion of at least 10 years of service.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 17 - OTHER POST EMPLOYMENT BENEFITS (Continued)**

**Benefits Provided (Continued)**

Deferred Retirement

Members who terminate employment for reasons other than retirement, disability or death are not eligible for retiree health care benefits.

Death in Service Retirement

Covered spouses and dependents of active members who die prior to retirement are eligible to continue coverage through COBRA - maximum 36 months.

Spouses of deceased Firefighters and Police Officers whose death was the result from a violent act in line of duty - benefit fully subsidized for life (or remarriage).

Disability Retirement

Member must be totally and permanently incapacitated for duty in member's classified position as an employee of the City. No age or service requirement for job related - at least ten years of service requirement for non-job related. For Firefighters, in service disability retirement includes the diagnoses of cancer or circumstances that arise out of the treatment of cancer.

Spouse and Dependent Coverage

Spouses and qualified dependents of retired employees are eligible to receive retiree health care benefits. In the event of the retiree's death, covered spouses and dependents may elect to continue coverage for as long as they would have been eligible had the retiree survived, by payment of the premium for such spouse or eligible dependent.

Retiree Contributions

- Members of the City of Hialeah Employees' Retirement Plan (money purchase plan) pay full cost for coverage for themselves and any eligible dependents.
- Elected Officials - City pays cost of health insurance premium for the retiree's individual coverage - retiree pays the difference between the active rate for any spouse and / or dependent coverage and the active employee only rate.
- Members of the City of Hialeah Employees' Retirement System (defined benefit plan):
  - o Employees hired on or before October 10, 2006 - City pays health insurance premium for the retiree's individual coverage.
  - o Employees hired after October 10, 2006 - City pays the same amount as active employees for individual coverage until age 65. At age 65 and thereafter, if member eligible and enrolled in Medicare Part A and Part B - City pays retiree's individual coverage for the retiree only.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 17 - OTHER POST EMPLOYMENT BENEFITS (Continued)**

**Benefits Provided (Continued)**

Retiree Contributions (Continued)

- o Members may include coverage for spouse and / or other eligible dependents by payment of full premium for such spouse and / or other eligible dependents. However, retired Management employees pay the difference between the active rate for spouse and / or dependent coverage and the active employee only rate.
- o Notwithstanding the above, members (other than Police Officer and Firefighters members) who retire on or after March 25, 2014 prior to attaining eligibility for normal retirement pay premium for coverage for themselves and any eligible dependents.
- Disabled retirees in the City of Hialeah Employees' Retirement System (defined benefit plan):
  - o Disabled members hired on or before to October 10, 2006 - City pays the cost of individual health insurance coverage.
  - o Disabled members hired after October 10, 2006 pay the same amount as active employees for individual coverage until age 65. At age 65 and thereafter, if member eligible and enrolled in Medicare Part A and Part B - City pays retiree's individual coverage for the retiree only.
  - o Job related
    - ☐ Option (1): Retiree receives 75% of average compensation for three years of membership and pays full premium for spouse and / or other eligible dependents.
    - ☐ Option (2): Retiree receives 66-2/3% of average compensation for three years of membership and pays active rate for spouse and / or other eligible dependents.
    - ☐ Enhanced disability benefits: Retiree receives 75% of average compensation of three years of membership and pays active rate for spouse and / or other eligible dependents.
    - ☐ Retired Management employees pay difference between active rate for spouse and / or dependent coverage and active employee only rate.
  - o Not job related
    - ☐ Retiree pays premium for spouse and / or other eligible dependents; however, retiree receives a credit towards payment of premium based on the following criteria:

Total monthly income from City	Credit Amount
From zero (\$0) to \$2,000	75%
Greater than \$2,000 to \$3,250	50%
Greater than \$3,250 to \$4,500	25%
- o Firefighters or Police Officers with a disability resulting from a catastrophic line of duty injury - benefit fully subsidized for life for member, spouse and eligible dependents.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 17 - OTHER POST EMPLOYMENT BENEFITS (Continued)**

**Benefits Provided (Continued)**

Medicare-Eligible Provisions

Retirees are not required to enroll in Medicare Part A or Part B, but coverage under the Program becomes secondary upon eligibility for Medicare. If an eligible retiree does not enroll for coverage under Medicare Part A or Part B, the Claims Administrator will calculate benefits as if the retiree were enrolled in both Medicare Part A and Part B and full claims for benefits have been paid.

The City offers a Medicare Advantage plan in lieu of the other health plans offered by the City. This plan is the default plan for members eligible for Medicare. Members must opt out of this plan to continue in another plan offered by the City. The City pays the full single premium for retirees who are covered under the Medicare Advantage plan.

Dental and Vision Coverage

Retired employees are eligible to continue dental and vision coverage by paying 100% of the premium. Claims do not vary significantly by age. Therefore, there is no City liability for dental and vision benefits under GASB requirements.

Life Insurance

The City provides the following life insurance benefits to all members who elect medical coverage.

	Under age 65	Age 65 and above
Management Employees - Retired on or after 7/1/2002	\$100,000	\$25,000
Management Employees - Retired 11/11/1980 - 6/30/2002	\$50,000	\$12,500
Other Employees	\$10,000	\$2,000

Changes in Provisions since Prior Valuation

None

**Employees Covered by Benefit Terms**

As of October 1, 2021 actuarial valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	1,399
Active plan members	<u>1,069</u>
Total	<u><u>2,468</u></u>

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 17 - OTHER POST EMPLOYMENT BENEFITS (Continued)**

**Total OPEB Liability**

The City's total OPEB liability of \$360,568,124 was based on the measurement date October 1, 2021, and was determined by an actuarial valuation on that date.

**Actuarial Methods and Assumptions**

The total OPEB liability was determined using the following actuarial methods and assumptions applied to all periods included in the measurement, unless otherwise specified:

Valuation date	10/1/2021
Inflation	2.30% - not explicitly used in valuation
Discount rate	2.19%
Salary increases	3.00% to 15.00%, depending on the member's employment group
Mortality	Healthy members based on various PUB-2010 base tables, generational mortality rising gender-specific improvement projection scale. Disabled Employees based on a PUB-2010 Disabled mortality tables and no projected improvements.
Healthcare cost trend rates	Based on the Getzen Model starting at 6.5% gradually decreasing to an ultimate rate of 3.5% in 2041.
Retirees' share of benefit-related costs	Varies from 0% to 100% of blended health insurance premium rates.
Expenses	Administrative expenses are included in the per capita health costs.
Other information	Changes in assumptions and other inputs include the change in the discount rate from 2.43% as of the beginning of the measurement period to 2.19% as of September 30, 2022. This change is reflected in the schedule of changes in total OPEB liability.

Changes in the Total OPEB Liability:

	Total OPEB Liability
Service Cost	13,192,000
Interest	11,644,446
Differences between expected and actual experience	(12,400,996)
Changes of assumptions	(112,153,620)
Benefit payments	(11,434,018)
Administrative expense	-
Net change in total OPEB liability	(111,152,188)
Total OPEB liability - beginning	\$471,720,312
Total OPEB liability - ending	\$360,568,124
Covered payroll	\$89,535,763
Total OPEB liability as a percentage of covered payroll	402.71%

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 17 - OTHER POST EMPLOYMENT BENEFITS (Continued)**

**Changes in the Total OPEB Liability (Continued)**

Sensitivity of the Total OPEB Liability to the Changes in the Discount Rate Assumption - The following presents the total OPEB liability of the City, calculated using the discount rate of 2.19% as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.19%) or 1-Percentage-point higher (3.19%):

	Current Discount	
<u>1% Decrease</u>	<u>Rate</u>	<u>1% Increase</u>
1.19%	2.19%	3.19%
\$425,204,578	\$360,568,124	\$310,086,536

Sensitivity of the Total OPEB Liability to the Healthcare Cost Trend Rate Assumption - The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.50% decreasing to 3.50%) or 1-percentage-point higher (7.50% decreasing to 4.50%):

	Current Healthcare Cost	
<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
5.50% to 2.50%	6.50% to 3.50%	7.50% to 4.50%
\$308,424,182	\$360,568,124	\$427,691,811

For the fiscal year ended September 30, 2022, the City recognized OPEB expense of \$7,704,968. At September 30, 2022, the City 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
Differences Between Expected and Actual Experience	\$-	\$16,839,208
Changes of Assumptions	31,503,479	85,450,377
	<u>\$31,503,479</u>	<u>\$102,289,585</u>

Projected deferred outflow for amounts paid by the City for OPEB benefits and administrative expenses subsequent to the measurement date, will be recognized as OPEB expense in the fiscal year ended September 30, 2022:

Projected OPEB benefits	\$12,301,473
Projected administrative expenses	<u>6,741</u>
Total deferred outflow	<u>\$12,308,214</u>

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**NOTE 17 - OTHER POST EMPLOYMENT BENEFITS (Continued)**

**Changes in the Total OPEB Liability (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future OPEB expenses as follows:

<u>Year ended</u> <u>September 30,</u>	
2023	\$10,539,982
2024	25,491,880
2025	28,823,060
2026	5,931,184
2027	-
Thereafter	-
Total	<u>\$70,786,106</u>



**REQUIRED SUPPLEMENTARY INFORMATION**  
**(Other Than MD&A)**

**CITY OF HIALEAH, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final Budget Positive (Negative)
<b>Revenues:</b>				
Ad valorem taxes	\$ 81,269,105	\$ 81,269,105	\$ 82,083,914	\$ 814,809
Charges for services	1,446,100	1,446,100	1,635,513	189,413
Fines and forfeitures	1,812,500	1,812,500	2,504,515	692,015
Franchise fees	12,206,500	12,206,500	14,197,917	1,991,417
Intergovernmental	30,364,240	30,364,240	40,360,310	9,996,070
Investment income	200,000	200,000	151,478	(48,522)
Licenses and permits	6,800,000	6,800,000	7,341,602	541,602
Other revenues	3,386,500	3,386,500	4,514,000	1,127,500
Utility taxes	21,834,360	21,834,360	24,225,902	2,391,542
Total revenues	159,319,305	159,319,305	177,015,151	17,695,846
<b>Expenditures:</b>				
<b>Current:</b>				
911 Communications division	5,651,951	5,651,951	5,024,272	627,679
Business tax division	1,436,285	1,436,285	1,087,371	348,914
City Clerk's office	2,466,014	2,466,014	2,337,438	128,576
Code compliance	863,417	863,417	752,950	110,467
Communications and special events	1,550,014	1,550,014	1,764,143	(214,129)
Construction and maintenance	3,630,456	3,630,456	3,685,941	(55,485)
Education and community services	2,489,984	2,489,984	2,147,127	342,857
Employee retirement	943,787	943,787	1,061,805	(118,018)
Finance	2,543,478	2,543,478	2,441,977	101,501
Fire	49,024,071	49,024,071	49,922,805	(898,734)
Fleet maintenance	3,881,836	3,881,836	3,915,404	(33,568)
General government	4,275,625	3,854,380	6,904,943	(3,050,563)
Human resources	1,255,084	1,305,084	1,378,933	(73,849)
Information technology	3,050,998	3,050,998	2,415,922	635,076
Law	1,910,867	1,910,867	1,578,773	332,094
Library	2,112,335	2,112,335	1,907,528	204,807
Milander center	964,480	1,335,725	993,237	342,488
Office of Management and Budget	490,864	490,864	577,326	(86,462)
Office of the Mayor	839,063	839,063	1,007,166	(168,103)
Parks and recreation	11,935,856	11,935,856	11,138,985	796,871
Planning and zoning	1,050,965	1,050,965	856,957	194,008
Police	66,493,068	66,493,068	66,095,312	397,756
Purchasing	-	-	17,346	(17,346)
Risk management	808,807	808,807	750,890	57,917
Total expenditures	169,669,305	169,669,305	169,764,551	(95,246)
<b>Other financing sources (uses):</b>				
Proceeds from disposal of capital assets	350,000	350,000	367,377	17,377
Transfers in	11,000,000	11,000,000	-	(11,000,000)
Transfers out	(1,000,000)	(930,000)	(1,854,211)	(924,211)
Total financing sources (uses)	10,350,000	10,420,000	(1,486,834)	(11,906,834)
Net change in fund balance	-	70,000	5,763,766	5,693,766
Fund balances - beginning	1,921,304	-	46,911,674	
Fund balances - ending	\$ 1,921,304	\$ 70,000	\$ 52,675,440	

**CITY OF HIALEAH, FLORIDA**  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
GOVERNMENTAL FUNDS  
FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Coronavirus State and Local Fiscal Recovery Fund				Building 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:								
Investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,488	\$ 107,488
Intergovernmental	62,571,531	62,571,531	815,949	(61,755,582)	-	-	-	-
Licenses and permits	-	-	-	-	5,660,000	5,660,000	11,083,557	5,423,557
Other revenues	-	-	-	-	-	-	1,048	1,048
Appropriation of prior year fund balance	-	-	-	-	1,236,099	1,236,099	-	(1,236,099)
Total revenues	<u>62,571,531</u>	<u>62,571,531</u>	<u>815,949</u>	<u>(61,755,582)</u>	<u>6,896,099</u>	<u>6,896,099</u>	<u>11,192,093</u>	<u>4,295,994</u>
Expenditures:								
Current:								
Fire	645,900	645,900	546,605	99,295	-	-	-	-
General government	30,606,045	30,603,045	115,201	30,487,844	6,219,099	6,119,099	5,255,238	863,861
Parks and recreation	21,530	21,530	65,699	(44,169)	-	-	-	-
Police	269,125	269,125	67,952	201,173	-	-	-	-
Public works	2,238,005	2,238,005	20,492	2,217,513	-	-	-	-
Streets	8,651,926	8,651,926	-	8,651,926	-	-	-	-
Capital outlay	-	-	-	-	677,000	777,000	490,233	286,767
Total expenditures	<u>42,432,531</u>	<u>42,429,531</u>	<u>815,949</u>	<u>41,613,582</u>	<u>6,896,099</u>	<u>6,896,099</u>	<u>5,745,471</u>	<u>1,150,628</u>
Net change in fund balance	<u>20,139,000</u>	<u>20,142,000</u>	<u>-</u>	<u>\$ (20,142,000)</u>	<u>-</u>	<u>-</u>	<u>5,446,622</u>	<u>\$ 5,446,622</u>
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	<u>40,220,515</u>	
Fund balances - ending	<u>\$ 20,139,000</u>	<u>\$ 20,142,000</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,667,137</u>	

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO BUDGETARY COMPARISON SCHEDULE**  
**SEPTEMBER 30, 2022**

**NOTE 1 - BUDGETS AND BUDGETARY ACCOUNTING**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The City follows the procedures below in establishing the budgetary data reflected in the accompanying financial statements.

1. Prior to September 1, the Mayor submits to the City Council a proposed operating budget for the General Fund for the ensuing fiscal year, commencing October 1. The operating budget include proposed expenditures and the means of funding them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an ordinance
4. At any time, the Mayor transfer any unencumbered appropriation balance or portion thereof between classifications of expenditures within an office or department. At the request of the Mayor and within the last 6 months of the fiscal year, the City Council may transfer, by resolution, any unencumbered appropriation balance or portion thereof from one office or department to another. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the fund from which it was appropriated and shall be subject to future appropriations. The legal level of control is at the department level for the general fund and at the fund level for all other funds.
5. The reported budgetary data represents the final approved budget after amendments adopted by the City Council. Unencumbered appropriations lapse at fiscal year-end.
6. The City Council may make supplemental appropriations during the fiscal year. Supplemental appropriations were \$93,971 for the Streets Fund, \$3,556,340 for the CDBG Fund, \$17,070 for the Law Enforcement Trust-State Fund, \$3,477,608 for the Emergency Solutions Grant Fund, \$11,561 for the Rescue Transportation Fund, \$6,875,370 for HOME Fund, \$41,873 for the Parks Grant Fund, \$192,200 for the CITT Surtax - Transportation Fund, \$12,086 for the Police Grant Fund, \$1,341,840 for the S.H.I.P. Fund, \$ 59,730 for the Affordable Housing Fund, \$200,000 for the CITT Surtax - Hialeah Circulator Fund, \$439,804 for the Emergency Rental Assistance Program Fund, \$(4,000) for the 21st Century Grant Fund, \$1,819,250 for the Alliance for Aging Grant Fund, \$128,255 for the Community Service Fund, and \$460,490 for the NW 105 Ave 162 St to 170 St Fund.

All governmental funds with legally adopted budgets have been included as either a budgetary comparison schedule in the required supplementary information section or as a schedule of revenues and expenditures and fund balance - budget vs actual in the combining fund statements section.

**CITY OF HIALEAH, FLORIDA**  
**EMPLOYEES' RETIREMENT SYSTEM**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS**

Reporting period ending Measurement date	9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016	9/30/2016 9/30/2015	9/30/2015 9/30/2014
<b>Total pension liability</b>								
Service cost	\$ 7,134,328	\$ 7,021,824	\$ 7,371,026	\$ 7,202,768	\$ 8,302,554	\$ 8,887,641	\$ 9,104,164	\$ 8,982,779
Interest	75,701,386	74,884,189	74,095,607	70,617,995	65,295,454	62,786,218	61,082,848	60,285,831
Change in annuity savings fund	3,568,229	3,445,364	3,435,022	3,399,514	3,594,508	4,032,235	3,887,151	4,064,028
Change in annuity reserve fund	-	-	-	-	48,248,469	-	-	-
Change in benefit terms	-	1,920,804	-	(6,194,034)	(15,079,464)	-	-	-
Difference between actual & expected experience	787,690	(9,206,862)	546,364	21,250,857	17,047,994	13,256,782	10,359,527	-
Changes of assumptions	8,454,318	22,132,420	8,141,313	33,984,415	-	21,734,473	-	-
Contributions - buy back	609,371	434,794	915,261	3,658,285	2,569,143	907,919	975,579	1,182,367
Benefit payments, including refunds of employee contributions	(74,613,487)	(75,937,099)	(71,058,782)	(75,067,920)	(67,397,153)	(61,753,388)	(66,047,848)	(63,299,504)
Net change in total pension liability	21,641,835	24,695,434	23,445,811	58,851,880	62,581,505	49,851,880	19,361,421	11,215,501
Total pension liability - beginning	1,026,243,287	1,001,547,853	978,102,042	919,250,162	856,668,657	806,816,777	787,455,356	776,239,855
Total pension liability - ending (a)	<u>\$ 1,047,885,122</u>	<u>\$ 1,026,243,287</u>	<u>\$ 1,001,547,853</u>	<u>\$ 978,102,042</u>	<u>\$ 919,250,162</u>	<u>\$ 856,668,657</u>	<u>\$ 806,816,777</u>	<u>\$ 787,455,356</u>
<b>Plan fiduciary net position</b>								
Contributions - employer	43,667,040	\$ 33,184,511	\$ 31,778,947	\$ 40,432,760	\$ 29,197,532	\$ 26,327,799	\$ 27,382,906	\$ 25,769,253
Contributions - state	461,877	461,877	461,877	461,877	461,877	461,877	461,877	461,877
Contributions - member	4,723,287	3,685,758	3,208,424	2,792,321	2,152,895	2,433,031	2,132,259	1,587,095
Contributions - buy back	609,371	434,794	915,261	3,658,285	2,569,143	907,919	975,579	1,182,367
Contributions - annuity savings fund	3,568,229	3,445,364	3,435,022	3,399,514	3,594,508	4,032,235	3,887,151	4,064,028
Net investment income	132,666,392	60,504,254	14,893,168	61,184,032	70,077,666	48,674,393	2,881,487	58,702,102
Benefit payments, including refunds of employee contributions	(74,613,487)	(75,937,099)	(71,058,782)	(75,067,920)	(67,397,153)	(61,753,388)	(66,047,848)	(63,299,504)
Administrative expense	(885,940)	(254,016)	(676,624)	(734,099)	-	-	-	-
Revision to methodology to include annuity reserve fund	-	-	-	-	48,248,469	-	-	-
Net change in plan fiduciary net position	110,196,769	25,525,443	(17,042,707)	36,126,770	88,904,937	21,083,866	(28,326,589)	28,467,218
Plan fiduciary net position - beginning	724,595,866	699,070,423	716,113,130	679,986,360	591,081,423	569,997,557	598,324,146	569,856,928
Plan fiduciary net position - ending (b)	<u>\$ 834,792,635</u>	<u>\$ 724,595,866</u>	<u>\$ 699,070,423</u>	<u>\$ 716,113,130</u>	<u>\$ 679,986,360</u>	<u>\$ 591,081,423</u>	<u>\$ 569,997,557</u>	<u>\$ 598,324,146</u>
Net pension liability - ending (a) - (b)	\$ 213,092,487	\$ 301,647,421	\$ 302,477,430	\$ 261,988,912	\$ 239,263,802	\$ 265,587,234	\$ 236,819,220	\$ 189,131,210
Plan fiduciary net position as a percentage of total pension liability	79.66%	70.61%	69.80%	73.21%	73.97%	69.00%	70.65%	75.98%
Covered payroll	\$ 51,911,720	\$ 50,199,563	\$ 50,993,205	\$ 51,863,886	\$ 55,447,024	\$ 54,783,012	\$ 57,948,210	\$ 22,672,786
Net pension liability as a percentage of covered payroll	410.49%	600.90%	593.17%	505.15%	431.52%	484.80%	408.67%	834.18%

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.

**CITY OF HIALEAH, FLORIDA**  
**EMPLOYEES' RETIREMENT SYSTEM**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CITY CONTRIBUTIONS**

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>	Actual Contribution as a % of <u>Covered Payroll</u>
2014	\$ 26,231,130	\$ 26,231,130	\$ -	\$ 22,672,786	115.69%
2015	26,210,070	27,844,783	(1,634,713)	57,948,210	48.05%
2016	26,477,463	26,789,676	(312,213)	54,783,012	48.90%
2017	29,659,409	29,659,409	-	55,447,024	53.49%
2018	30,894,637	40,894,637	(10,000,000)	51,863,886	78.85%
2019	32,240,824	32,240,824	-	50,993,205	63.23%
2020	33,646,385	33,646,388	(3)	50,199,563	67.03%
2021	34,128,917	44,128,917	(10,000,000)	51,911,720	85.01%
2022	34,790,305	46,882,080	(12,091,775)	53,919,088	86.95%

\* Total covered payroll for fiscal year ending September 30.

**Notes to the Schedule of Contributions**

Valuation Date 10/1/2020  
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 The entry age normal cost method was used to determine all liabilities, except that the liability associated with member contributions has been assumed to be equal to those contributions.

Amortization Method Beginning October 1, 2017, the method of amortizing all outstanding unfunded liability bases was changed to be a level dollar amount (0.0% increases).

Asset Valuation Method The actuarial value of assets (AVA) is equal to the market value of assets adjusted to reflect a five year phase-in of the difference between the expected versus actual return on the AVA. The AVA is limited to an 80%-120% corridor of the market value of assets.

Inflation 2.3% per year

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.

**CITY OF HIALEAH, FLORIDA**  
**EMPLOYEES' RETIREMENT SYSTEM**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF INVESTMENT RETURNS**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	-15.21%	18.60%	8.88%	2.13%	9.17%	11.22%	8.08%	0.46%	10.22%

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.

**CITY OF HIALEAH, FLORIDA**  
**ELECTED OFFICIALS' RETIREMENT SYSTEM**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS**

Reporting period ending Measurement date	<u>9/30/2022</u> 9/30/2021	<u>9/30/2021</u> 9/30/2020	<u>9/30/2020</u> 9/30/2019	<u>9/30/2019</u> 9/30/2018	<u>9/30/2018</u> 9/30/2017	<u>9/30/2017</u> 9/30/2016	<u>9/30/2016</u> 9/30/2015	<u>9/30/2015</u> 9/30/2014
<b>Total Pension Liability</b>								
Service cost	\$ 105,265	\$ 153,299	\$ 156,228	\$ 163,244	\$ 160,470	\$ 169,969	\$ 214,225	\$ 278,300
Interest	580,910	573,480	569,807	549,563	527,684	504,307	502,980	490,346
Difference between actual & expected experience	6,687	18,209	28,448	53,554	10,202	(332,714)	(237,890)	(76,666)
Changes of assumptions	-	(228,363)	-	-	80,686	-	-	-
Benefit payments, including refunds of employee contributions	<u>(630,943)</u>	<u>(492,255)</u>	<u>(411,218)</u>	<u>(382,474)</u>	<u>(377,185)</u>	<u>(354,923)</u>	<u>(281,298)</u>	<u>(230,929)</u>
Net change in total pension liability	61,919	24,370	343,265	383,887	401,857	(13,361)	198,017	461,051
Total pension liability - beginning	9,885,347	9,860,977	9,517,712	9,133,825	8,731,968	8,745,329	8,547,312	8,086,261
Total pension liability - ending (a)	<u>\$ 9,947,266</u>	<u>\$ 9,885,347</u>	<u>\$ 9,860,977</u>	<u>\$ 9,517,712</u>	<u>\$ 9,133,825</u>	<u>\$ 8,731,968</u>	<u>\$ 8,745,329</u>	<u>\$ 8,547,312</u>
<b>Plan fiduciary net position</b>								
Contributions - City	\$ 147,015	\$ 152,234	\$ 171,793	\$ 164,417	\$ 155,257	\$ 203,796	\$ 304,126	\$ 305,000
Contributions - member	15,607	16,262	23,598	23,118	22,297	21,718	21,453	15,655
Net investment income	2,332,612	1,246,894	746,766	788,367	1,112,500	1,030,248	(11,419)	918,376
Benefit payments, including refunds of employee contributions	<u>(630,943)</u>	<u>(492,255)</u>	<u>(411,218)</u>	<u>(382,474)</u>	<u>(377,185)</u>	<u>(354,923)</u>	<u>(281,298)</u>	<u>(230,929)</u>
Administrative expense	<u>(17,606)</u>	<u>(39,200)</u>	<u>(16,867)</u>	<u>(19,085)</u>	<u>(30,780)</u>	<u>(25,428)</u>	<u>(5,925)</u>	<u>(9,718)</u>
Net change in plan fiduciary net position	1,846,685	883,935	514,072	574,343	882,089	875,411	26,937	998,384
Plan fiduciary net position - beginning	13,623,389	12,739,454	12,225,382	11,651,039	10,768,950	9,893,539	9,866,602	8,868,218
Plan fiduciary net position - ending (b)	<u>\$ 15,470,074</u>	<u>\$ 13,623,389</u>	<u>\$ 12,739,454</u>	<u>\$ 12,225,382</u>	<u>\$ 11,651,039</u>	<u>\$ 10,768,950</u>	<u>\$ 9,893,539</u>	<u>\$ 9,866,602</u>
Net pension liability - ending (a) - (b)	(5,522,808)	(3,738,042)	\$ (2,878,477)	\$ (2,707,670)	\$ (2,517,214)	\$ (2,036,982)	\$ (1,148,210)	\$ (1,319,290)
Plan fiduciary net position as a percentage of total pension liability	155.52%	137.81%	129.19%	128.45%	127.56%	123.33%	113.13%	115.44%
Covered payroll	\$ 499,025	\$ 558,182	\$ 679,872	\$ 684,581	\$ 695,295	\$ 688,294	\$ 872,761	\$ 1,001,519
Net pension liability as a percentage of covered payroll	-1106.72%	-669.68%	-423.39%	-395.52%	-362.04%	-295.95%	-131.56%	-131.73%

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.



**CITY OF HIALEAH, FLORIDA**  
**ELECTED OFFICIALS' RETIREMENT SYSTEM**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CITY CONTRIBUTIONS**

Fiscal Year Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll*	Actual Contribution as a % of Covered Payroll
2013	312,403	312,403	-	1,085,310	28.78%
2014	288,521	305,000	(16,479)	1,001,519	30.45%
2015	304,126	304,126	-	872,761	34.85%
2016	203,796	203,796	-	688,294	29.61%
2017	155,257	155,257	-	695,295	22.33%
2018	164,417	164,417	-	684,581	24.02%
2019	171,793	171,793	-	679,872	25.27%
2020	152,234	152,234	-	679,871	22.39%
2021	147,015	147,015	-	499,025	29.46%
2022	129,503	129,503	-	154,364	83.89%

\* Total covered payroll for fiscal year ending September 30.

**Notes to the Schedule of Contributions**

Valuation Date 10/1/2020  
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 amount, closed  
Amortization Period 15 years  
Asset Valuation Method Smoothed market value  
Inflation 2.75%  
Salary Increases 8.00%  
Investment Rate of Return 6.00%  
Retirement Age Experience-based table of rates that are specific to the type of eligibility condition.  
Mortality For healthy participants during employment, PUB-2010 headcount weighted general below median employee mortality table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with scale MP-2018  
For healthy participants post employment, PUB-2010 headcount weighted general below median employee mortality table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement with scale MP-2018

**CITY OF HIALEAH, FLORIDA**  
**ELECTED OFFICIALS' RETIREMENT SYSTEM**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF INVESTMENT RETURNS**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	-14.10%	17.40%	9.93%	6.29%	7.09%	10.65%	10.66%	0.19%	10.4%

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.

**CITY OF HIALEAH, FLORIDA**  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Reporting period ending Measurement date	<u>9/29/2022</u> 9/30/2021	<u>9/29/2021</u> 9/30/2020	<u>9/30/2020</u> 10/1/2019	<u>9/30/2019</u> 10/1/2018	<u>9/30/2018</u> 10/1/2017
Total OPEB Liability					
Service cost	\$ 13,192,000	\$ 11,907,557	\$ 8,777,476	\$ 9,389,841	\$ 10,715,811
Interest	11,644,446	11,970,430	14,385,492	13,511,291	12,388,409
Benefit changes	-	-	(2,774,343)	-	-
Difference between actual & expected experience	(12,400,996)	-	(29,563,317)	-	(36,940,499)
Changes of assumptions	(112,153,620)	17,488,707	89,370,912	(21,857,532)	12,853,978
Benefit payments	<u>(11,434,018)</u>	<u>(11,120,288)</u>	<u>(11,090,272)</u>	<u>(10,554,522)</u>	<u>(12,098,132)</u>
Net change in total OPEB liability	<u>(111,152,188)</u>	<u>30,246,406</u>	<u>69,105,948</u>	<u>(9,510,922)</u>	<u>(13,080,433)</u>
Total OPEB liability - beginning	<u>471,720,312</u>	<u>441,473,906</u>	<u>372,367,958</u>	<u>381,878,880</u>	<u>394,959,313</u>
Total OPEB liability - ending	<u>\$ 360,568,124</u>	<u>\$ 471,720,312</u>	<u>\$ 441,473,906</u>	<u>\$ 372,367,958</u>	<u>\$ 381,878,880</u>
Covered-employee payroll	\$ 89,535,763	\$ 68,880,594	\$ 66,935,765	\$ 66,225,515	\$ 64,886,940
Net pension liability as a percentage of covered payroll	402.71%	684.84%	659.55%	562.27%	588.53%

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.

## **COMBINING AND INDIVIDUAL FUND STATEMENTS**

## GENERAL FUND

**CITY OF HIALEAH, FLORIDA**  
**GENERAL FUND**  
**COMPARATIVE BALANCE SHEETS**  
**SEPTEMBER 30, 2022**  
**(WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 2021)**

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 136,510,627	\$ 91,773,288
Receivables, net	17,163,558	20,580,308
Due from other funds	27,884,187	43,617,131
Inventories	1,591,186	3,987,864
Prepays	718,000	718,000
Notes receivable	2,822,625	2,822,625
Restricted cash, cash equivalents and investments	86,417	86,417
Total assets	<u>\$ 186,776,600</u>	<u>\$ 163,585,633</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Advance contribution to pension	<u>32,788,837</u>	<u>20,000,000</u>
<u>LIABILITIES</u>		
Accounts payable and accrued liabilities	\$ 9,303,732	\$ 11,022,569
Compensated absences payable	1,487,884	2,227,282
Self-insurance claims payable	407,571	576,067
Due to other funds	149,438,574	116,620,945
Deferred revenue	2,855,911	2,825,911
Total liabilities	<u>163,493,672</u>	<u>133,272,774</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Business license tax	<u>3,396,325</u>	<u>3,401,185</u>
<u>FUND BALANCES</u>		
Nonspendable	5,131,811	7,528,489
Restricted	86,417	86,417
Committed	313,387	784,325
Assigned	1,062,100	-
Unassigned	46,081,725	38,512,443
Total fund balances	<u>52,675,440</u>	<u>46,911,674</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 219,565,437</u>	<u>\$ 183,585,633</u>

## 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.

**Streets** – This fund was established to account for revenues derived from Miami-Dade County's 5 cents and 6 cents gas tax. The City funds its Streets Department from these gas tax revenues and the expenditures include regular salaries for the department, major repairs and maintenance to the City streets and capital outlay for road resurfacing and construction.

**Community Development Block Grant (CDBG)** – This fund was established to account for expenditures and revenues derived from a Community Development Block Grant obtained from HUD. The grant was established to provide the following: Administration/Planning, Economic Development, Public Services, Housing Development, Commercial Improvement/ Urban Development, 1st Time Home Buyer Assistance, and Section 108 Loan Guarantees.

**Law Enforcement Trust (State)** – This fund is used to account monies received from state confiscated and forfeited property. These funds are to be used to purchase equipment for the Police Department and for improvements to the Police Department.

**E-911 Non-Wireless Fund** – This fund administers revenues collected by the phone companies for emergency 911 calls. Expenditures from this fund are mainly for salaries of dispatchers for the Police and Fire Departments and for capital improvements.

**Emergency Solutions Grant** – This fund administers revenues from the Emergency Shelter Grants Program from HUD. The program was designed to help improve the quality of existing emergency shelters, make available additional emergency shelters and meet the costs to operate the shelters for the homeless.

**Fire Prevention** – This fund administers revenues collected from fire re-inspection fees. Expenditures from this fund are mainly for salaries and operating expenses for the Fire Department.

**Rescue Transportation** – This fund administers revenues collected from fire rescue calls service billings. The main expenditures are for salaries and capital outlays for the Fire Department.

**Emergency Disaster** – (COVID-19) – This fund was established to account for expenditures and revenues derived from funding received from the Federal Emergency Management Agency (FEMA) and other sources for the COVID-19 pandemic.

**Emergency Disaster** – (FEMA) – This fund was established to account for expenditures and revenues derived from funding received from the Federal Emergency Management Agency (FEMA), as a result of natural disasters such as hurricanes, tropical storms, etc.

**Home Investment Partnership Program (HOME)** – This fund was established to account for expenditures and revenues derived from grants obtained from the U.S. Department of Housing and Urban Development. The purpose of the grants is for the City of Hialeah (the City) to provide affordable housing for its citizens. The City manages the grant and obtains reimbursements from HUD after expenditures are incurred.

**Park Impact Fees and Grants** – This fund was established to account for revenues derived from Park Impact Fees established by Ordinance 92-145 collected from building permits for new units. Expenditures from this fund are mainly for park improvements and development of open spaces.

**The Children's Trust** - This fund was established to account for revenues awarded by the Children's Trust to expand and enhance programs servicing the young community.

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds (Continued)

**Urban Areas Security Grants** – This fund was established to account for expenditures and revenues derived from an Inter-local Agreement entered into with Miami-Dade County, passed through from the State of Florida Department of Community Affairs. The purpose of the grant is for the City to carry out the Urban Areas Security Initiative (UASI) program objectives.

**CITT Surtax** – Transportation Fund – This fund was established to account for revenues derived from Miami-Dade County's cents gas tax. The City funds its Streets Department from these gas tax revenues and the expenditures which includes professional services, street lights, repair and maintenance of sidewalks and road construction.

**Police Grant Surtax** – This fund is funded by various grants such JAG in which the program covers many activities that help to prevent or control crimes, including supporting law enforcement programs.

**State Housing Initiative Program (SHIP)** – This fund was established to account for revenues and expenditures derived from a grant obtained from the State of Florida (the State). The purpose of the grant is for the City of Hialeah to provide affordable housing for its citizens. The City manages the grant and obtains reimbursements from the State after expenditures are incurred.

**E-911 Wireless** – This fund administers revenues collected from fire rescue calls service billings. The main expenditures are for salaries of billing clerks, one lieutenant, and capital outlays for the Fire Department.

**Affordable Housing** – Created to manage the building and revenues consisting of rental payments from the tenants and regular maintenance expenses as well as debt service payments on the mortgage.

**The Children's Trust Step Ahead** – This fund was established to account for revenues awarded by the Children's Trust for the youth enrichment program that offers free after school activities for Miami-Dade County Public School (M-DCPS) high school students with special needs.

**Law Enforcement Trust - Federal** – This fund is used to account monies received from federal confiscated and forfeited property. These funds are to be used to purchase equipment for the Police Department and for improvements to the Police Department.

**EMS County Grant** – This fund was created to account for revenues awarded by Miami Dade County to enhance training and acquire emergency medical equipment for the City's Fire Department.

**CITT Surtax Hialeah Circulator** – This fund was established to account for the revenues and expenditures of the City of Hialeah transit system. Funds for this fund are derived from the discretionary half cents sales tax as well as fees charged for fares on City's transportation.

**Emergency Assistance Grant** - This fund was established to account for revenues and expenditures related to COVID-19 emergency rental assistance for City of Hialeah residents. This fund is being funded by allocation of the Emergency Solutions Grant (ESG) funds from the United States Department of Housing and Urban Development (HUD) as a result of the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

**Streets 3 Cents Optional Gas Tax** – This fund was established to account for revenues derived from Miami-Dade County's cents gas tax. The City funds its Streets Department from these gas tax revenues and the expenditures include regular salaries for the department, and construction.



## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds (Continued)

**21st Century Grant**– This fund was established to account for expenditures and revenues derived from a federal grant, passed through from the State of Florida Department of Education. The purpose of the grant is to provide academic enrichment opportunities for students in 6th through 8th grades during after school and summer camp.

**Alliance for Aging Grant** – This fund was established to account for expenditures and revenues as a pass-through from the State of Florida, to provide a wide range of services for the elderly community living within City limits.

**ECS and Library Grant** – This fund administers revenues from different grants to provide a better environment for the libraries located on the city. The grants help improve the students' achievement by focusing in available resources such as media centers.

**Parking Improvement Fund** – This fund administers expenditures and revenues from parking fees, and its related parking expenditures, in order to provide suitable parking facilities for visitor's and City residents.

**City of Hialeah Education Academy** – The school, which is reported as a special revenue fund for the City, is funded from public funds based on enrollment and is also eligible for grants in accordance with State and Federal guidelines, including food service and capital outlay.

## **NONMAJOR GOVERNMENTAL FUNDS**

### **Debt Service Funds**

Debt service funds are used to account for the resources accumulated and payments made for principal and interest on long term general obligation debt of governmental funds.

**Revenue Bond Series 2015A** – The City of Hialeah's Revenue Bond Series 2015A was created to account for the principal and interest costs, which is funded by franchise fees.

**CITT Surtax Transportation Debt Service** – The City of Hialeah's Debt Service Fund accounts for the revenue bonds and related costs, which is funded by discretionary ½ cent sales tax.

## NONMAJOR GOVERNMENTAL FUNDS

### Capital Project Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary fund and trust funds.

**N.W. 102nd Ave. from 162nd St. to 170th St.** – This fund was established to account for revenues and expenditures received from the Department of Economic Opportunity ("DEO") to design, permitting and construction of N.W. 102nd Avenue, from N.W. 162nd Street to N.W. 170th Street in the annexation area.

**W. 76th St. from 28th to 31th Ave. MDC – (JPA)** – This fund was established to account for revenues and expenditures for funds received from Miami Dade County, Florida through a Joint Participation Agreement (JPA) to construct road improvements to West 76th Avenue from 28th to 31th Avenue.

**W. 24th Ave. 76 St. Drainage MDC – (JPA)** - This fund was established to account for revenues and expenditures for funds received from Miami Dade County, Florida through a Joint Participation Agreement (JPA) to improvement drainage to West 24th Avenue and 76th Street.

**N.W. 97th Ave. Road Improvement – (JPA)** – This fund was established to account for revenues and expenditures for funds received for funds from Miami Dade County, Florida through a Joint Participation Agreement (JPA) to construct improvements to Northwest 97th Avenue from 154th Street to 170th Street.

**N.W. 142 St. Roadway Improvement – (JPA)** - This fund was established to account for revenues and expenditures for funds received from Miami Dade County, Florida through a Joint Participation Agreement (JPA) to construct roadway, water and sewer improvements to Northwest 142nd Street from 97th Avenue to 107th Avenue.

**N.W. 102 Ave. from 138 St. to 145 Pl.** – (JPA) - This fund was established to account for revenues and expenditures for funds received from Miami Dade County, Florida through a Joint Participation Agreement (JPA) to construct road improvements to Northwest 102nd Avenue from 138th Street to 145th Place.

**Police Impact Fee** – This fund was established to account for revenues and expenditures received for impact fees for Police facilities, including buildings, land, vehicles, apparatus and equipment used by the City Police Department.

**Fire Rescue Impact Fee** – This fund was established to account for revenues and expenditures received for impact fees for Fire facilities, including buildings, land, vehicles, apparatus and equipment used by the City Fire Department.

**Parks, Recreation & Open Spaces Impact Fee** – This fund was established to account for revenues and expenditures received for impact fees for Park, Recreation and open space facilities provided by the city for use and enjoyment by the public including but not limited to active parks, passive parks, water access sites, and associated recreational facilities and buildings.

**Transportation Impact Fee** - This fund was established to account for revenues and expenditures received for impact fees for transportation facilities including capital facilities related to the city roadway and public transit systems.

**CITY OF HIALEAH, FLORIDA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**SEPTEMBER 30, 2022**

	Special Revenue							
	Streets Fund	CDBG Fund	Law Enforcement Trust - State Fund	E-911 Non-Wireless Fund	Emergency Solutions Grant Fund	Fire Prevention Fund	Rescue Transportation Fund	Emergency Disaster Covid - 19 Fund
<b>ASSETS</b>								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, net	526,138	177,157	-	6,210	722,323	11,198	1,384,594	-
Due from other funds	2,070,765	443,188	-	5,649	-	1,234,675	-	-
Restricted cash and cash equivalents	-	-	612,859	-	-	720,339	2,602,529	-
Total assets	<u>2,596,903</u>	<u>620,345</u>	<u>612,859</u>	<u>11,859</u>	<u>722,323</u>	<u>1,966,212</u>	<u>3,987,123</u>	<u>-</u>
<b>LIABILITIES</b>								
Accounts payable and accrued liabilities	85,476	20,581	34,982	-	449,800	137	227,900	279,853
Due to other funds	-	-	32,801	-	272,523	-	2,341,553	3,285,984
Unearned revenues	<u>666,647</u>	<u>35,410</u>	<u>-</u>	<u>11,859</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>752,123</u>	<u>55,991</u>	<u>67,783</u>	<u>11,859</u>	<u>722,323</u>	<u>137</u>	<u>2,569,453</u>	<u>3,565,837</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Local business tax	-	-	-	-	-	630,709	-	-
Unavailable revenues	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>630,709</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>								
Fund balances:								
Restricted	1,844,780	564,354	519,733	-	-	1,335,366	1,331,945	101,726
Committed	-	-	25,344	2,778	-	-	85,725	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,778)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,667,563)</u>
Total fund balances	<u>1,844,780</u>	<u>564,354</u>	<u>545,076</u>	<u>-</u>	<u>-</u>	<u>1,335,366</u>	<u>1,417,670</u>	<u>(3,565,837)</u>
Total liabilities and fund balances	<u>\$ 2,596,903</u>	<u>\$ 620,345</u>	<u>\$ 612,859</u>	<u>\$ 11,859</u>	<u>\$ 722,323</u>	<u>\$ 1,966,212</u>	<u>\$ 3,987,123</u>	<u>\$ -</u>

**CITY OF HIALEAH, FLORIDA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**SEPTEMBER 30, 2022**

	Special Revenue							
	Emergency Disaster Fund	Home Investment Partnership Fund	Park Impact Fees and Grants Fund	The Children's Trust Fund	Urban Area Security Grants Fund	CITT Surtax Fund	Police Grant Surtax Fund	S.H.I.P. Fund
<u>ASSETS</u>								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, net	1,877,637	41,556	7,897	279,765	266,754	1,823,769	59,428	-
Due from other funds	-	341,842	158,409	-	-	9,709,034	553	2,790,486
Restricted cash and cash equivalents	10,000	-	-	-	-	-	-	-
Total assets	<u>1,887,637</u>	<u>383,398</u>	<u>166,306</u>	<u>279,765</u>	<u>266,754</u>	<u>11,532,803</u>	<u>59,981</u>	<u>2,790,486</u>
<u>LIABILITIES</u>								
Accounts payable and accrued liabilities	111,227	-	93,484	4,622	-	108,184	544	1,355
Due to other funds	2,103,289	-	-	275,143	266,754	-	-	-
Unearned revenues	-	383,398	72,822	-	-	-	59,437	2,789,131
Total liabilities	<u>2,214,516</u>	<u>383,398</u>	<u>166,306</u>	<u>279,765</u>	<u>266,754</u>	<u>108,184</u>	<u>59,981</u>	<u>2,790,486</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>								
Unavailable revenues	-	-	-	-	-	1,823,769	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,823,769</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES</u>								
Fund balances:								
Restricted	-	-	-	-	-	9,600,850	-	-
Committed	-	-	-	-	799,924	-	-	-
Unassigned	(326,879)	-	-	-	(799,924)	-	-	-
Total fund balances	<u>(326,879)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,600,850</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 1,887,637</u>	<u>\$ 383,398</u>	<u>\$ 166,306</u>	<u>\$ 279,765</u>	<u>\$ 266,754</u>	<u>\$ 11,532,803</u>	<u>\$ 59,981</u>	<u>\$ 2,790,486</u>

**CITY OF HIALEAH, FLORIDA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**SEPTEMBER 30, 2022**

	Special Revenue						
	<u>E-911 Wireless Fund</u>	<u>Affordable Housing Fund</u>	<u>The Children's Trust Step Ahead Fund</u>	<u>Law Enforcement Trust - Federal Fund</u>	<u>EMS County Grant Fund</u>	<u>CITT - Surtax Hialeah Circulator Fund</u>	<u>Emergency Assistance Program Grant Fund</u>
<u>ASSETS</u>							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, net	221,801	700	125,224	-	-	672,876	6,450
Due from other funds	-	-	-	19,846	29,657	1,137,567	5,053,477
Restricted cash and cash equivalents	-	1,522,916	-	258,381	-	-	-
Total assets	<u>221,801</u>	<u>1,523,616</u>	<u>125,224</u>	<u>278,227</u>	<u>29,657</u>	<u>1,810,443</u>	<u>5,059,927</u>
<u>LIABILITIES</u>							
Accounts payable and accrued liabilities	8,880	139,292	18,705	-	-	123,390	420
Due to other funds	212,921	1,384,324	106,519	-	-	-	-
Unearned revenues	-	-	-	-	-	-	5,059,507
Total liabilities	<u>221,801</u>	<u>1,523,616</u>	<u>125,224</u>	<u>-</u>	<u>-</u>	<u>123,390</u>	<u>5,059,927</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Unavailable revenues	-	-	-	-	-	455,942	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>455,942</u>	<u>-</u>
<u>FUND BALANCES</u>							
Fund balances:							
Restricted	-	-	-	278,227	29,657	1,231,111	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>278,227</u>	<u>29,657</u>	<u>1,231,111</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 221,801</u>	<u>\$ 1,523,616</u>	<u>\$ 125,224</u>	<u>\$ 278,227</u>	<u>\$ 29,657</u>	<u>\$ 1,810,443</u>	<u>\$ 5,059,927</u>

**CITY OF HIALEAH, FLORIDA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**SEPTEMBER 30, 2022**

	Special Revenue						Debt Service
	Streets 3 Cents Optional Gas Tax Fund	21st Century Grant Fund	Alliance For Aging Grant Fund	ECS and Library Grant Fund	Parking Improvement Fund	City of Hialeah Education Academy Fund	CITT Surtax Transportation Fund
<u>ASSETS</u>							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,238,368	\$ -
Receivables, net	175,883	50,006	171,810	-	-	1,051,722	722,854
Due from other funds	1,411,178	-	203,824	133,978	48,834	-	-
Prepays	-	-	-	-	-	230,442	-
Restricted cash and cash equivalents	-	-	-	-	-	-	-
Total assets	<u>1,587,061</u>	<u>50,006</u>	<u>375,634</u>	<u>133,978</u>	<u>48,834</u>	<u>3,520,532</u>	<u>722,854</u>
<u>LIABILITIES</u>							
Accounts payable and accrued liabilities	-	4,878	263,026	15,619	-	1,069,199	-
Due to other funds	-	45,128	-	-	-	-	722,854
Unearned revenues	-	-	112,608	47,583	-	-	-
Total liabilities	<u>-</u>	<u>50,006</u>	<u>375,634</u>	<u>63,202</u>	<u>-</u>	<u>1,069,199</u>	<u>722,854</u>
<u>FUND BALANCES</u>							
Fund balances:							
Nonspendable	-	-	-	-	-	230,442	-
Restricted	1,587,061	-	-	70,776	48,834	2,220,891	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>1,587,061</u>	<u>-</u>	<u>-</u>	<u>70,776</u>	<u>48,834</u>	<u>2,451,333</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 1,587,061</u>	<u>\$ 50,006</u>	<u>\$ 375,634</u>	<u>\$ 133,978</u>	<u>\$ 48,834</u>	<u>\$ 3,520,532</u>	<u>\$ 722,854</u>

**CITY OF HIALEAH, FLORIDA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**SEPTEMBER 30, 2022**

Capital Projects

	W. 76 St. 28 to 31 Ave. MDC (JPA) Fund	W. 24 Ave 76 St. Drainage MDC (JPA) Fund	N.W. 97 Ave. Road Improvement (JPA) Fund	N.W. 142 St. Roadway Improvement (JPA) Fund	N.W. 102 Ave. 138 St. to 145 Pl. MDC (JPA) Fund	Police Impact Fee Fund	Fire Rescue Impact Fee Fund	Parks, Recreation & Open Spaces Impact Fee Fund	Transportation Impact Fee Fund	Total Non-Major Governmental Funds
<u>ASSETS</u>										
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,238,375
Receivables, net	313,477	391,583	1,008,152	350,522	142,436	-	-	-	-	12,589,923
Due from other funds	-	-	-	-	-	33,277	472,982	10,294,542	8,753	35,602,516
Prepays	-	-	-	-	-	-	-	-	-	230,442
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	5,727,024
Total assets	313,477	391,583	1,008,152	350,522	142,436	33,277	472,982	10,294,542	8,753	56,388,280
<u>LIABILITIES</u>										
Accounts payable and accrued liabilities	50,928	-	15,280	-	-	-	-	-	-	3,127,762
Due to other funds	252,549	391,583	920,897	350,522	142,436	-	-	-	-	13,107,779
Unearned revenues	10,000	-	71,975	-	-	-	-	-	-	9,320,379
Total liabilities	313,477	391,583	1,008,152	350,522	142,436	-	-	-	-	25,555,920
<u>DEFERRED INFLOWS OF RESOURCES</u>										
Local business tax	-	-	-	-	-	-	-	-	-	630,709
Unavailable revenues	-	-	-	-	-	-	-	-	-	2,279,711
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-	2,910,420
<u>FUND BALANCES</u>										
Fund balances:										
Nonspendable	-	-	-	-	-	-	-	-	-	230,442
Restricted	-	-	-	-	-	33,277	472,982	10,294,542	8,753	31,574,872
Committed	82,212	156,695	1,486,467	-	18,056	-	-	-	-	2,657,201
Unassigned	(82,212)	(156,695)	(1,486,467)	-	(18,056)	-	-	-	-	(6,540,575)
Total fund balances	-	-	-	-	-	33,277	472,982	10,294,542	8,753	27,921,940
Total liabilities and fund balances	\$ 313,477	\$ 391,583	\$ 1,008,152	\$ 350,522	\$ 142,436	\$ 33,277	\$ 472,982	\$ 10,294,542	\$ 8,753	\$ 56,388,280



**CITY OF HIALEAH, FLORIDA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Special Revenue							
	Streets Fund	CDBG Fund	Law Enforcement Trust - State Fund	E-911 Non-Wireless Fund	Emergency Solutions Grant Fund	Fire Prevention Fund	Rescue Transportation Fund	Emergency Disaster Covid-19 Fund
Revenues:								
Charges for services	\$ 88,429	\$ -	\$ -	\$ -	\$ -	\$ 2,205,658	\$ 3,763,467	\$ -
Fines and forfeitures	-	-	61,242	-	-	-	-	-
Intergovernmental	2,892,965	1,336,429	-	166,807	2,370,165	-	689,042	79,144
Investment income	-	-	539	-	-	1,131	4,439	-
Other revenues	93,130	-	3,050	-	-	2,000	16,686	-
Total revenues	<u>3,074,524</u>	<u>1,336,429</u>	<u>64,831</u>	<u>166,807</u>	<u>2,370,165</u>	<u>2,208,789</u>	<u>4,473,634</u>	<u>79,144</u>
Expenditures:								
Current:								
Fire	-	-	-	-	-	1,658,340	3,024,992	-
General government	-	-	-	168,804	-	-	-	319,399
Grants and human services	-	1,353,118	-	-	2,424,423	-	-	-
Police	-	-	96,343	-	-	-	-	19,307
Streets	2,329,377	-	-	-	-	-	-	-
Capital outlay	190,692	724,732	202,639	-	-	127,423	993,742	-
Debt service:								
Principal	-	-	-	-	-	-	140,015	-
Interest	-	-	-	-	-	-	24,774	-
Total expenditures	<u>2,520,069</u>	<u>2,077,850</u>	<u>298,982</u>	<u>168,804</u>	<u>2,424,423</u>	<u>1,785,763</u>	<u>4,183,523</u>	<u>338,706</u>
Excess (deficiency) of revenues over expenditures	<u>554,455</u>	<u>(741,421)</u>	<u>(234,151)</u>	<u>(1,997)</u>	<u>(54,258)</u>	<u>423,026</u>	<u>290,111</u>	<u>(259,562)</u>
Other financing sources (uses):								
Transfers in	-	741,421	-	1,997	54,258	-	-	19,307
Total other financing sources (uses)	<u>-</u>	<u>741,421</u>	<u>-</u>	<u>1,997</u>	<u>54,258</u>	<u>-</u>	<u>-</u>	<u>19,307</u>
Net change in fund balance	554,455	-	(234,151)	-	-	423,026	290,111	(240,255)
Fund balances, beginning	<u>1,290,324</u>	<u>564,355</u>	<u>779,227</u>	<u>-</u>	<u>-</u>	<u>912,338</u>	<u>1,127,561</u>	<u>(3,325,580)</u>
Fund balances, ending	<u>\$ 1,844,779</u>	<u>\$ 564,355</u>	<u>\$ 545,076</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,335,364</u>	<u>\$ 1,417,672</u>	<u>\$ (3,565,835)</u>

**CITY OF HIALEAH, FLORIDA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Special Revenue							
	Emergency Disaster Fund	Home Investment Partnership Fund	Park Impact Fees and Grants Fund	The Children's Trust Fund	Urban Area Security Grants Fund	CITT Surtax Fund	Police Grant Surtax Fund	S.H.I.P Fund
Revenues:								
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	29,334	34,514	728,695	489,597	6,884,930	190,504	140,105
Investment income	-	-	-	-	-	22,705	-	-
Other revenues	-	-	7,604	-	-	-	6,607	-
Total revenues	-	29,334	42,118	728,695	489,597	6,907,635	197,111	140,105
Expenditures:								
Current:								
General government	236,236	-	-	-	-	-	-	-
Grants and human services	-	46,102	22,878	762,961	-	-	-	-
Police	-	-	-	-	170,192	-	197,111	-
State housing initiative program	-	-	-	-	-	-	-	140,105
Streets	1,600	-	-	-	-	1,530,618	-	-
Capital outlay	-	-	19,240	-	355,231	541,191	-	-
Total expenditures	237,836	46,102	42,118	762,961	525,423	2,071,809	197,111	140,105
Excess (deficiency) of revenues over expenditures	(237,836)	(16,768)	-	(34,266)	(35,826)	4,835,826	-	-
Other financing sources (uses):								
Transfers in	-	16,768	-	34,266	35,826	4,765,024	-	-
Transfers out	-	-	8,349,868	-	-	-	-	-
Total other financing sources (uses)	-	16,768	(8,349,868)	34,266	35,826	4,765,024	-	-
Net change in fund balance	(237,836)	-	(8,349,868)	-	-	9,600,850	-	-
Fund balances, beginning	(89,046)	-	8,349,868	-	-	-	-	-
Fund balances, ending	\$ (326,882)	\$ -	\$ -	\$ -	\$ -	\$ 9,600,850	\$ -	\$ -

**CITY OF HIALEAH, FLORIDA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Special Revenue						
	E-911 Wireless Fund	Affordable Housing Fund	The Children's Trust Step Ahead Fund	Law Enforcement Trust - Federal Fund	EMS County Grant Fund	CITT - Surtax Hialeah Circulator Fund	Emergency Assistance Program Grant Fund
Revenues:							
Charges for services	\$ -	\$ 2,373,383	\$ -	\$ -	\$ -	\$ 15,173	\$ -
Intergovernmental	822,429	-	373,326	278,131	5,748	4,273,069	1,974,175
Investment income	-	-	-	50	-	-	-
Other revenues	-	2,692	-	-	-	105,116	-
Total revenues	822,429	2,376,075	373,326	278,181	5,748	4,393,358	1,974,175
Expenditures:							
Current:							
911 communications	890,395	-	-	-	-	-	-
General government	-	2,156,074	-	-	-	2,682,438	-
Grants and human services	-	-	373,809	-	-	-	1,974,175
Police	-	-	-	914	-	-	-
Capital outlay	322,713	127,600	-	106,000	-	2,188,222	-
Debt service:							
Principal	-	519,835	-	-	-	-	-
Interest	-	436,744	-	-	-	-	-
Total expenditures	1,213,108	3,240,253	373,809	106,914	-	4,870,660	1,974,175
Excess (deficiency) of revenues over expenditures	(390,679)	(864,178)	(483)	171,267	5,748	(477,302)	-
Other financing sources (uses):							
Transfers in	85,570	864,178	483	-	-	-	-
Total other financing sources (uses)	85,570	864,178	483	-	-	-	-
Net change in fund balance	(305,109)	-	-	171,267	5,748	(477,302)	-
Fund balances, beginning	305,109	-	-	106,959	23,909	1,708,411	-
Fund balances, ending	\$ -	\$ -	\$ -	\$ 278,226	\$ 29,657	\$ 1,231,109	\$ -

**CITY OF HIALEAH, FLORIDA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Special Revenue						Debt Service	
	Streets 3 Cents Optional Gas Tax Fund	21st Century Grant Fund	Alliance For Aging Grant Fund	ECS and Library Grant Fund	Parking Improvement Fund	City of Hialeah Education Academy Fund	Revenue Bond Series 2015A Fund	CIT Surtax Transportation Fund
Revenues:								
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ 48,834	\$ 514,387	\$ -	\$ -
Franchise fees	-	-	-	-	-	-	2,221,002	-
Intergovernmental	1,033,938	369,354	1,595,623	159,327	-	9,032,268	-	3,705,083
Investment income	-	-	-	-	-	1,905	-	-
Other revenues	-	-	-	-	-	14,850	-	-
Total revenues	<u>1,033,938</u>	<u>369,354</u>	<u>1,595,623</u>	<u>159,327</u>	<u>48,834</u>	<u>9,563,410</u>	<u>2,221,002</u>	<u>3,705,083</u>
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	39,603
Grants and human services	-	369,491	1,595,623	46,520	-	9,018,389	-	-
Streets	762,722	-	-	-	-	-	-	-
Capital outlay	-	-	-	112,807	-	1,075,847	-	-
Debt service:								
Principal	-	-	-	-	-	-	1,220,000	2,628,000
Interest	-	-	-	-	-	-	1,001,002	1,932,770
Total expenditures	<u>762,722</u>	<u>369,491</u>	<u>1,595,623</u>	<u>159,327</u>	<u>-</u>	<u>10,094,236</u>	<u>2,221,002</u>	<u>4,600,373</u>
Excess (deficiency) of revenues over expenditures	<u>271,216</u>	<u>(137)</u>	<u>-</u>	<u>-</u>	<u>48,834</u>	<u>(530,826)</u>	<u>-</u>	<u>(895,290)</u>
Other financing sources (uses):								
Transfers in	-	137	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	4,765,024
Total other financing sources and uses	<u>-</u>	<u>137</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	271,216	-	-	-	48,834	(530,826)	-	(895,290)
Fund balances, beginning	1,315,843	-	-	70,777	-	2,982,159	-	5,660,314
Fund balances, ending	<u>\$ 1,587,059</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,777</u>	<u>\$ 48,834</u>	<u>\$ 2,451,333</u>	<u>\$ -</u>	<u>\$ 4,765,024</u>

**CITY OF HIALEAH, FLORIDA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Capital Projects							
	N.W. 102 Ave. 162 St. to 170 St. Florida (DEO) Fund	W. 24 Ave. and 76 St. Drainage MDC (JPA) Fund	N.W. 97 Ave. Road Improvement (JPA) Fund	Police Impact Fee Fund	Fire Rescue Impact Fee Fund	Parks, Recreation & Open Spaces Impact Fee Fund	Transportation Impact Fee Fund	Total Non-Major Governmental Funds
Revenues:								
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,009,335
Fines and forfeitures	-	-	-	-	-	-	-	61,242
Franchise fees	-	-	-	-	-	-	-	2,221,002
Impact Fees	-	-	-	33,277	472,982	3,248,622	8,753	3,763,634
Intergovernmental	258,536	1,035,101	858,210	-	-	-	-	41,806,551
Investment income	-	-	-	-	-	24,075	-	57,236
Other revenues	-	-	-	-	-	-	-	249,343
Total revenues	<u>258,536</u>	<u>1,035,101</u>	<u>858,210</u>	<u>33,277</u>	<u>472,982</u>	<u>3,272,697</u>	<u>8,753</u>	<u>57,168,343</u>
Expenditures:								
Current:								
911 communications	-	-	-	-	-	-	-	890,395
Fire	-	-	-	-	-	-	-	4,683,331
General government	-	-	3,112	-	-	-	-	5,605,666
Grants and human services	-	-	-	-	-	-	-	17,987,487
Police	-	-	-	-	-	-	-	483,867
State housing initiative program	-	-	-	-	-	-	-	140,103
Streets	-	-	-	-	-	5,888	-	4,630,203
Capital outlay	258,536	1,035,101	855,098	-	-	1,322,135	-	10,558,950
Debt service:								
Principal	-	-	-	-	-	-	-	4,507,850
Interest	-	-	-	-	-	-	-	3,395,290
Total expenditures	<u>258,536</u>	<u>1,035,101</u>	<u>858,210</u>	<u>-</u>	<u>-</u>	<u>1,328,023</u>	<u>-</u>	<u>52,883,142</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,277</u>	<u>472,982</u>	<u>1,944,674</u>	<u>8,753</u>	<u>4,285,201</u>
Other financing uses (sources):								
Debt proceeds	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	8,349,868	-	14,969,103
Transfers out	-	-	-	-	-	-	-	13,114,892
Total other financing uses (sources)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,349,868</u>	<u>-</u>	<u>1,854,211</u>
Net change in fund balance	-	-	-	33,277	472,982	10,294,542	8,753	6,139,412
Fund balances, beginning	-	-	-	-	-	-	-	21,782,528
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,277</u>	<u>\$ 472,982</u>	<u>\$ 10,294,542</u>	<u>\$ 8,753</u>	<u>\$ 27,921,940</u>

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Streets Fund				CDBG Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Charges for services	\$ -	\$ -	\$ 88,429	\$ 88,429	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,594,699	2,639,699	2,892,965	253,266	-	2,881,096	1,336,429	(1,544,667)
Investment income	-	-	-	-	-	-	-	-
Other revenues	90,000	90,000	93,130	3,130	-	-	-	-
Total revenues	2,684,699	2,729,699	3,074,524	344,825	-	2,881,096	1,336,429	(1,544,667)
Other financing sources:								
Appropriation of prior year fund balance	-	48,971	-	(48,971)	-	675,244	-	(675,244)
Transfers in	-	-	-	-	-	-	741,421	741,421
Total other financing sources	-	48,971	-	(48,971)	-	675,244	741,421	66,177
Total revenues and other financing sources	2,684,699	2,778,670	3,074,524	295,854	-	3,556,340	2,077,850	(1,478,490)
Expenditures:								
Grants and human services	-	-	-	-	-	1,027,080	1,353,118	(326,038)
Streets	2,461,699	2,510,670	2,329,377	181,293	-	-	-	-
Capital outlay	223,000	268,000	190,692	77,308	-	2,529,260	724,732	1,804,528
Total expenditures	2,684,699	2,778,670	2,520,069	258,601	-	3,556,340	2,077,850	1,478,490
Net change in fund balance	-	-	554,455	\$ 554,455	-	-	-	\$ -
Fund balances - beginning			1,290,324				564,355	
Fund balances - ending			<u>\$ 1,844,779</u>				<u>\$ 564,355</u>	

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Law Enforcement Trust-State Fund				E-911 Non-Wireless Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Fines and forfeitures	\$ -	\$ 17,070	\$ 61,242	\$ 44,172	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	50,000	50,000	166,807	116,807
Investment income	-	-	539	539	-	-	-	-
Other revenues	-	-	3,050	3,050	-	-	-	-
Total revenues	-	17,070	64,831	47,761	50,000	50,000	166,807	116,807
Other financing sources:								
Appropriation of prior year fund balance	761,489	761,489	-	(761,489)	160,000	160,000	-	(160,000)
Transfers in	-	-	-	-	-	-	1,997	1,997
Total other financing sources	761,489	761,489	-	(761,489)	160,000	160,000	1,997	(158,003)
Total revenues and other financing sources	761,489	778,559	64,831	(713,728)	210,000	210,000	168,804	(41,196)
Expenditures:								
General government	-	-	-	-	210,000	210,000	168,804	41,196
Police	101,000	178,670	96,343	82,327	-	-	-	-
Capital outlay	660,489	599,889	202,639	397,250	-	-	-	-
Total expenditures	761,489	778,559	298,982	479,577	210,000	210,000	168,804	41,196
Net change in fund balance	-	-	(234,151)	\$ (234,151)	-	-	-	\$ -
Fund balances - beginning			779,227				-	
Fund balances - ending			\$ 545,076				\$ -	

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Emergency Solutions Grant Fund				Fire Prevention Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ 1,620,000	\$ 1,620,000	\$ 2,205,658	\$ 585,658
Intergovernmental	-	482,111	2,370,165	1,888,054	-	-	-	-
Investment income	-	-	-	-	1,000	1,000	1,131	131
Other revenues	-	-	-	-	-	-	2,000	2,000
Total revenues	-	482,111	2,370,165	1,888,054	1,621,000	1,621,000	2,208,789	587,789
Other financing sources:								
Appropriation of prior year fund balance	-	2,995,497	-	(2,995,497)	218,206	218,206	-	(218,206)
Transfers in	-	-	54,258	54,258	-	-	-	-
Total other financing sources	-	3,477,608	2,424,423	(1,053,185)	1,839,206	1,839,206	2,208,789	369,583
Expenditures:								
Fire	-	-	-	-	1,839,206	1,827,806	1,658,340	169,466
Grants and human services	-	3,477,608	2,424,423	1,053,185	-	-	-	-
Capital outlay	-	-	-	-	-	11,400	127,423	(116,023)
Total expenditures	-	3,477,608	2,424,423	1,053,185	1,839,206	1,839,206	1,785,763	53,443
Net change in fund balance	-	-	-	\$ -	-	-	423,026	\$ (423,026)
Fund balances - beginning			-				912,338	
Fund balances - ending			\$ -				\$ 1,335,364	



**CITY OF HIALEAH, FLORIDA**  
SCHEDULE OF REVENUES, EXPENDITURES AND  
FUND BALANCE-BUDGET AND ACTUAL  
SPECIAL REVENUE FUNDS  
FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Rescue Transportation Fund				Emergency Disaster Covid -19 Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Charges for services	\$ 2,904,000	\$ 2,904,000	\$ 3,763,467	\$ 859,467	\$ -	\$ -	\$ -	\$ -
Impact fees	-	-	-	-	-	-	79,144	79,144
Intergovernmental	680,000	680,000	689,042	9,042	-	-	-	-
Investment income	400	400	4,439	4,039	-	-	-	-
Other revenues	2,500	14,061	16,686	2,625	-	-	-	-
Total revenues	<u>3,586,900</u>	<u>3,598,461</u>	<u>4,473,634</u>	<u>875,173</u>	<u>-</u>	<u>-</u>	<u>79,144</u>	<u>79,144</u>
Other financing sources:								
Transfers in	1,203,032	1,203,032	-	(1,203,032)	-	-	19,307	19,307
Total other financing sources	<u>1,203,032</u>	<u>1,203,032</u>	<u>-</u>	<u>(1,203,032)</u>	<u>-</u>	<u>-</u>	<u>19,307</u>	<u>19,307</u>
Total revenues and other financing sources	<u>4,789,932</u>	<u>4,801,493</u>	<u>4,473,634</u>	<u>(327,859)</u>	<u>-</u>	<u>-</u>	<u>98,451</u>	<u>98,451</u>
Expenditures:								
General government	-	-	-	-	-	-	319,399	(319,399)
Police	-	-	-	-	-	-	19,307	(19,307)
Fire	3,345,143	3,382,000	3,024,992	357,008	-	-	-	-
Capital outlay	1,280,000	1,254,704	993,742	260,962	-	-	-	-
Debt service:								
Principal	138,639	138,639	140,015	(1,376)	-	-	-	-
Interest	26,150	26,150	24,774	1,376	-	-	-	-
Total expenditures	<u>4,789,932</u>	<u>4,801,493</u>	<u>4,183,523</u>	<u>617,970</u>	<u>-</u>	<u>-</u>	<u>338,706</u>	<u>(338,706)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>290,111</u>	<u>\$ 290,111</u>	<u>-</u>	<u>-</u>	<u>(240,255)</u>	<u>\$ (240,255)</u>
Fund balances - beginning			<u>1,127,561</u>				<u>(3,325,580)</u>	
Fund balances - ending			<u>\$ 1,417,672</u>				<u>\$ (3,565,835)</u>	

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Emergency Disaster Fund				Home Investment Partnership Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,875,370	\$ 29,334	\$ (6,846,036)
Total revenues	-	-	-	-	-	6,875,370	29,334	(6,846,036)
Other financing sources:								
Transfers in	-	-	-	-	-	-	16,768	16,768
Total other financing sources	-	-	-	-	-	-	16,768	16,768
Total revenues and other financing sources	-	-	-	-	-	6,875,370	46,102	(6,829,268)
Expenditures:								
General government	-	-	236,236	(236,236)	-	-	-	-
Grants and human services	-	-	-	-	-	6,875,370	46,102	6,829,268
Streets	-	-	1,600	(1,600)	-	-	-	-
Total Expenditures	-	-	237,836	(237,836)	-	6,875,370	46,102	6,829,268
Net change in fund balance	-	-	(237,836)	\$ (237,836)	-	-	-	\$ -
Fund balances - beginning			(89,046)				-	
Fund balances - ending			<u>\$ (326,882)</u>				<u>\$ -</u>	

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Parks Impact Fees and Grants Fund				The Children's Trust Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ -	\$ 73,464	\$ 34,514	\$ (38,950)	\$ 905,998	\$ 905,998	\$ 728,695	\$ (177,303)
Other revenues	31,000	40,300	7,604	(32,696)	-	-	-	-
Total revenues	31,000	113,764	42,118	(71,646)	905,998	905,998	728,695	(177,303)
Other financing sources:								
Transfers in	40,891	-	-	-	-	-	34,266	34,266
Total other financing sources	40,891	-	-	-	-	-	34,266	34,266
Total revenues and other financing sources	71,891	113,764	42,118	(71,646)	905,998	905,998	762,961	(143,037)
Expenditures:								
Parks and recreation	71,891	113,632	22,878	90,754	-	-	-	-
Grants and human services	-	-	-	-	905,998	905,998	762,961	143,037
Capital outlay	-	132	19,240	(19,108)	-	-	-	-
Total expenditures	71,891	113,764	42,118	71,646	905,998	905,998	762,961	143,037
Other financing uses:								
Transfers out	-	-	8,349,868	(8,349,868)	-	-	-	-
Total expenditures and other financing uses	71,891	113,764	8,391,986	(8,278,222)	905,998	905,998	762,961	143,037
Net change in fund balance	-	-	(8,349,868)	\$ (8,349,868)	-	-	-	\$ -
Fund balances - beginning			8,349,868				-	
Fund balances - ending			\$ -				\$ -	

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Urban Area Security Grants Fund				CITT Surtax Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ 1,395,906	\$ 1,395,906	\$ 489,597	\$ (906,309)	\$ 3,902,000	\$ 3,902,000	\$ 6,884,930	\$ 2,982,930
Investment income	-	-	-	-	-	-	22,705	22,705
Other revenues	-	-	-	-	-	-	-	-
Total revenues	<u>1,395,906</u>	<u>1,395,906</u>	<u>489,597</u>	<u>(906,309)</u>	<u>3,902,000</u>	<u>3,902,000</u>	<u>6,907,635</u>	<u>3,005,635</u>
Other financing sources:								
Appropriation of prior year fund balance	-	-	-	-	-	192,200	-	(192,200)
Transfers in	<u>17,038</u>	<u>17,038</u>	<u>35,826</u>	<u>18,788</u>	<u>-</u>	<u>-</u>	<u>4,765,024</u>	<u>4,765,024</u>
Total other financing sources	<u>17,038</u>	<u>17,038</u>	<u>35,826</u>	<u>18,788</u>	<u>-</u>	<u>192,200</u>	<u>4,765,024</u>	<u>4,572,824</u>
Total revenues and other financing sources	<u>1,412,944</u>	<u>1,412,944</u>	<u>525,423</u>	<u>(887,521)</u>	<u>3,902,000</u>	<u>4,094,200</u>	<u>11,672,659</u>	<u>7,578,459</u>
Expenditures:								
Police	253,123	253,123	170,192	82,931	-	-	-	-
Streets	-	-	-	-	1,700,000	1,700,000	1,530,618	169,382
Capital outlay	<u>1,159,821</u>	<u>1,159,821</u>	<u>355,231</u>	<u>804,590</u>	<u>2,202,000</u>	<u>2,394,200</u>	<u>541,191</u>	<u>1,853,009</u>
Total expenditures	<u>1,412,944</u>	<u>1,412,944</u>	<u>525,423</u>	<u>887,521</u>	<u>3,902,000</u>	<u>4,094,200</u>	<u>2,071,809</u>	<u>2,022,391</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>9,600,850</u>	<u>\$ 9,600,850</u>
Fund balances - beginning			-				-	
Fund balances - ending			<u>\$ -</u>				<u>\$ 9,600,850</u>	

**CITY OF HIALEAH, FLORIDA**  
SCHEDULE OF REVENUES, EXPENDITURES AND  
FUND BALANCE-BUDGET AND ACTUAL  
SPECIAL REVENUE FUNDS  
FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Police Grant Surtax Fund				S.H.I.P. Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ 274,311	\$ 274,836	\$ 190,504	\$ (84,332)	\$ -	\$ 1,341,840	\$ 140,105	\$ (1,201,735)
Other revenues	-	11,561	6,607	(4,954)	-	-	-	-
Total revenues	274,311	286,397	197,111	(89,286)	-	1,341,840	140,105	(1,201,735)
 Total revenues and other financing sources	274,311	286,397	197,111	(89,286)	-	1,341,840	140,105	(1,201,735)
Expenditures:								
Police	194,533	215,411	197,111	18,300	-	-	-	-
State housing initiative program	-	-	-	-	-	1,341,840	140,105	1,201,735
Capital outlay	79,778	70,986	-	70,986	-	-	-	-
Total expenditures	274,311	286,397	197,111	89,286	-	1,341,840	140,105	1,201,735
 Net change in fund balance	-	-	-	\$ -	-	-	-	\$ -
 Fund balances - beginning			-				-	
Fund balances - ending			\$ -				\$ -	

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	E-911 Wireless Fund				Affordable Housing Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ 2,304,000	\$ 2,363,730	\$ 2,373,383	\$ 9,653
Intergovernmental	755,000	755,000	822,429	67,429	-	-	-	-
Other revenues	-	-	-	-	-	-	2,692	2,692
Total revenues	755,000	755,000	822,429	67,429	2,304,000	2,363,730	2,376,075	12,345
Other financing sources:								
Appropriation of prior year fund balance	175,005	175,005	-	(175,005)	-	-	-	-
Transfers in	20,418	20,418	85,570	65,152	736,291	736,291	864,178	127,887
Total other financing sources	195,423	195,423	85,570	(109,853)	736,291	736,291	864,178	127,887
Total revenues and other financing sources	950,423	950,423	907,999	(42,424)	3,040,291	3,100,021	3,240,253	140,232
Expenditures:								
General government	-	-	-	-	2,033,712	2,100,205	2,156,074	(55,869)
911 communications	883,941	871,941	890,395	(18,454)	-	-	-	-
Capital outlay	66,482	78,482	322,713	(244,231)	50,000	43,237	127,600	(84,363)
Debt Service								
Principal	-	-	-	-	519,496	519,496	519,835	(339)
Interest	-	-	-	-	437,083	437,083	436,744	339
Total expenditures	950,423	950,423	1,213,108	(262,685)	3,040,291	3,100,021	3,240,253	(140,232)
Net change in fund balance	-	-	(305,109)	\$ 305,109	-	-	-	\$ -
Fund balances - beginning			305,109				-	
Fund balances - ending			\$ -				\$ -	

**CITY OF HIALEAH, FLORIDA**  
SCHEDULE OF REVENUES, EXPENDITURES AND  
FUND BALANCE-BUDGET AND ACTUAL  
SPECIAL REVENUE FUNDS  
FISCAL YEAR ENDED SEPTEMBER 30, 2022

	The Children's Trust Step Ahead Fund				Law Enforcement Trust - Federal Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ 375,000	\$ 375,000	\$ 373,326	\$ (1,674)	\$ -	\$ -	\$ 278,131	\$ 278,131
Investment income	-	-	-	-	-	-	50	50
Total revenues	<u>375,000</u>	<u>375,000</u>	<u>373,326</u>	<u>(1,674)</u>	<u>-</u>	<u>-</u>	<u>278,181</u>	<u>278,181</u>
Other financing sources:								
Appropriation of prior year fund balance	-	-	-	-	46,463	46,463	-	(46,463)
Transfers in	<u>15,454</u>	<u>15,454</u>	<u>483</u>	<u>(14,971)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>15,454</u>	<u>15,454</u>	<u>483</u>	<u>(14,971)</u>	<u>46,463</u>	<u>46,463</u>	<u>-</u>	<u>(46,463)</u>
Total revenues and other financing sources	<u>390,454</u>	<u>390,454</u>	<u>373,809</u>	<u>(16,645)</u>	<u>46,463</u>	<u>46,463</u>	<u>278,181</u>	<u>231,718</u>
Expenditures:								
Police	-	-	-	-	20,510	20,510	914	19,596
Grants and human services	<u>390,454</u>	<u>390,454</u>	<u>373,809</u>	<u>16,645</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,953</u>	<u>25,953</u>	<u>106,000</u>	<u>(80,047)</u>
Total expenditures	<u>390,454</u>	<u>390,454</u>	<u>373,809</u>	<u>16,645</u>	<u>46,463</u>	<u>46,463</u>	<u>106,914</u>	<u>(60,451)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>171,267</u>	<u>\$ 171,267</u>
Fund balances - beginning			<u>-</u>				<u>106,959</u>	
Fund balances - ending			<u>\$ -</u>				<u>\$ 278,226</u>	

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	EMS County Grants Fund				CITT - Surtax Hialeah Circulator Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Charges for services	\$ -	\$ -	\$ 5,748	\$ 5,748	\$ 50,000	\$ 50,000	\$ 15,173	\$ (34,827)
Intergovernmental	-	-	-	-	3,183,000	3,383,000	4,273,069	890,069
Other revenue	-	-	-	-	30,000	30,000	105,116	75,116
Total revenues	-	-	5,748	5,748	3,263,000	3,463,000	4,393,358	930,358
Other financing sources:								
Appropriation of prior year fund balance	-	-	-	-	1,577,741	1,577,741	-	(1,577,741)
Total other financing sources	-	-	-	-	1,577,741	1,577,741	-	(1,577,741)
Total revenues and other financing sources	-	-	5,748	5,748	4,840,741	5,040,741	4,393,358	(647,383)
Expenditures:								
General government	-	-	-	-	2,592,519	2,847,519	2,682,438	165,081
Capital outlay	-	-	-	-	2,248,222	2,193,222	2,188,222	5,000
Total expenditures	-	-	-	-	4,840,741	5,040,741	4,870,660	170,081
Net change in fund balance	-	-	5,748	\$ 5,748	-	-	(477,302)	\$ (477,302)
Fund balances - beginning			23,909				1,708,411	
Fund balances - ending			\$ 29,657				\$ 1,231,109	



**CITY OF HIALEAH, FLORIDA**  
SCHEDULE OF REVENUES, EXPENDITURES AND  
FUND BALANCE-BUDGET AND ACTUAL  
SPECIAL REVENUE FUNDS  
FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Emergency Assistance Program Grant Fund				Streets 3 Cent Optional Gas Tax Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ -	\$ -	\$ 1,974,175	\$ 1,974,175	\$ 889,976	\$ 889,976	\$ 1,033,938	\$ 143,962
Other revenues	-	-	-	-	-	-	-	-
Total revenues	-	-	1,974,175	1,974,175	889,976	889,976	1,033,938	143,962
Other financing sources:								
Appropriation of prior year fund balance	-	439,804	-	(439,804)	10,741	10,741	-	(10,741)
Total other financing sources	-	439,804	-	(439,804)	10,741	10,741	-	(10,741)
Total revenues and other financing sources	-	439,804	1,974,175	1,534,371	900,717	900,717	1,033,938	133,221
Expenditures:								
Grants and human services	-	439,804	1,974,175	(1,534,371)	-	-	-	-
Street	-	-	-	-	900,717	900,717	762,722	137,995
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	-	439,804	1,974,175	(1,534,371)	900,717	900,717	762,722	137,995
Net change in fund balance	-	-	-	-	-	-	271,216	\$ 271,216
Fund balances - beginning			-				1,315,843	
Fund balances - ending			\$ -				\$ 1,587,059	

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	21st Century Grant Fund				Alliance for Aging Grant Fund			
	Budgeted Amounts			Variance Budget (Negative)	Budgeted Amounts			Variance Budget (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Intergovernmental	\$ 588,100	\$ 584,100	\$ 369,354	\$ (214,746)	\$ -	\$ 1,819,250	\$ 1,595,623	\$ (223,627)
Total revenues	588,100	584,100	369,354	(214,746)	-	1,819,250	1,595,623	(223,627)
Other financing sources:								
Transfers in	-	-	137	137	-	-	-	-
Total other financing sources	-	-	137	137	-	-	-	-
Total revenues and other financing sources	588,100	584,100	369,491	(214,609)	-	1,819,250	1,595,623	(223,627)
Expenditures:								
Grants and human services	588,100	584,100	369,491	214,609	-	1,819,250	1,595,623	223,627
Total expenditures	588,100	584,100	369,491	214,609	-	1,819,250	1,595,623	223,627
Net change in fund balance	-	-	-	\$ -	-	-	-	\$ -
Fund balances - beginning			-				-	
Fund balances - ending			\$ -				\$ -	

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	ECS and Library Grant Fund				Parking Improvement Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,834	\$ 48,834
Intergovernmental	209,036	337,291	159,327	(177,964)	-	-	-	-
Total revenues	209,036	337,291	159,327	(177,964)	-	-	48,834	48,834
Expenditures:								
Grants and human services	169,036	209,044	46,520	162,524	-	-	-	-
Capital outlay	40,000	128,247	112,807	15,440	-	-	-	-
Total expenditures	209,036	337,291	159,327	177,964	-	-	-	-
Net change in fund balance	-	-	-	\$ -	-	-	48,834	\$ 48,834
Fund balances - beginning			70,777				-	
Fund balances - ending			<u>\$ 70,777</u>				<u>\$ 48,834</u>	

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

City of Hialeah Education Academy Fund				
<u>Budgeted Amounts</u>			Variance	
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ 425,000	\$ 483,524	\$ 514,387	\$ 30,863
Intergovernmental	8,424,517	8,891,266	9,032,268	141,002
Investment income	-	-	1,905	1,905
Other revenues	<u>65,500</u>	<u>49,560</u>	<u>14,850</u>	<u>(34,710)</u>
Total revenues	<u>8,915,017</u>	<u>9,424,350</u>	<u>9,563,410</u>	<u>139,060</u>
Expenditures:				
Grants and humans services	9,209,151	9,180,876	9,018,389	162,487
Capital outlay	<u>640,500</u>	<u>1,092,432</u>	<u>1,075,847</u>	<u>16,585</u>
Total expenditures	<u>9,849,651</u>	<u>10,273,308</u>	<u>10,094,236</u>	<u>179,072</u>
Net change in fund balance	<u>(934,634)</u>	<u>(848,958)</u>	<u>(530,826)</u>	<u>\$ 318,132</u>
Fund balances - beginning	-	-	2,982,159	
Fund balances - ending	<u>\$ (934,634)</u>	<u>\$ (848,958)</u>	<u>\$ 2,451,333</u>	

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**DEBT SERVICE FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Revenue Bond Series 2015A Fund				CITT Surtax Transportation Fund			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Franchise fees	\$ 2,220,102	\$ 2,220,102	\$ 2,221,002	\$ 900	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	3,889,990	3,889,990	3,705,083	(184,907)
Investment income	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
Total revenues	<u>2,220,102</u>	<u>2,220,102</u>	<u>2,221,002</u>	<u>900</u>	<u>3,889,990</u>	<u>3,889,990</u>	<u>3,705,083</u>	<u>(184,907)</u>
Expenditures:								
General government	-	-	-	-	37,600	37,600	37,600	-
Debt Service:								
Principal	1,180,000	1,180,000	1,220,000	(40,000)	2,208,000	2,208,000	2,628,000	(420,000)
Interest	1,040,102	1,040,102	1,001,002	39,100	1,644,390	1,644,390	1,934,773	(290,383)
Total expenditures	<u>2,220,102</u>	<u>2,220,102</u>	<u>2,221,002</u>	<u>(900)</u>	<u>3,889,990</u>	<u>3,889,990</u>	<u>4,600,373</u>	<u>(710,383)</u>
Other financing uses (sources)								
Transfers out	-	-	-	-	-	-	4,765,024	(4,765,024)
Total other financing uses (sources)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,765,024</u>	<u>(4,765,024)</u>
Total expenditures and other financing uses	<u>2,220,102</u>	<u>2,220,102</u>	<u>2,221,002</u>	<u>(900)</u>	<u>3,889,990</u>	<u>3,889,990</u>	<u>9,365,397</u>	<u>(5,475,407)</u>
Fund balances, beginning								
Net change in fund balance	-	-	-	\$ -	-	-	(5,660,314)	\$ (5,660,314)
Fund balances - beginning			-				5,660,314	
Fund balances - ending			<u>\$ -</u>				<u>\$ -</u>	

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**CAPITAL PROJECT FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	N.W. 102 Ave. 162 St. to 170 St. (DEO) Fund				W. 76 St - 28 to 31 Ave JPA (MDC) Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Impact fees	\$ -	\$ 19,425	\$ 19,245	\$ (180)	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	239,291	239,291	132,271	132,271	-	(132,271)
Total revenues	-	19,425	258,536	239,111	132,271	132,271	-	(132,271)
Other financing sources:								
Appropriation of prior year fund balance	-	441,064	-	(441,064)	-	-	-	-
Total other financing sources	-	441,064	-	-	-	-	-	-
Total revenues and other financing sources	-	460,489	258,536	239,111	132,271	132,271	-	(132,271)
Expenditures:								
Streets	-	91,552	-	91,552	-	-	-	-
Capital outlay	-	368,937	258,536	110,401	132,271	132,271	-	132,271
Total expenditures	-	460,489	258,536	201,953	132,271	132,271	-	132,271
Net change in fund balance	-	-	-	\$ 441,064	-	-	-	\$ -
Fund balances - beginning			-				-	
Fund balances - ending			\$ -				\$ -	

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**CAPITAL PROJECT FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	W. 24 Ave. & 76 St. Drainage - MDC (JPA) Fund				N.W. 97 Ave Road Improvement Fund			
	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>		<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:								
Intergovernmental	\$ 1,431,088	\$ 1,431,088	\$ 1,035,101	\$ (395,987)	\$ 3,002,925	\$ 3,002,925	\$ 858,210	\$ (2,144,715)
Total revenues	<u>1,431,088</u>	<u>1,431,088</u>	<u>1,035,101</u>	<u>(395,987)</u>	<u>3,002,925</u>	<u>3,002,925</u>	<u>858,210</u>	<u>(2,144,715)</u>
Expenditures:								
General government	-	-	-	-	196,612	196,612	3,112	193,500
Capital outlay	<u>1,431,088</u>	<u>1,431,088</u>	<u>1,035,101</u>	<u>395,987</u>	<u>2,806,313</u>	<u>2,806,313</u>	<u>855,098</u>	<u>1,951,215</u>
Total expenditures	<u>1,431,088</u>	<u>1,431,088</u>	<u>1,035,101</u>	<u>395,987</u>	<u>3,002,925</u>	<u>3,002,925</u>	<u>858,210</u>	<u>2,144,715</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Fund balances - beginning			<u>-</u>				<u>-</u>	
Fund balances - ending			<u>\$ -</u>				<u>\$ -</u>	

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**CAPITAL PROJECT FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

N.W. 102 Ave 138 St. to 145 Pl. MDC (JPA) Fund				
<u>Budgeted Amounts</u>			Variance	
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 1,888,646	\$ 1,888,646	\$ -	\$ (1,888,646)
Total revenues	<u>1,888,646</u>	<u>1,888,646</u>	<u>-</u>	<u>(1,888,646)</u>
Expenditures:				
General government	7,345	7,345	-	7,345
Capital outlay	<u>1,881,301</u>	<u>1,881,301</u>	<u>-</u>	<u>1,881,301</u>
Total expenditures	<u>1,888,646</u>	<u>1,888,646</u>	<u>-</u>	<u>1,888,646</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Fund balances - beginning			<u>-</u>	
Fund balances - ending			<u>\$ -</u>	



**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**CAPITAL PROJECT FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Police Impact Fee Fund				Fire Rescue Impact Fee Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Impact fees	\$ 500,000	\$ 500,000	\$ 33,277	\$ (466,723)	\$ 500,000	\$ 500,000	\$ 472,982	\$ (27,018)
Total revenues	<u>500,000</u>	<u>500,000</u>	<u>33,277</u>	<u>(466,723)</u>	<u>500,000</u>	<u>500,000</u>	<u>472,982</u>	<u>(27,018)</u>
Expenditures:								
Streets	-	-	-	-	-	5,500	-	5,500
Capital outlay	500,000	500,000	-	500,000	500,000	494,500	-	494,500
Total expenditures	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>33,277</u>	<u>\$ 33,277</u>	<u>-</u>	<u>-</u>	<u>472,982</u>	<u>\$ 472,982</u>
Fund balances - beginning			<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>	
Fund balances - ending			<u>\$ 33,277</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 472,982</u>	

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**FUND BALANCE-BUDGET AND ACTUAL**  
**CAPITAL PROJECT FUNDS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Park, Recreation and Open Space Impact Fee Fund				Transportation Impact Fee Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Impact fees	\$ 2,000,000	\$ 2,000,000	\$ 3,248,622	\$ 1,248,622	\$ 1,050,000	\$ 1,050,000	\$ 8,753	\$ (1,041,247)
Investment income	-	-	24,075	24,075	-	-	-	-
Total revenues	<u>2,000,000</u>	<u>2,000,000</u>	<u>3,272,697</u>	<u>1,272,697</u>	<u>1,050,000</u>	<u>1,050,000</u>	<u>8,753</u>	<u>(1,041,247)</u>
Other financing sources:								
Appropriation of prior year fund balance	3,300,000	3,300,000	-	-	-	-	-	-
Transfers in	-	-	8,349,868	8,349,868	-	-	-	-
Total other financing sources	<u>3,300,000</u>	<u>3,300,000</u>	<u>8,349,868</u>	<u>8,349,868</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>5,300,000</u>	<u>5,300,000</u>	<u>11,622,565</u>	<u>9,622,565</u>	<u>1,050,000</u>	<u>1,050,000</u>	<u>8,753</u>	<u>(1,041,247)</u>
Expenditures:								
Streets	-	450	5,888	(5,438)	100,000	100,000	-	100,000
Capital outlay	<u>5,300,000</u>	<u>5,299,550</u>	<u>1,322,135</u>	<u>3,977,415</u>	<u>950,000</u>	<u>950,000</u>	<u>-</u>	<u>950,000</u>
Total expenditures	<u>5,300,000</u>	<u>5,300,000</u>	<u>1,328,023</u>	<u>3,971,977</u>	<u>1,050,000</u>	<u>1,050,000</u>	<u>-</u>	<u>1,050,000</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>10,294,542</u>	<u>\$ 13,594,542</u>	<u>-</u>	<u>-</u>	<u>8,753</u>	<u>\$ 8,753</u>
Fund balances - beginning			-	-			-	-
Fund balances - ending			<u>\$ 10,294,542</u>				<u>\$ 8,753</u>	

## FIDUCIARY FUNDS

**CITY OF HIALEAH, FLORIDA**  
**FIDUCIARY FUNDS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**SEPTEMBER 30, 2022**

	Employees' Retirement <u>System</u>	Elected Officials' Retirement <u>System</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 67,405,359	\$ -	\$ 67,405,359
Securities lending cash collateral	<u>5,359,276</u>	<u>-</u>	<u>5,359,276</u>
Receivables:			
Accrued interest	1,334,284	-	1,334,284
Accrued dividends	230,117	-	230,117
Other receivables	<u>613,449</u>	<u>685</u>	<u>614,134</u>
Total receivables	<u>2,177,850</u>	<u>685</u>	<u>2,178,535</u>
Investments, at fair value:			
U.S. Government	133,292,616	-	133,292,616
U.S. Federal Agencies	3,953,058	-	3,953,058
Real estate investment trusts	10,491,340	946,512	11,437,852
Corporate bonds	119,016,182	-	119,016,182
Foreign bonds	1,104,437	-	1,104,437
Limited partnerships	3,359,728	-	3,359,728
Mutual funds	8,021,948	11,674,166	19,696,114
ADRs	25,281,315	-	25,281,315
Foreign stocks	5,746,265	-	5,746,265
CIF - equity	892,754	-	892,754
Common stocks	296,971,713	-	296,971,713
Private placements	<u>497,744</u>	<u>-</u>	<u>497,744</u>
Total investments	<u>608,629,100</u>	<u>12,620,678</u>	<u>621,249,778</u>
Loans to members	<u>6,836,943</u>	<u>-</u>	<u>6,836,943</u>
Total assets	<u>690,408,528</u>	<u>12,621,363</u>	<u>703,029,891</u>
<u>LIABILITIES AND NET POSITION</u>			
Obligations under securities lending	5,359,276	-	5,359,276
Investments purchased	846,947	-	846,947
Accounts payable and accrued liabilities	<u>26,554</u>	<u>8,746</u>	<u>35,300</u>
Total liabilities	<u>6,232,777</u>	<u>8,746</u>	<u>6,241,523</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Advance contribution from City	<u>32,788,837</u>	<u>-</u>	<u>32,788,837</u>
Net position restricted for pensions	<u>\$ 651,386,914</u>	<u>\$ 12,612,617</u>	<u>\$ 663,999,531</u>

**CITY OF HIALEAH, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Employees' Retirement <u>System</u>	Elected Officials' Retirement <u>System</u>	<u>Total</u>
ADDITIONS			
Contributions:			
Employer	\$ 33,631,366	\$ 129,503	\$ 33,760,869
Employee	9,175,584	10,635	9,186,219
State	461,877	-	461,877
Total contributions	<u>43,268,827</u>	<u>140,138</u>	<u>43,408,965</u>
Investment income:			
Net depreciation in fair value of investments	(137,751,391)	(2,482,935)	(140,234,326)
Investment loss	<u>14,729,919</u>	<u>358,778</u>	<u>15,088,697</u>
Total investment loss	(123,021,472)	(2,124,157)	(125,145,629)
Less investment expenses	<u>2,233,572</u>	<u>45,984</u>	<u>2,279,556</u>
Net investment income	<u>(125,255,044)</u>	<u>(2,170,141)</u>	<u>(127,425,185)</u>
Total additions	<u>(81,986,217)</u>	<u>(2,030,003)</u>	<u>(84,016,220)</u>
DEDUCTIONS			
Pension benefits	66,460,298	809,281	67,269,579
Refunds of contributions	7,527,911	-	7,527,911
DROP benefits	6,738,704	-	6,738,704
Administrative expenses	<u>692,590</u>	<u>18,174</u>	<u>710,764</u>
Total deductions	<u>81,419,503</u>	<u>827,455</u>	<u>82,246,958</u>
Net increase (decrease)	(163,405,720)	(2,857,458)	(166,263,178)
Net position restricted for pensions:			
Beginning of year	<u>814,792,634</u>	<u>15,470,075</u>	<u>830,262,709</u>
End of year	<u>\$ 651,386,914</u>	<u>\$ 12,612,617</u>	<u>\$ 663,999,531</u>

## STATISTICAL SECTION

## STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b>	
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. These schedules include:</i>	<b>143 - 146</b>
<b>Revenue Capacity</b>	
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	<b>147 - 150</b>
<b>Debt Capacity</b>	
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	<b>151 - 153</b>
<b>Demographic and Economic Information</b>	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	<b>154 - 156</b>
<b>Operating Information</b>	
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	<b>157 - 158</b>

**CITY OF HIALEAH, FLORIDA**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 211,571,226	\$ 200,596,082	\$ 200,597,075	\$ 190,609,888	\$ 186,457,794	\$ 186,890,190	\$ 170,129,327	\$ 193,868,493	\$ 195,636,842	\$ 192,364,855
Restricted	7,703,518	5,526,978	8,735,410	18,654,864	23,084,772	2,289,412	2,914,351	47,706,472	59,155,546	82,777,505
Unrestricted	<u>(157,186,806)</u>	<u>(152,392,602)</u>	<u>(262,072,904)</u>	<u>(270,877,972)</u>	<u>(293,625,452)</u>	<u>(497,449,914)</u>	<u>(471,162,631)</u>	<u>(560,835,297)</u>	<u>(604,413,810)</u>	<u>(578,040,243)</u>
Total governmental activities net position	<u>62,087,938</u>	<u>53,730,458</u>	<u>(52,740,419)</u>	<u>(61,613,220)</u>	<u>(84,082,886)</u>	<u>(308,270,312)</u>	<u>(298,118,953)</u>	<u>(319,260,332)</u>	<u>(349,621,422)</u>	<u>(302,897,883)</u>
<b>Business-type activities:</b>										
Net investment in capital assets	116,770,648	107,240,971	124,884,318	126,879,211	133,579,865	145,315,155	149,162,397	150,166,669	150,193,207	145,582,694
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	<u>45,934,610</u>	<u>47,347,915</u>	<u>(8,636,198)</u>	<u>(17,762,837)</u>	<u>(21,403,478)</u>	<u>(73,743,502)</u>	<u>(69,225,945)</u>	<u>(73,753,456)</u>	<u>(82,693,460)</u>	<u>(73,467,697)</u>
Total business-type activities net position	<u>162,705,258</u>	<u>154,588,886</u>	<u>116,248,120</u>	<u>109,116,374</u>	<u>112,176,387</u>	<u>71,571,653</u>	<u>79,936,452</u>	<u>76,413,213</u>	<u>67,499,747</u>	<u>72,114,997</u>
<b>Total government:</b>										
Net investment in capital assets	328,341,874	307,837,053	325,481,393	317,489,099	320,037,659	332,205,345	319,291,724	344,035,162	345,830,049	337,947,549
Restricted	7,703,518	5,526,978	8,735,410	18,654,864	23,084,772	2,289,412	2,914,351	47,706,472	59,155,546	82,777,505
Unrestricted	<u>(111,252,196)</u>	<u>(105,044,687)</u>	<u>(270,709,102)</u>	<u>(288,640,809)</u>	<u>(315,028,930)</u>	<u>(571,193,416)</u>	<u>(540,388,576)</u>	<u>(634,588,753)</u>	<u>(687,107,270)</u>	<u>(651,507,940)</u>
Total government net position	<u>\$ 224,793,196</u>	<u>\$ 208,319,344</u>	<u>\$ 63,507,701</u>	<u>\$ 47,503,154</u>	<u>\$ 28,093,501</u>	<u>\$ (236,698,659)</u>	<u>\$ (218,182,501)</u>	<u>\$ (242,847,119)</u>	<u>\$ (282,121,675)</u>	<u>\$ (230,782,886)</u>



**CITY OF HIALEAH, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses:</b>										
<b>Governmental activities:</b>										
General government	\$ 68,219,791	\$ 72,876,508	\$ 53,294,065	\$ 55,341,792	\$ 59,957,217	\$ 55,258,339	\$ 61,455,026	\$ 70,420,073	\$ 84,180,713	\$ 64,140,377
Police	43,377,962	43,375,725	53,872,287	54,508,455	58,240,949	53,485,325	60,930,938	88,654,519	83,705,377	56,338,163
Fire	39,443,585	38,404,552	43,511,619	49,035,406	54,381,049	46,936,520	57,797,638	58,349,093	63,772,003	49,168,810
Streets	11,985,507	11,842,353	12,459,595	14,054,634	15,961,337	13,202,250	13,572,809	17,440,016	17,195,034	15,812,453
Recreation and community services	10,665,547	10,239,608	11,540,708	12,336,667	13,703,389	11,652,746	12,052,307	12,018,687	14,880,885	11,615,814
Interest on long-term debt	4,538,607	3,179,767	2,924,134	5,448,282	3,766,967	4,025,439	3,317,950	3,165,907	2,966,368	3,580,041
<b>Total governmental activities</b>	<b>178,230,999</b>	<b>180,118,513</b>	<b>177,602,408</b>	<b>190,725,236</b>	<b>206,010,909</b>	<b>184,560,619</b>	<b>209,126,668</b>	<b>250,048,295</b>	<b>266,700,380</b>	<b>200,655,658</b>
<b>Business-type activities:</b>										
Water & sewer	45,991,989	49,789,756	57,129,636	72,874,604	71,567,962	73,079,627	71,136,712	81,857,795	88,867,911	92,241,184
Solid waste	18,232,547	15,552,864	13,310,272	21,314,937	19,795,688	7,318,709	15,261,866	18,495,129	20,002,706	8,388,117
Stormwater	4,672,609	5,299,992	5,877,241	2,248,357	4,987,399	5,495,126	4,494,713	4,810,937	5,116,368	4,881,497
<b>Total business-type activities</b>	<b>68,897,145</b>	<b>70,642,612</b>	<b>76,317,149</b>	<b>96,437,898</b>	<b>96,351,049</b>	<b>85,893,462</b>	<b>90,893,291</b>	<b>105,163,861</b>	<b>113,986,985</b>	<b>105,510,798</b>
<b>Total government expenses</b>	<b>\$ 247,128,144</b>	<b>\$ 250,761,125</b>	<b>\$ 253,919,557</b>	<b>\$ 287,163,134</b>	<b>\$ 302,361,958</b>	<b>\$ 270,454,081</b>	<b>\$ 300,019,959</b>	<b>\$ 355,212,156</b>	<b>\$ 380,687,365</b>	<b>\$ 306,166,456</b>
<b>Program revenues:</b>										
<b>Governmental activities:</b>										
Charges for services:										
General government	\$ 20,356,002	\$ 18,589,161	\$ 21,314,845	\$ 27,892,420	\$ 24,217,921	\$ 25,618,187	\$ 22,743,654	\$ 31,679,136	\$ 40,843,724	\$ 23,685,948
Police	889,365	918,205	772,604	685,253	745,403	677,410	542,614	954,018	1,838,907	897,602
Fire	4,489,584	4,775,600	4,425,659	5,615,993	4,696,059	4,749,781	6,207,550	6,207,550	5,049,491	2,976,880
Streets	209,436	120,024	428,722	377,105	766,087	2,345,404	699,617	8,300,213	10,758,518	190,312
Recreation and community services	655,795	584,852	640,787	1,103,371	1,968,593	1,347,900	1,228,840	2,943,241	2,549,607	12,137,005
Operating grants and contributions	21,651,822	24,576,496	22,839,837	21,747,532	26,795,367	22,478,063	32,754,665	25,349,120	21,087,711	33,158,637
Capital grants and contributions	26,000,214	9,019,257	13,347,879	12,214,891	9,475,840	14,519,811	15,769,053	12,025,790	6,521,210	9,463,863
<b>Total governmental activities program revenues</b>	<b>74,252,218</b>	<b>58,583,595</b>	<b>63,770,333</b>	<b>69,636,565</b>	<b>68,665,270</b>	<b>71,736,556</b>	<b>83,927,941</b>	<b>87,459,068</b>	<b>88,649,168</b>	<b>82,510,247</b>
<b>Business-type activities:</b>										
Charges for services:										
Water & sewer	49,939,574	54,905,792	59,707,525	65,545,712	66,468,227	70,388,195	73,026,518	75,565,212	79,562,678	88,813,328
Solid waste	15,002,838	14,969,410	15,379,996	16,655,394	17,356,664	18,218,239	18,595,914	19,746,834	20,367,889	21,819,159
Stormwater	3,633,314	3,296,440	3,644,229	4,098,166	3,849,779	3,670,891	3,721,412	3,735,922	3,650,696	3,632,127
Capital grants and contributions	538,297	502,578	172,378	429,279	591,188	33,168	9,781	191,881	202,536	339,738
<b>Total business-type activities program revenues</b>	<b>69,114,023</b>	<b>73,674,220</b>	<b>78,904,128</b>	<b>86,728,551</b>	<b>88,265,858</b>	<b>92,310,493</b>	<b>95,353,625</b>	<b>99,239,849</b>	<b>103,783,799</b>	<b>114,604,352</b>
<b>Total program revenues</b>	<b>\$ 143,366,241</b>	<b>\$ 132,257,815</b>	<b>\$ 142,674,461</b>	<b>\$ 156,365,116</b>	<b>\$ 156,931,128</b>	<b>\$ 164,047,049</b>	<b>\$ 179,281,566</b>	<b>\$ 186,698,917</b>	<b>\$ 192,432,967</b>	<b>\$ 197,114,599</b>
<b>Net (expense) revenue:</b>										
<b>Governmental activities</b>	<b>\$ (103,978,781)</b>	<b>\$ (121,534,918)</b>	<b>\$ (113,832,075)</b>	<b>\$ (121,088,671)</b>	<b>\$ (137,345,639)</b>	<b>\$ (112,824,063)</b>	<b>\$ (125,198,727)</b>	<b>\$ (162,589,227)</b>	<b>\$ (178,051,212)</b>	<b>\$ (118,145,411)</b>
<b>Business-type activities</b>	<b>216,878</b>	<b>3,031,608</b>	<b>2,586,979</b>	<b>(9,709,347)</b>	<b>(8,085,191)</b>	<b>6,417,031</b>	<b>4,460,334</b>	<b>(5,924,012)</b>	<b>(10,203,186)</b>	<b>9,093,554</b>
<b>Total net expense</b>	<b>\$ (103,761,903)</b>	<b>\$ (118,503,310)</b>	<b>\$ (111,245,096)</b>	<b>\$ (130,798,018)</b>	<b>\$ (145,430,830)</b>	<b>\$ (106,407,032)</b>	<b>\$ (120,738,393)</b>	<b>\$ (168,513,239)</b>	<b>\$ (188,254,398)</b>	<b>\$ (109,051,857)</b>
<b>General revenues:</b>										
<b>Governmental activities:</b>										
Taxes:										
Property taxes	\$ 41,687,822	\$ 41,424,199	\$ 43,735,370	\$ 47,012,819	\$ 51,435,680	\$ 57,462,494	\$ 62,743,620	\$ 68,425,226	\$ 75,538,132	\$ 82,083,914
Utility taxes	21,909,541	22,487,398	22,248,582	22,628,827	22,345,725	22,883,815	22,459,212	22,299,867	22,493,687	24,225,902
Franchise fees on gross receipts	10,277,964	15,370,782	16,584,895	15,182,525	16,180,210	16,190,910	16,021,179	15,416,105	17,017,212	16,418,919
Intergovernmental revenue	23,733,372	25,094,317	26,939,103	27,687,192	28,200,503	33,823,674	34,612,512	35,442,925	34,558,205	40,360,310
Gain on disposal of capital assets	163,973	(1,434,185)	55,529	69,910	77,140	165,426	141,860	163,985	954,345	367,377
Unrestricted interest	14,745	7,600	17,656	9,597	129,600	224,407	640,840	456,010	148,954	316,202
Transfers	-	15,033,525	-	-	(1,296,159)	(366,407)	(1,269,139)	(756,270)	(1,080,690)	(877,658)
<b>Total governmental activities</b>	<b>97,787,417</b>	<b>117,983,636</b>	<b>109,581,135</b>	<b>112,590,870</b>	<b>117,072,699</b>	<b>130,384,319</b>	<b>135,350,084</b>	<b>141,447,848</b>	<b>149,629,845</b>	<b>162,894,966</b>
<b>Business-type activities:</b>										
Unrealized gain (loss) on investments	(401,464)	414,486	504,463	185,370	(121,594)	(215,998)	492,097	1,131,107	(113,739)	(1,841,360)
Unrestricted interest	85,110	475,934	669,909	2,392,231	543,642	347,074	2,143,229	513,395	322,769	464,592
Gain on disposal of capital assets	-	-	-	-	-	43,575	-	-	-	-
Transfers	-	(15,033,525)	-	-	1,296,159	366,407	1,269,139	756,270	1,080,690	877,658
<b>Total business-type activities</b>	<b>(316,354)</b>	<b>(14,143,105)</b>	<b>1,174,372</b>	<b>2,577,601</b>	<b>1,718,207</b>	<b>541,058</b>	<b>3,904,465</b>	<b>2,400,772</b>	<b>1,289,720</b>	<b>(499,110)</b>
<b>Total general revenues</b>	<b>\$ 97,471,063</b>	<b>\$ 103,840,531</b>	<b>\$ 110,755,507</b>	<b>\$ 115,168,471</b>	<b>\$ 118,790,906</b>	<b>\$ 130,925,377</b>	<b>\$ 139,254,549</b>	<b>\$ 143,848,620</b>	<b>\$ 150,919,565</b>	<b>\$ 162,395,856</b>
<b>Change in net position:</b>										
<b>Governmental activities</b>	<b>\$ (6,191,364)</b>	<b>\$ (3,551,282)</b>	<b>\$ (4,250,940)</b>	<b>\$ (8,497,801)</b>	<b>\$ (20,272,940)</b>	<b>\$ 17,560,256</b>	<b>\$ 10,151,359</b>	<b>\$ (21,141,379)</b>	<b>\$ (28,421,367)</b>	<b>\$ 44,749,555</b>
<b>Business-type activities</b>	<b>(99,476)</b>	<b>(11,111,497)</b>	<b>3,761,351</b>	<b>(7,131,746)</b>	<b>(6,366,984)</b>	<b>8,364,799</b>	<b>(3,523,239)</b>	<b>(8,913,466)</b>	<b>8,594,444</b>	<b>-</b>
<b>Total change in net position</b>	<b>\$ (6,290,840)</b>	<b>\$ (14,662,779)</b>	<b>\$ (489,589)</b>	<b>\$ (15,629,547)</b>	<b>\$ (26,639,724)</b>	<b>\$ 24,518,345</b>	<b>\$ 18,516,158</b>	<b>\$ (24,664,618)</b>	<b>\$ (37,334,833)</b>	<b>\$ 53,343,999</b>

Note: In fiscal year 2012 the Stormwater Fund was converted from a Special Revenue Fund to an Enterprise Fund.

**CITY OF HIALEAH, FLORIDA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General fund:										
Nondisposable	\$ 2,175,058	\$ 2,174,224	\$ 2,164,713	\$ 2,206,606	\$ 5,304,957	\$ 5,897,782	\$ 6,739,054	\$ 6,871,681	\$ 7,528,489	\$ 5,131,811
Restricted	-	-	-	-	-	3,517,760	856,950	553,447	86,417	86,417
Committed	105,440	-	-	99,606	2,116,128	1,770,751	395,689	390,193	784,325	313,387
Assigned	-	-	-	-	-	5,600,000	6,100,000	7,171,799	-	1,062,100
Unassigned	<u>10,622,538</u>	<u>15,391,325</u>	<u>12,199,265</u>	<u>35,133,349</u>	<u>32,030,706</u>	<u>29,821,802</u>	<u>31,444,210</u>	<u>32,161,841</u>	<u>38,512,443</u>	<u>46,081,725</u>
Total general fund	<u>\$ 12,903,036</u>	<u>\$ 17,565,549</u>	<u>\$ 14,363,978</u>	<u>\$ 37,439,561</u>	<u>\$ 39,451,791</u>	<u>\$ 46,608,095</u>	<u>\$ 45,535,903</u>	<u>\$ 47,148,961</u>	<u>\$ 46,911,674</u>	<u>\$ 52,675,440</u>
All other governmental funds:										
Nondisposable	\$ 29,785	\$ 977,963	\$ 984,876	\$ 1,199,528	\$ 1,240,869	\$ 1,654,611	\$ 579,995	\$ 348,773	\$ 975,722	\$ 230,442
Restricted	7,703,518	7,643,865	8,554,067	18,654,864	23,108,042	31,055,772	44,122,677	55,771,593	56,739,191	77,168,280
Committed	-	1,985,353	997,128	805,666	6,073,476	3,875,091	2,220,822	7,462,663	10,375,012	2,730,930
Unassigned	<u>(2,129,354)</u>	<u>(1,586,881)</u>	<u>20,032</u>	<u>(466,364)</u>	<u>(6,496,712)</u>	<u>(10,112,582)</u>	<u>(7,968,883)</u>	<u>(5,394,318)</u>	<u>(6,086,882)</u>	<u>(6,540,575)</u>
Total all other governmental funds	<u>\$ 5,603,949</u>	<u>\$ 9,020,300</u>	<u>\$ 10,556,103</u>	<u>\$ 20,193,694</u>	<u>\$ 23,925,675</u>	<u>\$ 26,472,892</u>	<u>\$ 38,954,611</u>	<u>\$ 58,188,711</u>	<u>\$ 62,003,043</u>	<u>\$ 73,589,077</u>

**CITY OF HIALEAH, FLORIDA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues:</b>										
Ad valorem taxes	\$ 41,687,822	\$ 41,424,199	\$ 43,735,370	\$ 47,012,819	\$ 51,435,680	\$ 57,462,494	\$ 62,743,620	\$ 68,425,226	\$ 75,538,132	\$ 82,083,914
Charges for services	-	-	-	-	-	8,827,351	14,545,199	7,629,550	8,252,646	10,644,848
Fines and forfeitures	1,942,897	2,025,007	2,331,192	2,304,780	1,737,726	2,538,165	4,063,952	3,373,633	3,884,785	2,565,757
Franchise fees	10,277,964	15,370,782	16,584,895	15,182,525	16,180,210	16,190,910	16,021,179	15,416,105	17,017,212	16,418,919
Impact fees	-	1,087,068	214,629	2,553,949	2,189,892	970,464	3,231,644	3,445,036	2,490,178	3,763,634
Intergovernmental	-	-	-	-	-	67,905,904	71,275,728	82,705,520	84,383,656	82,982,810
Investment income	14,745	7,600	17,656	9,597	-	224,407	640,840	456,010	148,954	316,202
Licenses and permits	8,236,427	9,316,526	9,512,980	16,370,723	16,161,820	17,559,440	19,799,005	19,502,647	17,817,575	18,425,159
Other revenues	-	-	-	-	-	5,630,835	4,526,786	2,795,477	4,668,660	4,764,391
Utility taxes	21,909,541	22,487,398	22,248,582	22,628,827	22,345,725	22,883,815	22,459,212	22,299,867	22,493,687	24,225,902
State and local shared revenues	37,373,455	40,112,007	42,982,914	46,141,008	45,606,789	-	-	-	-	-
Government grants and other revenues	50,432,811	31,137,305	35,667,721	27,361,310	29,667,244	-	-	-	-	-
<b>Total revenues</b>	<b>171,875,662</b>	<b>162,967,892</b>	<b>173,295,939</b>	<b>179,565,538</b>	<b>185,325,086</b>	<b>200,193,785</b>	<b>219,307,165</b>	<b>226,049,071</b>	<b>236,695,485</b>	<b>246,191,536</b>
<b>Expenditures:</b>										
<b>Current:</b>										
General government	35,476,738	38,938,330	15,113,548	13,259,022	13,649,002	16,334,508	13,636,616	20,373,999	22,338,241	16,895,648
Police	38,871,981	40,484,346	51,854,659	50,189,926	50,050,644	54,303,171	57,918,213	59,729,547	66,876,016	64,492,100
Fire	33,527,289	34,611,104	41,284,251	44,566,208	46,111,359	46,950,299	52,823,642	47,804,143	54,147,762	55,152,741
911 communications	2,842,064	3,432,867	3,692,776	3,894,582	4,448,217	4,393,395	4,927,182	5,477,101	5,685,374	5,901,183
Streets	2,781,994	3,201,821	3,516,447	4,433,977	5,680,107	4,947,200	4,417,626	5,630,912	5,612,332	4,630,203
Grants and human services	5,326,027	6,104,005	7,317,707	8,228,432	9,889,816	8,828,260	9,079,879	5,031,212	11,220,941	17,987,487
State housing initiative programs	107,769	343,353	246,754	116,248	402,050	734,948	337,470	1,250,044	1,998,290	140,103
City Clerk's office	676,279	658,140	1,071,420	1,233,250	962,794	1,386,980	1,101,531	1,910,174	1,284,569	2,337,438
Office of Management and Budget	494,087	461,476	560,939	388,095	402,949	419,851	410,968	367,253	434,000	574,969
Office of the Mayor	441,278	927,025	699,883	646,944	588,766	593,914	588,027	681,812	770,125	1,007,166
Communications and special events	47,427	221,436	304,392	387,083	523,637	699,089	1,458,309	1,216,691	1,744,990	1,764,143
Milander center	-	-	-	-	-	1,014,757	833,206	660,817	610,605	606,362
Employee retirement	636,543	632,686	604,903	596,528	834,417	591,734	845,019	695,173	569,442	1,061,805
Library	1,124,518	1,241,652	1,495,749	1,560,224	1,379,576	1,572,147	1,744,384	1,725,573	2,226,041	1,874,748
Code compliance	392,052	447,571	658,107	644,566	642,804	691,122	715,168	688,223	810,978	752,590
Finance	880,172	1,032,730	1,352,174	1,417,428	1,486,450	1,673,282	1,992,167	2,083,325	2,313,843	2,437,534
Business tax division	392,421	429,010	589,707	807,971	951,992	1,058,538	1,259,585	1,770,814	1,112,863	1,074,247
Information technology	1,358,607	1,532,664	1,871,939	1,845,314	1,944,261	1,944,261	2,201,323	2,113,745	2,516,168	2,274,909
Fleet maintenance	2,052,285	2,286,994	2,352,456	3,060,804	3,117,172	3,426,246	3,523,468	3,368,715	3,707,116	3,915,311
Construction and maintenance	2,178,352	2,034,251	2,409,265	3,053,215	2,981,198	2,836,215	3,163,088	3,178,953	3,343,392	3,685,941
Parks and recreation	8,504,481	8,442,246	9,712,104	10,015,340	10,528,719	10,506,083	10,494,096	9,780,992	11,104,261	11,161,968
Public works	-	-	-	-	253,306	667,832	-	31,664	230,660	20,492
Purchasing	-	-	-	-	-	-	-	-	-	17,346
Planning and zoning	484,169	528,781	695,584	716,244	657,440	613,696	662,973	739,814	807,635	856,957
Education and community services	2,171,059	2,451,185	4,058,687	2,851,902	2,802,476	1,781,983	1,958,762	1,758,005	1,857,078	2,147,127
Law	768,888	1,216,909	1,291,022	1,311,626	1,150,714	1,238,551	1,388,834	1,538,458	1,635,001	1,569,569
Risk management	819,238	826,743	428,350	322,813	318,996	414,915	477,409	517,884	645,362	750,890
Human resources	513,118	731,129	700,530	763,201	735,666	948,150	1,006,870	1,072,759	1,238,974	1,378,933
<b>Debt service:</b>										
Principal	36,744,137	4,407,029	6,568,225	22,689,871	4,884,376	4,704,962	4,861,268	4,790,443	4,873,223	5,306,160
Interest	4,932,024	3,420,976	3,200,422	3,964,006	3,866,525	3,712,445	3,652,173	3,509,147	3,377,771	3,580,041
Debt issuance cost	630,913	-	-	-	-	-	-	-	-	-
Capital outlay	23,867,900	8,586,286	10,935,638	9,095,668	8,511,541	15,184,916	25,161,167	17,535,589	20,029,994	13,852,642
<b>Total expenditures</b>	<b>209,043,810</b>	<b>169,632,745</b>	<b>174,331,385</b>	<b>192,087,113</b>	<b>179,658,023</b>	<b>194,173,450</b>	<b>212,640,423</b>	<b>207,032,981</b>	<b>235,123,047</b>	<b>229,209,113</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(37,168,148)</b>	<b>(6,664,853)</b>	<b>(1,035,446)</b>	<b>(12,521,575)</b>	<b>5,667,063</b>	<b>6,020,335</b>	<b>6,666,742</b>	<b>19,016,090</b>	<b>1,572,438</b>	<b>16,982,423</b>
<b>Other financing sources (uses):</b>										
Transfers in	38,555	19,781,358	2,147,066	776,762	611,165	1,240,730	900,856	2,163,594	1,755,399	14,969,103
Transfers out	(38,555)	(4,747,833)	(2,147,066)	(776,762)	(611,165)	(1,240,730)	(900,856)	(2,163,594)	(1,755,399)	(14,969,103)
Proceeds of refunding bonds	-	-	-	45,164,839	-	3,517,760	4,600,925	1,667,083	22,720,000	-
Payments to bond refunding escrow agent	-	-	-	-	-	-	-	-	(21,704,000)	-
Proceeds from disposal of capital assets	163,973	4,076,089	55,529	69,910	77,140	165,426	141,860	163,985	954,345	367,377
Issuance of debt	37,329,481	423,920	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>37,493,454</b>	<b>19,533,534</b>	<b>55,529</b>	<b>45,234,749</b>	<b>77,140</b>	<b>3,683,186</b>	<b>4,742,785</b>	<b>1,831,068</b>	<b>1,970,345</b>	<b>367,377</b>
<b>Net change in fund balances</b>	<b>\$ 325,306</b>	<b>\$ 12,868,681</b>	<b>\$ (979,917)</b>	<b>\$ 32,713,174</b>	<b>\$ 5,744,203</b>	<b>\$ 9,703,521</b>	<b>\$ 11,409,527</b>	<b>\$ 20,847,158</b>	<b>\$ 3,542,783</b>	<b>\$ 17,349,800</b>
<b>Debt service as a percentage of non-capital expenditures</b>	<b>22.58%</b>	<b>4.86%</b>	<b>5.98%</b>	<b>14.57%</b>	<b>5.11%</b>	<b>4.70%</b>	<b>4.54%</b>	<b>4.38%</b>	<b>3.84%</b>	<b>4.13%</b>

**CITY OF HIALEAH, FLORIDA**  
**NET ASSESSED VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year Ended September 30,</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Centrally Assessed</u>	<u>Total Net Assessed Value</u>	<u>Total Direct Tax Rate</u>
2013	6,695,064,915	523,612,469	5,972,673	7,224,650,057	6.3018
2014	6,416,539,571	549,698,400	5,474,876	6,971,712,847	6.3018
2015	6,755,960,917	544,953,380	6,117,639	7,307,031,936	6.3018
2016	7,304,727,801	546,751,824	7,304,728	7,858,784,353	6.3018
2017	7,973,545,871	552,723,556	7,380,269	8,533,649,696	6.3018
2018	8,928,454,641	564,251,782	7,643,215	9,500,349,638	6.3018
2019	9,762,587,984	610,266,017	8,030,715	10,380,884,716	6.3018
2020	10,700,357,621	597,759,406	7,943,936	11,306,060,963	6.3018
2021	11,784,320,757	689,514,163	8,202,443	12,482,037,363	6.3018
2022	12,816,113,123	749,885,521	8,920,619	13,574,919,263	6.3018

*Note: Property in the City is reassessed each year. Property is assessed at actual value, therefore, the assessed values are equal to actual value. Tax rates are per \$1,000 of assessed value.*

*Source: Miami-Dade County Property Appraiser's Office.*

**CITY HIALEAH, FLORIDA**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Direct Rate	Overlapping Rates (1)											
	City of Hialeah Operating Millage	Miami-Dade											
		Miami-Dade County			County School Board			Water Management District	Special District	Okeechobee Basin	Children's Trust	Everglades C.P.	Total Direct and Overlapping Rates
		Operating Millage	Debt Millage	Total County Millage	Operating Millage	Debt Millage	Total School Millage						
2013	6.3018	4.7035	0.4220	5.1255	7.6440	0.3330	7.9770	0.3523	0.0345	0.0000	0.5000	0.0587	20.3498
2014	6.3018	4.6669	0.4500	5.1169	7.7750	0.1990	7.9740	0.1577	0.0345	0.1717	0.5000	0.0548	20.3114
2015	6.3018	4.6669	0.4500	5.1169	7.4130	0.1990	7.6120	0.1459	0.0320	0.1586	0.5000	0.0506	19.9178
2016	6.3018	4.6669	0.4000	5.0669	7.1380	0.1840	7.3220	0.1359	0.0320	0.1477	0.5000	0.0471	19.5534
2017	6.3018	4.6669	0.4000	5.0669	6.7740	0.2200	6.9940	0.1275	0.0320	0.1384	0.4673	0.0441	19.1720
2018	6.3018	4.6669	0.4644	5.1313	6.5040	0.2290	6.7330	0.1209	0.0320	0.1310	0.4415	0.0417	18.9332
2019	6.3018	4.6669	0.4780	5.1449	7.0250	0.1230	7.1480	0.1152	0.0320	0.1246	0.4680	0.0397	19.3742
2020	6.3018	4.6669	0.4780	5.1449	6.9360	0.1930	7.1290	0.1103	0.0320	0.1192	0.4507	0.0380	19.3259
2021	6.3018	4.6669	0.5075	5.1744	6.8290	0.1800	7.0090	0.1061	0.0320	0.1146	0.5000	0.0365	19.2744
2022	6.3018	4.6202	0.4853	5.1055	6.4240	0.1650	6.5890	0.0948	0.0320	0.1026	0.5000	0.0327	18.7584

*Note: All millage rates are based on \$1 for every \$1,000 of assessed value.*

*Sources: Miami-Dade County Property Appraiser's Office.*

*(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Hialeah. Not all overlapping rates apply to all City of Hialeah property owners (i.e. the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).*

**CITY OF HIALEAH, FLORIDA**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

2022				2013			
<u>Taxpayer</u>	<u>Net Assessed Value</u>	<u>Rank</u>	<u>Percent of Total City Net Assessed Value</u>	<u>Taxpayer</u>	<u>Net Assessed Value</u>	<u>Rank</u>	<u>Percent of Total City Net Assessed Value</u>
Florida Power & Light CO	\$ 261,535,102	1	1.93%	Florida Power & Light CO	\$ 167,979,087	1	2.33%
Centerpoint Countyline LLC	181,174,623	2	1.33%	Palm Springs Mile Associates LTD	119,507,811	2	1.65%
Palm Spring Mile Associates Ltd	132,422,012	3	0.98%	Westland Mall LLC	79,419,378	3	1.10%
RREEF CPIF Centergate LLC	109,495,757	4	0.81%	Lifemark Hospitals Inc	58,493,200	4	0.81%
Countyline 2 LLC	76,651,656	5	0.56%	Centergate at Gratigny LLC	39,666,716	5	0.55%
Westland Mall LLC	75,391,035	6	0.56%	SC Westland Promenade Ltd Prtshp	31,048,097	6	0.43%
Avalon Bonterra LLC	64,369,611	7	0.47%	Hialeah Speedway Limited	29,350,386	7	0.41%
Duke 108th Building 3 LLC	58,587,008	8	0.43%	United Parcel Services Inc	25,792,569	8	0.36%
Duke 104th Building 1 and 2 LLC	52,678,483	9	0.39%	Palmetto General Hospital # 329	25,569,662	9	0.35%
Lifemark Hospitals Inc	40,498,660	10	0.30%	Tenet Hialeah Health Systems Inc	23,650,000	10	0.33%
	<u>\$ 1,052,803,947</u>		<u>7.76%</u>		<u>\$ 600,476,906</u>		<u>8.32%</u>

Source: Miami-Dade County Property Appraisers Office.

**CITY OF HIALEAH, FLORIDA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended <u>September 30,</u>	Total Taxes Levied for <u>Fiscal Year</u>	Levied Taxes Collected within the Fiscal Year		Delinquent <u>Tax Collections</u>	Total Tax Collections	
		<u>Amount</u>	<u>Percent of Levy</u>		<u>Amount</u>	<u>Percent of Levy</u>
2013	45,528,300	40,894,173	89.82%	793,648	41,687,821	91.56%
2014	43,934,340	39,589,518	90.11%	1,467,597	41,057,115	93.45%
2015	46,047,454	43,735,370	94.98%	1,351,690	45,087,060	97.91%
2016	49,524,487	47,012,819	94.93%	296,084	47,308,903	95.53%
2017	53,777,354	51,435,680	95.65%	1,516,908	52,952,588	98.47%
2018	59,869,303	57,462,494	95.98%	615,338	58,077,832	97.01%
2019	65,418,259	62,743,620	95.91%	1,976,246	64,719,866	98.93%
2020	71,248,535	68,425,226	96.04%	2,450,762	70,875,988	99.48%
2021	78,659,303	75,538,132	96.03%	2,066,463	77,604,595	98.66%
2022	85,639,528	79,283,510	92.58%	1,840,255	81,123,765	94.73%

Source: City of Hialeah Office of Management & Budget.

**CITY OF HIALEAH, FLORIDA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Governmental Activities				Business-Type Activities				Total	Percentage of Personal Income (1)	Per Capita (1)
	Revenue Bonds	Notes Payable	Capital Leases	Mortgage Payable	Revenue Bonds	Notes Payable	Revolving Loan	Capital Leases			
2013	-	79,970,161	72,425	-	-	64,620,036	1,791,969	-	146,454,591	1.93%	-
2014	-	75,661,198	398,279	-	-	63,097,659	1,670,450	-	140,827,586	2.14%	703
2015	-	70,719,903	1,252,121	-	-	61,572,579	1,545,497	-	135,090,100	1.91%	539
2016	-	90,403,639	1,323,955	-	-	59,261,246	1,417,014	-	152,405,854	2.20%	659
2017	75,610,191	15,829,760	743,891	-	57,101,430	947,934	1,284,901	-	151,518,107	2.19%	641
2018	73,163,174	13,521,306	3,990,521	-	55,606,990	479,999	1,149,054	-	147,911,044	2.01%	587
2019	70,838,862	11,144,597	8,107,033	-	54,063,547	-	1,009,368	-	145,163,407	1.83%	568
2020	67,363,174	10,668,191	8,609,579	-	52,467,107	-	865,733	-	139,973,784	1.67%	552
2021	64,768,486	10,170,515	7,518,033	-	51,044,667	-	720,054	-	134,221,755	1.49%	523
2022	59,387,052	9,651,019	6,579,708	-	49,852,530	-	568,185	-	126,038,494	2.60%	999

*Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.*

*(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.*



**CITY OF HIALEAH, FLORIDA**  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
SEPTEMBER 30, 2022  
(amounts expressed in thousands)

<u>Government Unit</u>	2022		
	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to the City of Hialeah
Miami-Dade County School Board	\$ 4,001,438	4.04%	\$ 161,707
Miami-Dade County	<u>3,330,170</u>	4.04%	<u>134,579</u>
Subtotal, Overlapping Debt	7,331,608		296,286
City of Hialeah Direct Debt	<u>75,618</u>	100%	<u>75,618</u>
Total Direct and Overlapping Debt	<u>\$ 7,407,226</u>		<u>\$ 371,904</u>

Sources: Data provided by the Miami-Dade County Finance Department and the Miami-Dade County School Board, Finance Department.

(1) The percentage of overlapping debt applicable is estimated using net taxable assessed property values. Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the City's boundaries and dividing it by the County's total taxable assessed value.

**CITY OF HIALEAH, FLORIDA**  
**PLEDGED REVENUE COVERAGE**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Series 2015 A&B				Utility System Revenue Refunding Bonds Series 2022						Florida Municipal Loan Council Refunding and Improvement Bonds Series 2012A			
	Debt Service				Utility Charges and Other	Less Operating Expenses	Net Available Revenue	Debt Service			Rescue Transportation Fees	Debt Service		
	Fees (d)	Principal	Interest	Coverage				Principal	Interest	Coverage		Principal	Interest	Coverage
2013	-	-	-	N/A	49,265,671	41,497,509	7,768,162	320,000	2,392,088	2.86	6,494,745	782,763	-	8.30
2014	-	-	-	N/A	55,381,726	40,035,129	15,346,597	580,000	2,387,288	5.17	6,765,759	2,498,278	-	2.71
2015	-	-	-	N/A	60,377,434	42,610,682	17,766,752	850,000	2,369,888	5.52	7,187,018	1,124,000	1,354,410	2.90
2016	10,352,230	725,000	2,086,361	3.68	67,937,943	56,210,678	11,727,265	955,000	2,344,388	3.55	5,875,196	1,168,000	1,309,450	2.37
2017	10,615,985	740,000	2,068,011	3.78	67,011,869	59,071,095	7,940,774	985,000	2,315,738	2.41	3,733,798	1,216,000	1,262,730	1.51
2018	10,397,532	770,000	2,041,511	3.70	70,722,238	59,966,423	10,755,815	1,015,000	2,286,188	3.26	5,843,528	1,264,000	1,214,090	2.36
2019	10,642,766	1,940,000	1,994,999	2.70	75,145,136	58,096,971	17,048,165	1,050,000	2,253,200	5.16	6,965,723	1,316,000	928,530	3.10
2020	10,291,013	2,015,000	1,924,977	2.61	76,056,063	69,015,124	7,040,939	1,105,000	2,200,700	2.13	4,763,491	1,368,000	1,110,890	1.92
2021	10,877,027	2,095,000	1,843,127	2.76	79,876,035	80,761,816	(885,781)	1,150,000	2,156,500	(0.27)	5,401,393	1,436,000	1,042,490	2.18
2022	12,940,357	2,185,000	1,754,400	3.28	81,419,268	75,604,209	5,815,059	1,412,208	1,623,367	1.92	3,705,083	1,928,000	1,259,070	1.16

Source: City of Hialeah Finance Department

Note (c): During 2022, the City issued tax exempt Utility System Revenue Refunding Bonds Series 2022 for which the City has pledged Revenues, see Note 12.

Note (d): During 2016, the City issued Special Obligation Revenue Bonds Series 2015A and Special Obligation Refunding Revenue Bonds Series 2015B for which the City has pledged franchise fee revenues, see Note 12.

**CITY OF HIALEAH, FLORIDA**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (Amounts Expressed in Thousands) (1)</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Age (2)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rate (4)</u>
2013	231,941	7,606,737	32,796	43	28,912	10.3%
2014	233,394	6,571,208	28,155	42	25,239	5.6%
2015	235,563	7,057,703	29,961	42	25,623	6.3%
2016	237,069	6,934,031	29,249	43	25,348	5.7%
2017	236,387	6,914,083	29,249	43	29,437	5.1%
2018	237,523	7,366,063	31,012	44	30,214	3.9%
2019	238,942	7,923,556	33,161	44	30,251	3.1%
2020	239,722	8,406,571	35,068	45	26,542	9.6%
2021	233,876	8,997,444	38,471	45	27,108	4.9%
2022	224,362	4,852,501	21,628	46	30,034	2.2%

*Sources:*

*(1) United States Census Bureau*

*(2) Florida-demographics.com*

*(3) Miami-Dade County School Board Budget Office*

*(4) U.S. Department of Labor*

*Note: Population, median age and education level information are based on surveys conducted during the last quarter of the calendar year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year. School enrollment increase.*

**CITY OF HIALEAH, FLORIDA**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

<u>Employer</u>	<u>2022</u>			<u>2013</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Palmetto General Hospital	1,625	1	1.63%	1,648	1	1.74%
City of Hialeah	1,500	2	1.50%	1,279	2	1.35%
United Parcel Service	1,130	3	1.13%	1,162	3	1.22%
Hialeah Hospital	1,200	4	1.20%	1,075	4	1.13%
Publix Super Markets	960	5	0.96%	827	5	0.87%
Larkin Community Hospital Palm Springs Campus	700	6	0.70%	618	6	0.65%
Sedano's Super Markets	650	7	0.65%	547	7	0.58%
Fresco y Mas Super Markets	560	8	0.56%	-	9	1.09%
Bullet Line	450	9	0.45%	-	10	-
Bank of America	420	10	0.42%	391	8	0.41%
Leon Medical Centers	400	11	-	-	11	0.44%
Total	<u>9,595</u>		<u>9.20%</u>	<u>7,547</u>		<u>9.48%</u>

Sources: City of Hialeah Office of Management & Budget and Business Tax Division.

**CITY OF HIALEAH, FLORIDA**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Number of employees:										
Mayor's office	3	3	4	5	6	6	7	6	5	9
Information systems	12	12	10	9	9	9	9	10	9	11
Community development:										
Planning and zoning	7	7	7	6	5	5	5	6	5	8
Building	19	19	22	25	21	27	30	39	41	38
License	8	8	9	9	10	11	13	14	12	10
Code compliance	9	9	10	10	10	10	10	8	9	9
Office of Management & Budget	3	3	3	3	3	4	4	3	3	3
City Clerk's office	4	4	4	4	17	16	16	17	15	14
Law	10	9	8	10	9	11	12	13	12	11
Risk management	3	3	3	3	4	4	4	4	5	5
Police:										
Police officers	290	276	264	251	284	272	266	275	269	283
Civilians	56	70	67	75	87	86	91	93	95	90
Fire:										
Firefighters	245	235	238	229	229	236	231	216	226	218
Civilians	19	28	18	18	18	21	20	20	31	23
911 Communications	38	39	41	43	29	50	50	43	40	38
Milander	-	-	-	-	4	6	6	8	6	5
Special events	-	-	-	-	7	10	7	6	9	8
Education & community services	29	29	34	45	78	85	78	55	56	44
Library	15	15	17	17	23	24	22	23	25	18
Recreation and community services	71	70	75	70	131	142	135	124	126	108
Streets	17	17	28	31	25	29	25	27	26	19
Stormwater	9	9	9	13	12	13	11	12	12	13
Fleet	37	37	31	30	29	29	31	30	29	26
Construction and maintenance	39	39	33	35	31	34	34	33	35	32
Solid waste	62	62	42	26	23	11	9	10	8	7
Human resources	8	9	7	7	8	8	11	9	12	13
Finance	19	19	15	26	20	22	25	21	22	19
Retirement	4	4	4	3	4	5	5	5	6	4
Grants and human services	32	32	8	4	4	9	7	4	9	10
Water and sewer	55	54	64	68	64	59	62	54	54	51
Water division	32	32	26	30	23	34	31	28	27	22
Sewer division	17	17	16	18	12	12	11	9	8	6
Total number of employees	<u>1,172</u>	<u>1,170</u>	<u>1,117</u>	<u>1,123</u>	<u>1,239</u>	<u>1,300</u>	<u>1,278</u>	<u>1,225</u>	<u>1,247</u>	<u>1,175</u>

Source: City of Hialeah Human Resources Department

Note: Communication & Special Events and Education & Community Services, which were established in fiscal-year 2006, as well as 911 Communications which was established in fiscal-year 2010. Furthermore, the Planning and Development department was divided into the Planning and Zoning and Building divisions of the newly created Community and Development department along with the Code Compliance and License departments, which are now a division of Community and Development.

**CITY OF HIALEAH, FLORIDA**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Public safety										
Police:										
Police calls for service	245,463	245,230	251,731	239,662	215,390	245,098	268,253	253,925	234,619	199,703
Parking violations	3,301	2,987	3,372	4,674	4,130	5,023	6,505	5,497	3,916	2,198
Traffic violations	78,751	77,253	85,141	83,050	71,252	79,113	120,572	90,996	60,763	37,013
Fire:										
Number of calls answered	35,455	42,250	43,494	43,850	43,195	40,709	39,726	31,631	32,827	34,504
Inspections	12,235	8,500	12,035	13,400	13,789	14,204	14,533	14,530	13,156	14,015
Planning and development:										
Business permits issued	8,716	6,421	7,583	15,022	9,402	16,083	18,484	17,538	4,794	8,242
Occupational licenses issued	18,915	19,019	19,041	19,575	21,420	23,272	25,112	24,223	23,085	23,029
Streets:										
Street resurfacing (miles)	11.5	12.0	7.9	13.7	19.7	6.8	6.1	17.1	12.0	3.7
Potholes repaired	285	208	154	294	215	227	184	122	266	162
Culture and recreation:										
Registrations for library programs	56,642	46,042	50,759	38,364	22,172	22,338	23,153	25,566	12,269	9,983
Athletic field permits issued	63	134	90	76	47	26	98	54	89	181
Water and sewer:										
Active accounts - water and sewer	54,554	55,401	55,008	55,568	56,400	57,101	57,841	57,904	59,036	59,391
Average daily water consumption (thousands of gallons)	20,878	19,959	18,656	18,556	18,068	18,027	16,969	17,079	17,235	16,482
Average daily sewage treatment (thousands of gallons)	19,308	19,458	19,986	24,502	25,215	25,118	24,641	26,139	23,378	26,678
New connections	1,020	920	2,052	981	997	427	486	567	1,480	423
Water main breaks	195	200	57	108	248	847	252	253	290	287
Solid waste:										
Residential accounts	35,285	35,101	36,502	36,502	37,433	37,681	36,823	37,651	37,920	37,992
Commercial accounts	441	436	440	-	-	-	-	-	-	-
Refuse collected (tons/day)	225.0	193.0	141.6	254.0	324.0	211.1	206.6	227.0	239.8	228.9
Recyclables collected (tons/day)	21.0	27.0	45.2	45.2	29.0	21.3	19.6	20.5	20.7	18.8

Sources: Various City departments

Note: Indicators are not available for the general government function.

**CITY OF HIALEAH, FLORIDA**  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General government:										
General government buildings	1	1	1	1	1	1	1	1	1	1
Public safety:										
Police:										
Police stations	5	5	5	5	5	5	5	5	5	5
Patrol units	229	238	215	225	218	214	304	309	250	252
Fire:										
Fire stations	8	8	8	8	8	8	8	8	9	9
Fire apparatus vehicles	14	15	15	15	15	17	17	16	13	16
Emergency rescue vehicles	14	14	14	14	14	12	12	15	15	13
Streets:										
Miles of streets	450.6	455.0	475.6	475.6	475.6	475.6	478.1	479.2	356.7	356.7
Culture and recreation:										
Parks	27	27	27	27	27	27	27	27	27	27
Parks acreage	223.5	223.5	223.5	223.5	223.5	223.5	253.5	232.0	253.5	253.5
Community center	3	3	3	3	3	3	3	3	3	3
Swimming pools	7	7	7	7	7	7	7	7	7	7
Tennis courts	26	26	26	26	26	26	26	21	23	23
Water and sewer:										
Water and sewer buildings	2	2	2	2	2	2	2	2	2	2
Water mains (miles)	492	496	496	519	519	519	519	537	541	541
Fire hydrants	2,772	2,812	3,008	3,008	3,093	3,116	3,116	3,116	3,210	3,215
Storm sewers (miles)	88.2	92.3	84.3	84.3	84.3	95.2	96.6	98.1	98.4	98.4
Solid waste:										
Collection trucks	46	46	12	-	-	-	-	-	-	-
Recycle trucks	-	-	-	6	6	-	-	-	-	-

Sources: Various City departments

Note: Solid waste collection and recycling were outsourced during fiscal years 2016 and 2018 respectively.

## COMPLIANCE SECTION





CABALLERO FIERMAN  
LLERENA · GARCIA LLP  
accountants | advisors

**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 City Council  
City of Hialeah, 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 the City of Hialeah, Florida (the "City"), as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 9, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 City's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2018-03 to be a material weakness.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2015-02 to be a significant deficiency.

**Report on Compliance and Other Matters**

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

### **City's Response to Findings**

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **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 City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Caballero Fierman Llerena & Garcia, LLP*

Caballero Fierman Llerena & Garcia, LLP  
Miami, Florida  
June 9, 2023



CABALLERO FIERMAN  
LLERENA · GARCIA LLP  
accountants | advisors

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT, AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Honorable Mayor and Members of the City Council  
City of Hialeah, Florida

**Report on Compliance for Each Major Federal Program and State Project**

***Opinion on Each Major Federal Program and State Project***

We have audited the City of Hialeah, Florida's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs and state projects for the fiscal year ended September 30, 2022. The City's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the fiscal year ended September 30, 2022.

***Basis for Opinion on Each Major Federal Program and State Project***

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; 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 Auditor General of the State of Florida. Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs and state projects.

***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions,

misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

*Caballero Fierman Llerena & Garcia, LLP*

Caballero Fierman Llerena & Garcia, LLP  
Miami, Florida  
June 9, 2023

**CITY OF HIALEAH, FLORIDA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
<b><i>CDBG - Entitlement Grants-Cluster</i></b>				
<b><i>U.S. Department of Housing and Urban Development</i></b>				
Community Development Block Grant	14.218	B-18-MC-12-0008	\$ 50,847	\$ 50,847
Community Development Block Grant	14.218	B-19-MC-12-0008	673,886	681,379
Community Development Block Grant	14.218	B-20-MC-12-0008	53,101	252,527
Community Development Block Grant	14.218	B-21-MC-12-0008	352,697	352,697
Community Development Block Grant	14.218	B-22-MC-12-0008	-	1,545
<b><i>Total CDBG - Entitlement Grants-Cluster</i></b>			<u>1,130,531</u>	<u>1,338,995</u>
<b><i>Other Programs</i></b>				
<b><i>U.S. Department of Housing and Urban Development</i></b>				
HOME Investment Partnership	14.239	M-18-MC-12-0207	-	22,738
HOME Investment Partnership	14.239	M-19-MC-12-0207	-	6,595
Total Home Investment Partnerships Program			<u>-</u>	<u>29,333</u>
Emergency Solutions Grant	14.231	E20MC120008	139,618	139,618
Emergency Solutions Grant	14.231	E20MV120008	2,224,644	2,224,644
Emergency Solutions Grant	14.231	E21MC120008	-	5,903
Total Emergency Solutions Grant Program			<u>2,364,262</u>	<u>2,370,165</u>
<b><i>Total U.S. Department of Housing and Urban Development</i></b>			<u>2,364,262</u>	<u>2,399,498</u>
<b><i>U.S. Department of Justice</i></b>				
Equitable Sharing Funds	16.922	N/A	-	106,914
			<u>-</u>	<u>106,914</u>
Pass-Through Program from:				
State of Florida Office of the Attorney General				
Victims of Crimes Act (VOCA)	16.575	VOCA-2021-City of Hialeah-00531	-	148,237
<b><i>Total Through the State of Florida Office of the Attorney General</i></b>			<u>-</u>	<u>148,237</u>
<b><i>Total U.S. Department of Justice</i></b>			<u>-</u>	<u>255,151</u>
<b><i>U.S Department of Treasury</i></b>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027	N/A	-	815,949
COVID-19 Emergency Rental Assistance Program (ERA)	21.023	ERAP 1	-	1,966,980
COVID-19 Emergency Rental Assistance Program (ERA)	21.023	ERAP 2	-	7,195
<b><i>Total U.S. Department of Treasury</i></b>			<u>-</u>	<u>2,790,124</u>
<b><i>Executive Office of the President</i></b>				
Pass-Through Program Monroe County Sheriff's Office				
High Intensity Drug Trafficking Areas Program (HIDTA)	95.001	G21MI0001A	-	17,977
<b><i>Total Executive Office of the President</i></b>			<u>-</u>	<u>17,977</u>

See notes to schedule of federal awards and state financial assistance.

(Continued)

**CITY OF HIALEAH, FLORIDA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
(CONTINUED)  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
<b>U.S. Department of Education</b>				
Pass-Through Program from:				
State of Florida Department of Education				
21st Century Community Learning Centers - Academic Achievers	84.287	13B-2442B-2CCC1	\$ -	\$ 319,348
21st Century Community Learning Centers - Academic Achievers	84.287	13B-2443B-3CCC1	-	50,008
<b>Total U.S. Department of Education - Through the State of Florida Department of Education</b>			-	<b>369,354</b>
<b>U.S. Department of Homeland Security</b>				
Pass-Through Program from:				
Florida Division of Emergency Management				
Urban Areas Security Initiatives (UASI) (2019)	97.067	R0075	-	127,484
Urban Areas Security Initiatives (UASI) (2020)	97.067	R0232	-	362,113
Hurricane Irma - DR-4337	97.036	Z1122	-	237,838
Federal Public Assistance - DR 4486 (COVID-19)	97.036	Z2115	-	319,399
<b>Total Through the Florida Division of Emergency Management</b>			-	<b>1,048,832</b>
<b>Total U.S. Department of Homeland Security</b>			-	<b>1,048,832</b>
<b>National Endowment for the Humanities</b>				
Pass-Through Program from:				
The Institute of Museum and Library Services				
Coronavirus Relief Fund - Cares Act	45.308	ARPML-250557-OMLS-22	-	41,627
Extending Lifelines in Hialeah	45.310	DLIS - (ARPA)-21-ARPA-12	-	72,341
<b>Total Through The Institute of Museum and Library Services</b>			-	<b>113,968</b>
<b>Total National Endowment for the Humanities</b>				
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 3,484,783</b>	<b>\$ 8,331,899</b>

See notes to schedule of federal awards and state financial assistance.

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**(CONTINUED)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

<u>State Agency/Pass-Through Grantor/Program Title</u>	<u>CSFA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total State Expenditures</u>
<b>Florida Housing Finance Corporation</b>				
State Housing Initiative Partnership Program	40.901	N/A	\$ -	\$ 140,105
<b>Total Florida Housing Finance Corporation</b>			<u>-</u>	<u>140,105</u>
<b>Florida Department of State - Division of Libraries and Information Services</b>				
State Aid to Libraries - (2020)	45.030	20-ST-32	-	5,761
State Aid to Libraries - (2021)	45.030	21-ST-32	-	4,865
State Aid to Libraries - (2022)	45.030	22-ST-32	-	25,533
<b>Total Florida Department of State - Division of Libraries and Information Services</b>			<u>-</u>	<u>36,159</u>
<b>Florida Department of Elder Affairs</b>				
Alliance for Aging - Meals for the Elderly	65.009	2020-2021 LSP-KL-2034	-	29,259
Alliance for Aging - Meals for the Elderly	65.009	2021-2022 LSP-KL-2134	1,303,338	1,303,338
Alliance for Aging - Meals for the Elderly	65.009	2022-2023 LSP-KL-2234	263,026	263,026
<b>Total Florida Department of Elder Affairs</b>			<u>1,566,384</u>	<u>1,595,623</u>
<b>Florida Department of Economic Opportunity</b>				
Florida Job Growth Infrastructure Grant	40.043	G0027	-	239,292
<b>Total Florida Department of Economic Opportunity</b>			<u>-</u>	<u>239,292</u>
<b>Florida Department of Transportation</b>				
County Incentive Grant Program ( CIGP) (Six New Buses)	55.008	G0650	-	315,296
County Incentive Grant Program ( CIGP) ( 3 Medium Duty Transit Buse)	55.008	G0Z93	-	1,050,000
County Incentive Grant Program ( CIGP) (FREEBEE)	55.012	G1T49	-	50,270
<b>Total Florida Department of Transportation</b>			<u>-</u>	<u>1,415,586</u>
<b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE</b>			<u>\$ 1,566,384</u>	<u>\$ 3,426,745</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE</b>			<u>\$ 5,061,157</u>	<u>\$ 11,758,644</u>

See notes to schedule of federal awards and state financial assistance.

**CITY OF HIALEAH, FLORIDA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the "Schedule") includes the federal and state grant activity of the City of Hialeah (the "City") for the fiscal year ended September 30, 2022. 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), and Chapter 10.550, Rules of the Auditor General. Because the Schedule presents only a selected portion of the operations of the City, it's not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the City.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for grants which are accounted for in the governmental fund types and on the accrual basis of accounting for grants which are accounted for in the proprietary fund types. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and the Rules of the Department of Financial Services, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

**NOTE 3 – INDIRECT COST RECOVERY**

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

**NOTE 4 – SUBRECIPIENTS**

The City provided federal awards to subrecipients as follows:

	Federal Assistance	
<u>Program Title</u>	<u>Listing Number</u>	<u>Provided</u>
Community Development Block Grant	14.218	\$ 1,130,531
Emergency Solutions Grant	14.231	\$ 2,364,262

The City provided state assistance projects to subrecipients as follows:

	State CSFA Number	<u>Provided</u>
<u>Program Title</u>		
Alliance for Aging - Meals for the Elderly	65.009	\$ 1,566,364

**NOTE 5 – CONTINGENCY**

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



**CITY OF HIALEAH, FLORIDA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

**PRIOR YEAR FINDINGS AND STATUS**

• **FINANCIAL STATEMENTS**

The following addresses the status of financial statement findings reported in the fiscal year ended September 30, 2021 schedule of findings and questioned costs.

Matters that are not repeated in the accompanying schedule of findings and questioned costs:

None

Matters that are repeated in the accompanying schedule of findings and questioned costs:

- 2015-02 Storm Water Fund Deficit (revised and repeated-originally reported as 2014-02)
- 2018-03 Internal Control over Benefit payments (revised and repeated)

• **FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

Matters that are not repeated in the accompanying schedule of findings and questioned costs:

- 2021-01 (not repeated)
- 2021-02 (not repeated)
- 2021-04 (not repeated)

• **STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS**

Matters that are not repeated in the accompanying schedule of findings and questioned costs:

- 2021-03 (not repeated)
- 2021-05 (not repeated)

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditors' report issued:

*Unmodified Opinion*

Internal control over financial reporting:

Material weakness(es) identified?

  X   yes        no

Significant deficiencies identified?

  X   yes        None reported

Non-compliance material to financial statements noted?

       yes   X   no

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?

       yes   X   no

Significant deficiencies identified?

       yes   X   None reported

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

*Unmodified Opinion*

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

       yes   X   no

Identification of major programs:

Federal Assistance

Listing Number

14.218

14.231

21.023

21.027

Name of Federal Awards Program or Cluster

Community Development Block Grant Cluster

Emergency Solutions Grants Program

Emergency Rental Assistance Fund

Coronavirus State and Local Fiscal Recovery Funds

**State Financial Assistance**

Internal control over major programs:

Material weakness(es) identified?

       yes   X   no

Significant deficiencies identified?

       yes   X   None reported

Type of auditors' report issued on compliance for major state projects:

*Unmodified Opinion*

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, Rules of the Auditor General?

       yes   X   no

Identification of major projects:

CSFA Number

65.009

55.008

State Project

Alliance for Aging – Meals for the Elderly

County Incentive Grant Program

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

Federal \$750,000

State \$750,000

Auditee qualified as low risk auditee for audit of federal awards programs?

       yes   X   no

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

**SECTION II - FINANCIAL STATEMENT FINDINGS**

**MATERIAL WEAKNESS**

**2018-03 Internal Control over Benefit Payments**

**Criteria**

Accurate calculation of benefit payments is crucial to ensure the proper use of Plan assets.

**Condition**

During the course of our benefit payment testing, we identified the following conditions:

- Certain participants were receiving a benefit that was overstated.
- The Plan has not recovered the temporary overstatements identified in the preceding bullet point.
- The average salary utilized for retirement calculations included pay periods that contained retroactive adjustments which would result in higher benefit payments.

**Cause**

Improper controls over the processing of benefit payments.

**Effect**

Benefit payments are potentially overstated resulting in improper use of Plan assets.

**Recommendation**

We recommend that a detailed review be performed of benefit payments to ensure accurate calculation. In addition, management should review the system report generated to provide the top pay periods utilized for benefit calculation as pay periods including additional compensation above regular salary should be adjusted to exclude the additional compensation.

During FY 2022, the above recommendation was implemented. However, we noted benefit payments for certain participants that were overstated in prior years and not corrected during the current year. We recommend that the City correct these miscalculations of benefit payments for prior retirees.

**View of responsible officials and planned corrective actions.**

The City of Hialeah Employees Retirement System Board of Trustees authorized a review of the final average compensation issues at their meeting on September 20, 2022. After review and discussion by the Board of Trustees, the Trustees determined at their November 15, 2022 meeting to resolve the outstanding issue. The Board voted that they would not seek recoupment of the overpayments, but would correct the overpayments on a prospective basis. The City did not have an issue with the manner in which this was resolved. The decision was based on economic issues involved, along with resolving potential claims by the affected members. Going forward, all average final compensation issues will be reviewed by Human Resources, and also by the system actuary where necessary.

**SIGNIFICANT DEFICIENCY**

**2015-02 Water and Sewer Utility Fund, Solid Waste Utility Fund, and Stormwater Utility Fund Unrestricted Net Position.**

**Criteria:**

Governments are required to maintain positive unrestricted fund net position.

**Condition:**

During our testing of the enterprise funds we noted that the Water and Sewer utility fund, Solid Waste utility fund, and the Stormwater utility fund reported negative unrestricted net position amounts of \$27,696,737, \$45,687,945, and \$440,430, respectively. However, the Solid Waste Utility Fund reported a positive change in net position during fiscal year 2022.

**CITY OF HIALEAH, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

**SIGNIFICANT DEFICIENCY (CONTINUED)**

**2015-02 Water and Sewer Utility Fund, Solid Waste Utility Fund, and Stormwater Utility Fund Unrestricted Net Position. (continued)**

**Cause:**

The deficits are a result of historical operating losses as well as continued investment in capital assets.

**Effect:**

The three enterprise funds' unrestricted net position are at a deficit and the City is required to submit a deficit elimination plan.

**Recommendation:**

We recommend that the City review its current rates for Water and Sewer utility, Solid Waste utility, and Stormwater utility funds to ensure the fees cover the costs of operations and reduce the deficit unrestricted net position while maintaining the quality of service. In addition, the department should develop a deficit elimination plan that is reviewed and approved by those charged with governance.

**View of Responsible Officials and Planned Corrective Actions:**

The City of Hialeah Water and Sewer Utility Fund has implemented the following actions in order to reduce its operating costs, hence its negative unrestricted net position.

- The Water and Sewer Utility Fund is currently working on the sewer lining program. This program will reduce and stabilize the sanitary sewer service fee paid to the County, which has grown over the past years due to water infiltration to the sewer systems.
- Payment in Lieu of Franchise fees was converted from an expense to the Water and Sewer Utility Fund, to a pass-through item on customer bills. This will reduce operating expenses by approximately \$3.0 million per year.
- During fiscal year 2022, the Reverse Osmosis Water Plant bonds were refinanced. This financial decision will save the Water and Sewer Utility Fund approximately \$600 thousand a year in debt-service costs.
- Lastly, the Water and Sewer Utility Fund will adjust rates to offset recent increases in operating costs.
- The Solid Waste Division has extended its existing solid waste collection and disposal contract agreements for up to ten years. This will ensure cost stability over the term of these agreements, which in turn will allow the City to continue to operate the fund at a surplus, consequently continuing to reduce its negative unrestricted net position.
- The Solid Waste Division will also pay off the remainder of the \$19.0 million loan to the Water and Sewer Fund during the 2023 fiscal year. This will reduce the associated interest expense.
- The City observed a significant reduction in its Other Post-Employment Benefits, due to Solid Waste Fund in a positive trend.

The Stormwater Utility Fund has been reducing its unrestricted negative net position over the past years and will continue to reduce its operating expenses without impacting the level of services to residents in order to eliminate the fund's negative unrestricted net position.



CABALLERO FIERMAN  
LLERENA · GARCIA LLP  
accountants | advisors

## **MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

Honorable Mayor and Members of the City Council  
City of Hialeah, Florida

### **Report on the Financial Statements**

We have audited the financial statements of the City of Hialeah, Florida (the "City"), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 9, 2023.

### **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 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 Each Major Federal Program and State Project 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 June 9, 2023, 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 two recommendations made in the preceding annual financial report that are being repeated. Item 2018-03 and item 2015-02 (originally reported in 2014) have been revised and repeated. There were five recommendations made in the preceding annual financial report that are not being repeated. Items 2021-01, 2021-02, 2021-03, 2021-04 and 2021-05 are not repeated.

### **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 is disclosed in Note 1 of the City's financial statements.

### **Financial Condition and Management**

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

### **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 City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. This assessment was done 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 note 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 State awarding agencies, the Mayor, Members of the City Council and management of the City 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  
June 9, 2023



CABALLERO FIERMAN  
LLERENA · GARCIA LLP  
accountants | advisors

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH THE  
REQUIREMENTS OF SECTION 218.415 FLORIDA STATUTES**

Honorable Mayor and Members of the City Council  
City of Hialeah, Florida

We have examined the City of Hialeah (the "City"), Florida, compliance with the requirements of Section 218.415 Florida Statutes during the period of October 1, 2021 to September 30, 2022. Management of the City is responsible for the City's compliance with those specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with specified requirements. In our opinion, the City complied, in all material respects, with the requirements of Section 218.415 Florida Statutes during the period of October 1, 2021 to September 30, 2022.

This report is intended solely for the information and use of management, the Mayor, the City Council, others within the City 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*

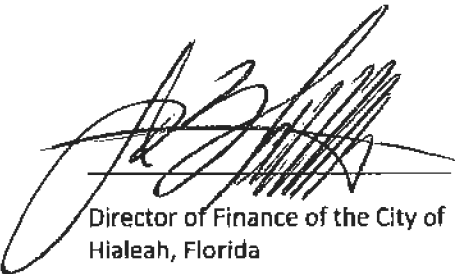
Caballero Fierman Llerena & Garcia, LLP  
Miami, Florida  
June 9, 2023

# IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Jorge Blanco, who being duly sworn, deposes and says on oath that

1. I am the Director of Finance of the City of Hialeah, Florida, which is a local governmental entity of the State of Florida;
2. The City of Hialeah, Florida adopted (Ordinance No. 2021-059 and 2007-24) implementing an impact fee; and
3. To my knowledge, the City of Hialeah, Florida has complied and as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

  
Director of Finance of the City of  
Hialeah, Florida

STATE OF FLORIDA

COUNTY OF MIAMI-DADE

SWORN TO AND SUBSCRIBED before me this 12 day of June, 2023.

  
NOTARY PUBLIC



Print Name Johanna Ramos

Personally known ✓ or produced identification \_\_\_\_\_

Type of identification produced: \_\_\_\_\_

My commission Expires:

September 24, 2026



