

FOR THE FISCAL YEAR
ENDED SEPTEMBER 30,

2022



ANNUAL
COMPREHENSIVE
FINANCIAL
REPORT

CITY OF MIAMI GARDENS, FLORIDA



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City of Miami Gardens, Florida

Annual Comprehensive Financial Report

For the Fiscal Year Ended
September 30, 2022



PREPARED BY:
THE FINANCE DEPARTMENT



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Introductory Section

Annual Comprehensive Financial Report 2022



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City of Miami Gardens

March 31, 2022

To the Citizens of the City of Miami Gardens, Florida:

It is our pleasure to submit the **Annual Comprehensive Financial Report** for the City of Miami Gardens, Florida, for the fiscal year ended September 30, 2022, pursuant to Section 218.39 of the Florida Statutes, Chapter 10.550 of the Rules of the Auditor General of the State of Florida, and the City Charter. 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 responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

The financial statements have been audited by Anthony Brunson P.A. Certified Public Accountants. The independent auditor has issued an unmodified opinion and this report fairly represents the financial position of the City in conformity with GAAP. The independent audit of the financial statements of the City of Miami Gardens was part of a broader, Federal and State mandated "Single Audit" designed to meet the special needs of Federal and State grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the City's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards.

The contents of the report have been influenced by compliance with GASB pronouncements, including GASB 68 Accounting and Financial Reporting of Pension, GASB 75 Accounting and Financial Reporting for Postemployment Benefits other than Pensions, GASB 87 Leases, and Statement 34 Requiring the Preparation of Government-wide Financial Statements on a Full Accrual Basis of Accounting for All Funds, as well as Management's Discussion and Analysis. The MD&A can be found immediately following the independent auditors' report.

Profile of the Government

The City was incorporated May 13, 2003, under the Charter and Laws of Miami-Dade County (the "County"), and is the County's third (3rd) largest municipality behind the Cities of Miami and Hialeah. The City operates under a Mayor-Council-Manager form of government. The City Council is composed of the Mayor and six (6) other Council Members who are responsible for enacting ordinances, resolutions and regulations governing the City as well as appointing the members of the various advisory boards. Additionally, Council appoints the City Manager, the City Attorney and the City Clerk upon the recommendation of the Mayor. As Chief Administrative Officer, the City Manager is responsible for enforcement of laws and ordinances and appoints and supervises the Department Directors of the City.

In addition to providing residents with public safety, general government, parks and public works services, the City provides recreation facilities and community development programs to its residents.

The annual budget serves as the foundation for the City's financial planning and control. All Departments of the City are required to submit proposed budgets to the City Manager, who then makes any necessary revisions. The City Manager then presents to the City Council for their review, a budget estimate of the expenditures and revenues of all the City's Departments and Divisions. Two (2) public hearings are then conducted to inform the taxpayers of the proposed budget, to receive their comments, and respond to their questions on the proposed budget. A majority

affirmative vote of the quorum is needed to adopt the budget, which is legally enacted prior to October 1st by the passage of an Ordinance. Section 4.5 of the City Charter provides the Council must adopt the budget by Ordinance. The City's budget is approved at the fund level. The City Manager may adjust the adopted budget for adjustments within a fund. The City Council must approve all other budget amendments as well as supplemental appropriations with the exception of grant revenues and debt proceeds, which can be amended by the City Manager. Budget to actual comparisons are provided in this report for the City's General Fund (page 71), Transportation Fund (page 72), Capital Projects Fund (page 85), Grants Fund (page 86), Special Revenue Funds: State Housing Initiatives Partnership (SHIP), Community Development Block Grant Fund (CDBG), Development Service Fund, Law Enforcement Trust Fund, Impact Fees, Brick Paver and Special Taxing District (page 91-96), Debt Service Fund (page 87) and Community Redevelopment Fund (page 97).

Financial Information

Accounting Control

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

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

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

Budgetary Controls

The budgetary control adopted by the City of Miami Gardens includes a legally adopted budget by the Council for the General Fund, Capital Projects Fund, Development Services Fund, Community Development Block Grant Fund, Transportation Fund, Stormwater Fund, Impact Fees Funds and Debt Service Fund. Without Council's approval, expenditures may not exceed appropriation at a Fund level.

Administrative budget transfers may occur upon approval of the City Manager or his/her designee within the fund level. The City Manager has the authority to increase the budget based on receipt of grants and issuance of any financing approved by the Council.

Economic Condition and Outlook

Limits On Tax Base Growth

Under Florida's Constitution, residential properties are owner-occupied and have a homestead exemption limited to the Consumer Price Index increase or 3% whichever is less. The effect of this limitation burdens the City's tax base by exempting from taxation large portions of residential property value. The City has the ability to tax property up to 10 mills, \$10 for each \$1,000 of taxable value. It is not anticipated the City will reach the tax rate cap anytime soon.

In January 2008, Amendment One to the State Constitution, also known as “Portability of Save Our Homes” was passed through a statewide referendum. This amendment provided an additional \$25,000 homestead exemption, a \$25,000 tax exemption for tangible personal property and portability whenever the property is sold. The new exemption negatively impacts the City by reducing its property tax base. Moreover, effective with the City’s FY 2008 budget, the Florida Legislature has modified its roll-back requirement. This change will require the City to “roll-back” its tax rate each year to a rate that will produce the same property tax revenue as for the prior year plus the change in per capita personal income. The City Council can vote with a super majority to increase the amount, but ultimately the legislation will limit the ability of the City to increase its revenues from property taxes.

The City’s property value in FY 2022 increased by 7.1% over the FY 2021 final taxable value. The Council adopted the same millage rate as FY 2021 at mills that has remained unchanged over the last nine (9) years, generating \$2.5M additional revenue.

Economic Conditions

The City in its 19th year continues to experience significant economic growth, although, in FY 2022 the City is still recovering from the COVID-19 crisis that affected the economy. The City’s major challenges are to provide the essential infrastructure and services needed to maintain 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 biggest challenge facing the City in coming years is the inflation on the overall economy, such as large increases in prices of food and fuel causing an increase in the financial hardships of many of our residents. These challenges have a negative impact on our citizens, businesses and City operations.

The City is strategically located between the Miami and Fort Lauderdale markets and is at the crossroads of the area’s major traffic ways. Due to its proximity, the City receives constant interest from businesses looking for ideal development opportunities. In FY 2022, the City had both public and private development projects including several General Obligation Bond (GOB) projects that continue to progress successfully. The following private development projects were completed in FY 2022: Vista Lago a 605,084 SF multi-family residential development with a combination of one-hundred thirteen (113) townhome units, one-hundred twenty (120) condominium units and one-hundred sixty-eight (168) apartment units; the Oaks Enclave provides roughly four-hundred twenty (420) market rate rental units along the Palmetto Expressway across several modern design towers; a 130,501 sq. ft. self-storage facility at Gardens Promenade shopping center; three (3) new communities, Walden Place I and Walden Place II a one-hundred sixty-one (161) unit townhome development and Majorca Estates with fifty-one (51) single family homes; WAWA gas station and convenience store within the Gardens Promenade Shopping Center.

Aside from the projects already completed and contributing to the tax roll, as mentioned previously, the City continues to see increased interest and commitment for further development and expects to see continued growth in taxable value over the next several years. The following projects are in various stages of development and are expected to be completed within the next couple of years. Hiram Village is a \$2.4 million project multi-family, two (2) story development with twenty-two (22) units consisting of 2-bedrooms and 2.5 baths; building permits were issued and construction is expected to be completed by the end of 2023. Chen Medical Center is a \$4.7 million project, 47,176 SF facility; construction is currently underway transforming the former UAIC parking lot into a four (4) story facility bringing both construction jobs and permanent job opportunities to the City. Gateway Apartments is a \$36.5M project. It is a multi-family complex that will consist of 341 units spanning ten (10) residential buildings; permits have been approved and site work currently is underway. Village Shops at Stadium Corners includes an 8,801 SF, \$2M project that will boast seven (7) retail storefronts with bays ideal for small business that are expected to be completed in 2023. Cold Storage Warehouse (\$5.1M project) a 44,967 SF facility will include office space, shipping area, ventilated warehouse, 8-door loading dock and refrigerated warehouse space, is expected to provide 25 permanent jobs. Bridge Point Commerce Center Phase II (\$50M project) is a 2 million SF new high-cube Class A warehouse distribution facility that complements the existing Bridge Point Commerce Center East development; permits have been issued and Phase II construction is expected to begin in 2023. Other developments include a new two (2) story 42,842 SF FPL Customer Service Center with an adjacent one-story 1,029 SF equipment storage area. The customer service center was completed in FY 2022 and the equipment storage facility will be completed in FY 2023. The 17,000 SF Baptist Health Medical Office Building is expected to be completed in the summer of FY 2023. Pollo Campero, a 2,349 SF eat-in restaurant with outdoor dining, is pending a construction start date. An expansion project of 6,500 SF has begun for El Dorado Furniture and an expansion project of an additional 25,000 SF has been completed at Home Depot.

Project	COST (M) Million	Description	Square Footage	Number of Units	Status
Vista Lago		multi-family residential development	605,084	113 Townhomes, 120 Condominiums, 168 apartments	Completed in FY 2022
Oaks Enclave		multi-family residential development		420 market rate rental units	Completed in FY 2022
Gardens Promenade Shopping Center		Self-storage Facility	130,501		Completed in FY 2022
Walden Place I & Walden Place II		multi-family residential development		161 townhomes	Completed in FY 2022
Majorca Estates		multi-family residential development		51 single family homes	Completed in FY 2022
WAWA Gas Station & Convenience Store		Retail	750,000		Completed in FY 2022
Miami Open at the Hard Rock Stadium		supported the FY 2020 tennis opening, as well as, future tennis opens over a thirty (30) year deal through 2050	80,000		Completed in FY 2022
Home Depot		Retail	25,000		Completed in FY 2022
Chipotle		Restaurant	2,479		Completed in FY 2022
Hiram Village	\$2.4 M	multi-family two (2) story development with twenty-two (22) units consisting of 2-bedrooms and 2.5 baths	22,968	22 Units 2 Bedroom/2.5Bath	Projected completion 2023
Chen Medical Center	\$4.7 M	four (4) story medical facility	47,176	four (4) story facility	Projected completion 2023
Village Shops at Stadium Corners	\$2.0 M	Retail storefronts with bays ideal for small business	8,801	seven (7) retail storefronts	Projected completion 2023
FPL Customer Service Center		Two (2) story customer service center and equipment storage area	43,871		Projected completion 2023
Baptist Health Medical Office Building		Medical center	17,000		Projected completion 2023
El Dorado		Retail	6,500		Projected completion 2023
Valvoline		Auto Service	2,141	Quick lube service station	Projected completion 2023
Gateway Apartments	\$36.5 M	multi-family complex spanning ten (10) residential bldgs		341 units	Projected completion 2024
Cold Storage Warehouse	\$5.1 M	Facility will include office space, shipping area, ventilated warehouse, 8-door loading dock and refrigerated warehouse space	44,967		Projected completion 2024
Bridge Point Commerce Center Phase II	\$50.0 M	New high-cube Class A warehouse distribution facility that complements the existing Bridge Point Commerce Center East development	2,000,000		Projected completion 2024
Pollo Campero		Restaurant pending construction start date	2,349		Projected completion 2024

In 2006, the City of Miami Gardens became eligible to receive federal funding from the Department of Housing and Urban Development (HUD). The sole purpose of the Community Development Block Grant (CDBG) Program is to create decent housing, a suitable living environment and economic opportunities for the City's low-income residents, neighborhoods and businesses. Now in its 16th year, the City has received over \$18.7 million in CDBG funds. To date, three hundred seventy-five (375) homes have been rehabilitated, thirty-nine (39) first-time homeowners received homeownership assistance, six (6) neighborhood drainage, and ten (10) park improvement projects have been completed. In FY 2022, eight (8) additional non-profit organizations have been funded to provide public service

programs to residents, and six (6) full-time and twenty-five (25) part-time jobs have been created from financial assistance to eight (8) businesses. Additionally, in 2009 the City received \$6.8 million from the Neighborhood Stabilization Program Round 1 (NSP1) to purchase abandoned and foreclosed homes in an effort to stabilize neighborhoods that were on a decline due to the foreclosure crisis. To date, the City has purchased seventy-four (74) homes; seventy-two (72) of these homes have been completely renovated and sold to first-time homeowners. The sale of the seventy-two (72) homes has generated over \$5.8 million in program income that is reinvested back into the community for the continuation of the program. In addition, with collaborative public-private partnerships the City utilized NSP3 funds to develop twenty-four (24) units of elderly rental housing and are in the early stages of developing approximately three hundred (300) units of workforce housing to support the continued attraction of growing, working class families.

Personnel Costs

The cost of attracting and keeping experienced and competent personnel in South Florida has dramatically increased over the last two (2) decades, but even more so over the last 2 years since the COVID pandemic. The City has to compete with the roughly ninety (90) other municipalities existing in Miami-Dade, Broward and Palm Beach Counties. The level and amount of benefits offered to employees in this market is substantial and the employer contributions for these benefits are typically very high. As the City expands its services, it faces continual pressure in maintaining these costs. Costs for insurance and retirement are expected to continue to climb. The City is a member of the State of Florida Retirement System (FRS). The City has three (3) labor unions, the Teamsters Union, the Federation of Public Employees (FPE) and the Police Benevolent Association (PBA). In FY 2022, members of the Teamsters Union received a 2% salary adjustment, members of the FPE Union received a 3% salary adjustment, members of the PBA Union received a 4% salary adjustment in addition to an annual 4% step increase, and the General employees received a 4% salary adjustment. Members in FPE and Teamsters unions, based on performance evaluations, are eligible for merit lump sum bonuses and merit days off, while General employees receive merit days off.

Long Term Financial Planning

Financial planning continues to be of paramount importance to the City as we strive to meet the challenges of both the immediate and the foreseeable future. Major projects undertaken by the City have long term financial implications for existing as well as future resources, including but not limited to, existing use of revenues received for operational and future reserve needs. The planning and decisions undertaken by the City are always weighed in the context of the financial burden that will be placed on both current and prospective residents, as well as the potential economic and environmental impacts.

Strategic goals and objectives are constantly being reviewed by the City in light of the various economic challenges that arise. As the City grows and develops, the long-term strategic goals are focused on the health, welfare, safety and quality of life for our residents, as well as the fiscal health of the City government. Since its incorporation in 2003, the City Council has developed and adopted four (4) strategic plans. The fourth revision was completed in April of 2013. The City of Miami Gardens worked with several key stakeholders to develop its Strategic Management Plan. As a result, this multi-year plan accurately identifies the City's overarching goals and provides the blueprint for accomplishing them. Central to the document is the identification of the City's Key Focus Areas. These focus areas have been identified as:

- Public Safety
- Economic Vibrancy
- Culture, Arts, Recreation and Education

Successful execution of the objectives associated with these Key Focus Areas will allow the City to align its efforts and resources to accomplish its goals and improve the quality of life for the residents of Miami Gardens. During FY 2023-2024, the City will be working on a new strategic plan to better assist the Administration in attaining the growth and development goals of City residents and businesses. Additionally, the new strategic planning effort will establish a plan to ensure continued fiscal stability in light of potential changes to State law.

Over the last few years, the City has worked on developing its annual budget tactically reaching its goal of building up the unassigned reserve of the general fund balance to 25% or greater of the annual general fund expenditures. This would ensure the availability of sufficient funds for future unexpected events. Several current and past events have assisted the City in reaching its goal. **For the fiscal year ended September 30, 2022 the unassigned fund balance that can be used at the City's discretion in the General Fund is \$45,127,562 which is 48.1% of FY 2022 operating expenses.**

In 2009, the City purchased two (2) economic development properties, the first property is fifteen (15) acres and the other is forty (40) acres. At the end of September 2017, the City completed sale of the fifteen (15) acres and used the proceeds to pay off the loan in FY 2018. The City negotiated the sale for thirty-five (35) acres of the forty (40) acre parcel and will retain five (5) acres for its own usage. The sale was finalized in FY 2020 and the City paid off the loan and deposited the gain on the sale of the property in fund balance. In FY 2022, the City purchased vacant land for future economic development and has negotiated the sale of another City-owned property. The final sale should take place during FY 2023.

Major Initiatives

The City continues to improve the roads, sidewalks, and stormwater drainage as part of road improvement projects with funding provided from the Citizens Independent Transportation Trust (CITT) proceeds, the Stormwater Fund, as well as grants. Through FY 2022, the City has completed six (6) of seven (7) Vista Verde Livable Neighborhood drainage projects. The City closed out the Hard Rock Bridge and Tunnels project which was valued at \$17.9 million. Other projects in progress or beginning in FY 2023 include, the continuance of road milling and resurfacing, and sidewalk repairs/replacement from NW 17-27 Avenue between NW 167-183 Street; design and permitting for the widening of NW 7 Avenue from NW 183 Street to NW 7 Avenue Extension (SR 826); road milling and resurfacing, sidewalk and ADA improvements from NW 27 Avenue to NW 42 Avenue and from NW 183 Street to NW 191 Street; as well as other various sidewalk stand-alone projects. In addition, the City updated the Stormwater Master Plan to minimize flooding through drainage projects, as well as continuing updating and increasing our drainage inventory.

The City completed two (2) General Obligation (GOB) funded projects in FY 2022; Andover Park, a 2.8 acre site with various outdoor improvements including a butterfly garden and Cloverleaf Park which included the development of a 1,500 SF recreation center and approximately 1.5 acres of site improvements. The ribbon cutting for these projects were held on June 8, 2022 and May 11, 2022 respectively. In FY 2023, the City anticipates completion of Dr. Lester Brown Park which held its groundbreaking on January 18, 2022. Also, projected to be completed in FY 2023 is the renovation of the Betty T. Ferguson Community Center Natatorium and Bennett Lifter Park. The Rolling Oaks Park and Risco Park design stage were finalized, and construction is projected for completion in FY 2024 and FY 2025, respectively. Additionally, the City began the design phase to Scott Park and Brentwood Park with an expected completion to be in FY 2024/2025.

The Miami Gardens Police Department's Real Time Crime Center (RTCC) uses a mesh of state-of-the-art technology, i.e. video surveillance cameras, automatic license plate readers, and crime analytics to help combat crime in real time. The RTCC is staffed with a mix of crime analysts and sworn personnel who specialize in collecting, analyzing and utilizing intelligence tools to enhance operational effectiveness. The RTCC was developed with the goal of enhancing the safety of residents, employees, and visitors. The project has been an ongoing effort over the past few years. This year the Police Department completed installation of HD cameras at the Senior Family Center in addition to seven (7) new fixed license plate readers deployed at several key intersections.

As Public Safety Technology continues to evolve, the number of virtual eyes in the area can be increased; the RTCC project will never reach completion, as we will continue to grow and be ahead of the innovation curve to supply enhanced safety to everyone within the City. As an example, the Police Department has contracted with a vendor and started the development of an incident management system. The system will aggregate the different technological assets within the City and automate the virtual response to an incident, as it is being dispatched to the officers on the street. The RTCC has started a migration to a new video management system that will have the capability to ingest a greater number of cameras deployed throughout the City while managing the video recordings and monitoring the live feeds.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Miami Gardens for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2021. This was the City's Fourteenth (14th) year of receiving this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one (1) year only. We believe our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for the certificate.

The City received the Distinguished Budget Presentation Award for its FY 2022 budget, adding to a total of seventeen (17) awards.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department; we wish to express our appreciation to them.

Finally, we would like to thank the various operating Departments for their timely contributions in the writing of this report.

In closing, without the leadership and support of the Mayor and City Council, the accomplishments and anticipated future successes noted in this report would not have been possible.



Cameron D. Benson
City Manager



Mirtha Dziedzic, CGFO
Finance Director



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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Miami Gardens
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

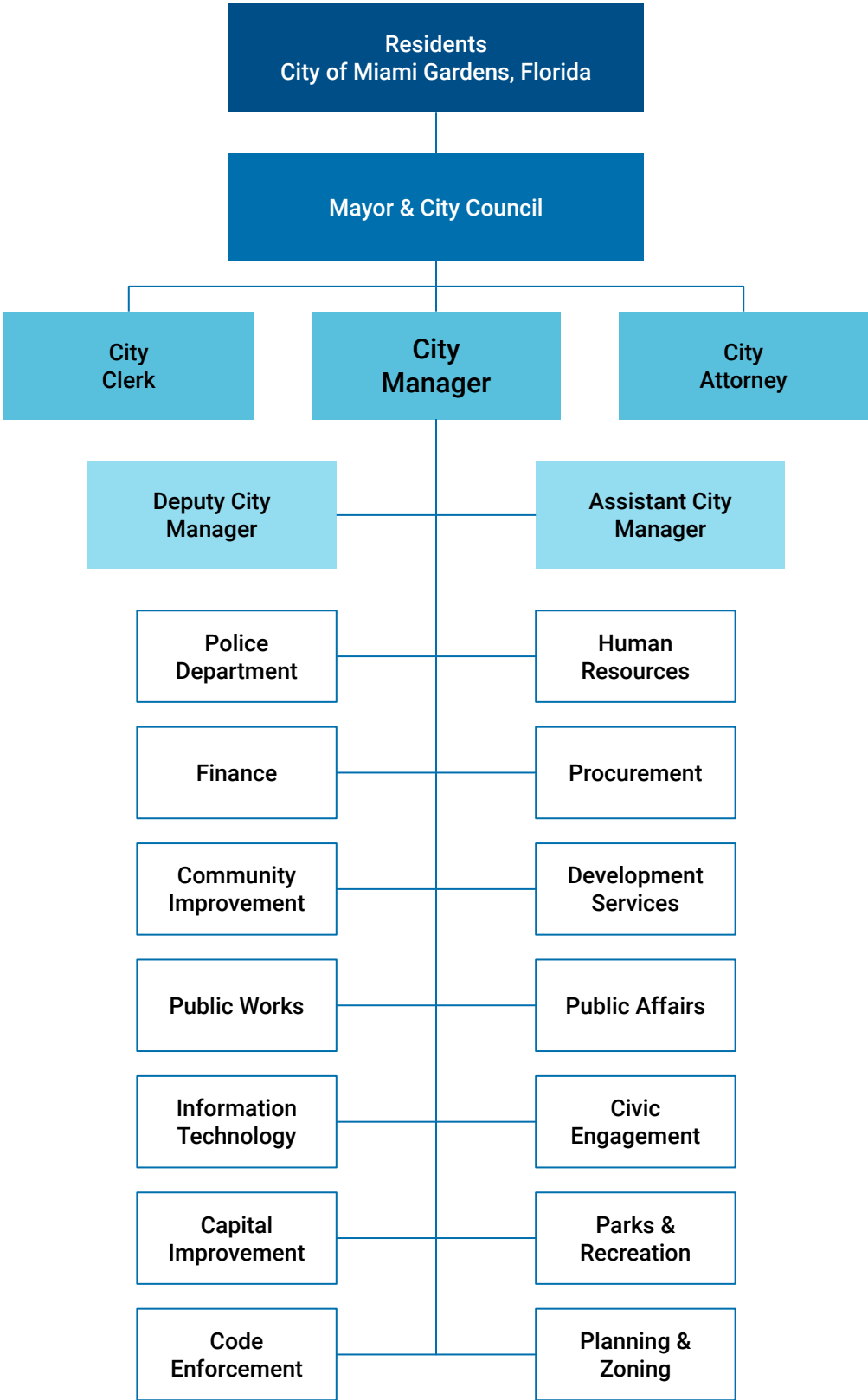
Christopher P. Morill

Executive Director/CEO



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Organizational Chart





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City Officials

For the Fiscal Year Ended

September 30, 2022

City Council

Rodney Harris, Mayor

Reginald Leon, Vice Mayor

Shannon Campbell, Council Member

Katrina Wilson, Council Member

Robert Stephens III, Council Member

Shannan Ighodaro, Council Member

Linda Julien, Council Member

City Manager

Cameron D. Benson

City Clerk

Mario Bataille, CMC

City Attorney

Sonja K. Dickens, Esq.

Finance Director

Mirtha Dziedzic, CGFO

City Auditors

Anthony Brunson P.A.

Certified Public Accountants and Business Advisors



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Financial Section

Annual Comprehensive Financial Report 2022



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Report of Independent Certified Public Accountants

Annual Comprehensive Financial Report 2022



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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
City of Miami Gardens, 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 Miami Gardens, Florida (the City) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the entity'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 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 Auditor's 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.

Emphasis of a Matter

As discussed in Note 1 to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) No. 87, *Leases* as of October 1, 2021. As a result, beginning right to use asset and lease liability were restated. Our opinions are not modified with respect to this matter.

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.

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Miramar, FL 33027
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CLIENT FOCUSED: SOLUTION DRIVEN

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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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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, budgetary comparison information and other post-employment benefits and pension related schedules as listed in the table of contents 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, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 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 comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's 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 29, 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 the City's internal control over financial reporting and compliance.



Miami, Florida
June 29, 2023



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Management's Discussion and Analysis

Annual Comprehensive Financial Report 2022



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Management's Discussion and Analysis

As management of the City of Miami Gardens, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for fiscal year ended September 30, 2022. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, the City's financial statements and the other required supplemental information.

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

Financial Highlights

The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of fiscal year 2022 by \$267,878,642 (Net Position).

As of September 30, 2022, the total Net Position increased by \$16.4 million. Of this amount, approximately \$15.1 million increase took place in the governmental activities and the business-type activities increased \$1.4 million.

The City's net position in the governmental-type activities was \$245.1 million. Of this amount, the unrestricted net position deficit totaled \$11.4 million which decreased by \$8.4 million when compared to prior year due mostly to the effect of an increase in Net Pension Liability of \$42.2 million and a decrease of \$39.6 million in Deferred Inflows of Pensions.

At the close of fiscal year 2022, the City's governmental funds reported a combined ending fund balance of \$138.8 million; an increase of \$12.2 million, in comparison with the prior year. This increase is primarily attributed to the net results of an increase in fund balance of \$9.0 million in the General Fund, a decrease of \$2.9 million in the Capital Projects Fund, \$0.9 million in the Transportation Fund and an increase in Non-major Funds of \$5.2 million. Approximately \$45.1 million of the total fund balance is unassigned fund balance available for spending at the City's discretion.

The General Fund reported an operating surplus of \$914,730 for fiscal year 2022, before transfers and other financing sources, \$8,998,722 more than budgeted in the General Fund. After inter-fund transfers and other financing sources, the General Fund generated a net increase of \$8,998,722. This increase is mainly attributable to recognition of revenue recovery proceeds from the State and Local Fiscal Recovery Funds offset by a decrease in recognition of the market value in city investments and the impact of adopting GASB 87 leases. **The General Fund unassigned fund balance is \$45.1 million, representing 48.1% of General Fund FY 2023 budgeted expenditures.**

For the City's business-type activities, the City experienced operating income of \$2.4 million. After non-operating revenues and expenses, inter-fund transfers and capital contributions, this fund generated an increase in Net Position of \$1.4 million.

The City's total debt decreased by approximately \$9.2 million resulting mainly from the payoff of two debt obligations, the City-wide depreciation and amortization expenses recorded during the year amounted to \$21,008,638, and the total net investment in capital assets was \$234,058,916 at year-end.

City Achievements

Fiscal year 2022 the City was awarded \$1,000,000 to construct the continuation of Blueway Trail from Risco Park to Betty T. Ferguson Community Center through Florida Department of Transportation (FDOT), that is expected to begin in FY 2024. This year design will commence after preliminary conversations with FDOT and Miami-Dade County since the trail will be constructed on County Right-of-Way. The Sidewalk, Road Resurfacing and Pavement Preservation Projects completed through each community to repair and construct new sidewalks with ADA (American Disability Act), also resurfacing and pavement preservation on older roads to increase lifespan. To date, the City has completed 6 of the 7 phases of the Vista Verde Community Road and Drainage Improvement Projects to increase existing or

add new drainage systems and then re-surfacing the road(s). The City completed a road resurfacing, sidewalk and ADA Improvements project NW 17-27 Avenue and from NW 203 – 207 Street (Lake Lucerne Community).

All eighteen (18) projects included in the Bond Implementation Plan are in some form of development and/or completion. As of fiscal year end, the following projects/components of projects have been completed: Dr. Lester Brown Park Outdoor Fitness Station, March 2015; Brentwood Pool Outdoor Fitness Station, February 2016; Showmobile, March 2016; Real Time Crime Center Video Wall, August 2016; Betty T. Ferguson Recreational Complex Gymnasium Flooring Upgrade, June 2017; Betty T. Ferguson (BTF) Recreational Complex Parking Lot Light Upgrade, December 2017; Bunche Park Pool Improvements, March 2018; BTF Recreation Center exterior/interior improvements: Turf & Track Replacement, November 2018, Scoreboard, September 2019 and Select Demolition Natorium, April 2019; Lester Brown Park New Playground and Shade Fabric, August 2019; North Dade Optimist Park Shaded Home Side Bleachers, November 2018 & Visitor Side Bleachers and Scoreboard, September 2019; Buccaneer Park, December 2018; Demolitions: 15880 NW 27th Avenue (June 2019), 1798 NW 183rd Street (June 2019), 2775 NW 183rd Street (August 2019). The City in FY 2020 completed the Norwood Park project in December 2019; Bunche Park was completed May 2021 and Senior Family Center was completed July 2021. The ribbon cutting for Cloverleaf Park was May 2022 and Andover Park officially opened June 2022. Risco Park, Bennett Lifter Park, Rolling Oaks Park, Lester Brown Park, BTF Natorium are in progress and have an expected completion between FY 2023-2025. Additionally, improvements to Betty T Ferguson Recreational Complex began in FY 2021 and is slated for completion in FY 2023.

The Miami Gardens Police Department's Real Time Crime Center (RTCC) has utilized UASI 2020 monies to expand covert capabilities. We have purchased a vehicle used to provide covert services to include video, drone and human surveillance. Point to Point networking hardware purchases will allow CCTV video and data to be sent to the RTCC live as it is happening, providing for better command and control. The police department has added several new assets to increase strategic operations: three (3) new LPR trailers allowing for rapid deployment of surveillance and vehicle tracking assets, two (2) new covert CCTV systems that will allow for close in monitoring of targeted locations or person, GPS trackers and software for covert tracking of persons of interest, and computer equipment to take advantage of the new capabilities and to allow for remote administration of the systems. Since the new assets have been added the RTCC has migrated to a new video management system for recording and monitoring current and new assets.

The Miami Gardens Police Department's Real Time Crime Center (RTCC) has continued their expansion of the closed-circuit television security camera deployment to several key City facilities. These include the newly opened Andover and Cloverleaf parks. With the continued expansion of public safety technology utilized within the RTCC, the Department has contracted with a vendor and started the development of an incident management system. The system will aggregate the different technological assets within the city and automate the virtual response to an incident, as the incident is being dispatched to the Officers on the street. The RTCC has also started a migration to a new video management system that will have the capability to ingest a greater number of cameras deployed throughout the city while managing the video recordings and monitoring. As Public Safety Technology continues to evolve, the number of virtual eyes in the area can always be increased; the RTCC project will never really reach completion, as we will continue to grow and be ahead of the innovation curve to supply enhanced safety to everyone within the city. We are continuing to update the system with a more robust video management system and a center command software to increase efficiency. With new software and systems, we are looking to increase personnel to allow us to become more proactive instead of reactive.

The City's Community Development Department has been tasked with establishing and implementing programs that create decent housing, a suitable living environment, and economic opportunities for the City's low-income residents, neighborhoods, and businesses. Now in its 16th year, the City has received over \$18.7 million in Community Development Block Grant (CDBG) funds. To date, three hundred seventy-five (375) homes have been rehabilitated; thirty-nine (39) first-time homeowners received down payment assistance; six (6) neighborhood drainage and ten (10) park improvement projects have been completed; eight (8) additional non-profit organizations have been funded to provide public service programs to residents, six (6) full-time and twenty-five (25) part-time jobs have been created from financial assistance to eight (8) businesses. Additionally, in 2009 the City was awarded \$6.8 million from the Neighborhood Stabilization Program (NSP) to purchase abandoned and foreclosed homes in an effort to stabilize

Management's Discussion and Analysis

neighborhoods that were on the decline due to the foreclosure crisis. To date, the City has purchased seventy-four (74) homes; seventy-two (72) of these homes have been completely renovated and sold. The sale of the seventy-two (72) homes has generated over \$5.8 million in program income that is being reinvested back into the program. The Department also received an additional Neighborhood Stabilization Program Grant (NSP3) in 2011 for \$1,940,337, which helped to purchase five (5) homes, rehabilitate three (3) and reconstruct two (2). Additionally, twenty-four (24) units of elderly rental housing were developed in 2017 due to a public/private partnership utilizing NSP3 funds.

The Community Development Department is a completely grant-funded operation, and as a result continues to pursue increased funding for the City from a variety of sources. Since its inception in 2006, the Community Development Department has leveraged over \$30 million in multiple grant funding sources to invest into the community, serving more than 3,000 people, nearly 10,000 households, 62 businesses for an overall community benefit that is immeasurable.

Grant funds were provided in FY 2022 to Community Development Block Grant (CDBG) for a total of \$1,085,063 that will be utilized over 5-years to assist with infrastructure improvements, minor rehab, and park facilities.

Overview of Financial Statements

This annual report consists of four parts – management's discussion and analysis (this section), the *basic financial statements, required supplementary information* and an additional section that presents *combining statements* for non-major governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are *government-wide financial statements* that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
- The *governmental funds statements* show how general government services, such as public safety, was financed in the short term as well as what remains for future spending.

The financial statements include notes explaining some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* which further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and are related to one another.

In addition to these required elements, we have included a section with combining statements that provide details about our non-major governmental funds, each of which is added together and presented in a single column in the basic financial statements.

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

The *Statement of Net Position* includes assets plus deferred outflows of resources, and liabilities, less deferred inflows of resources, both short and long term. Over time, increases or decreases in Net Position may serve as a useful indicator of whether the financial position of the City of Miami Gardens 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 leave).

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 a significant portion of their costs through user fees and charges (*business-type activities*). The government activities of the City of Miami Gardens include Public Works, Parks and Recreation, Police, and general administration

services. The blended component unit, although legally separate, functions for all practical purposes as departments of the City, and therefore have been included as an integral part of the primary government. The City has one business-type activity, the Stormwater fund.

The government-wide financial statements can be found on pages 23 and 24 of this report.

Fund financial statements. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City of Miami Gardens, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Miami Gardens can be divided into two categories: governmental funds and proprietary 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 governmentwide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City of Miami Gardens maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Capital Projects Fund, the Transportation Fund, Grant Fund and the Debt Service Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. Budgetary comparison statements have been provided for the General Fund and all other major and non-major special revenue funds to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 25 to 27 of this report.

Proprietary funds. The City maintains one type of proprietary fund. *Proprietary 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 Stormwater operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide information for the Stormwater operations, which is considered to be a major fund of the City.

The basic proprietary fund financial statements can be found on pages 28 to 30 of this report.

Notes to the financial statements. The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33 to 68 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information.

Required supplementary information can be found on pages 71 to 80 of this report.

The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information under The Other Supplementary Information that includes combining and individual fund statements and schedules found on pages 85 to 97 of this report.

Management's Discussion and Analysis

Government-Wide Financial Analysis

Summary of Net Position. As noted earlier, Net Position may serve over time as a useful indicator of a government's financial position. There are six basic transactions that will affect the comparability of the Statement of Net Position summary presentation as reflected below:

- 1) **Net results of activities** will impact (increase/decrease) current assets and unrestricted Net Position.
- 2) **Borrowing for capital** will increase current assets and long-term debt.
- 3) **Spending borrowed proceeds on new capital** will reduce current assets and increase capital assets. There is a second impact, an increase in invested capital assets and an increase in related net debt which will not change the net investment in capital assets.
- 4) **Spending of non-borrowed current assets on new capital** will reduce current assets and increase capital assets and will reduce unrestricted Net Position and net investment in capital assets.
- 5) **Principal payment on debt** will reduce current assets and reduce long-term debt and reduce unrestricted Net Position and increase net investment in capital assets.
- 6) **Reduction of capital assets through depreciation** will reduce capital assets and net investment in capital assets.

Changes in Net Position

The following schedule is a summary of the fiscal year 2022 Statement of Net Position with comparative information for fiscal year 2021. This schedule, which presents Net Position, is one way to measure the City's financial health or position:

City of Miami Gardens's Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 159,606,664	\$ 149,487,777	\$ 10,150,029	\$ 9,271,349	\$ 169,756,693	\$ 158,759,126
Capital assets	293,384,374	295,195,646	17,831,708	17,523,392	311,216,082	312,719,038
Total assets	452,991,038	444,683,423	27,981,737	26,794,741	480,972,775	471,478,164
Deferred Outflow of Resources	20,002,636	18,101,170	102,755	199,560	20,105,391	18,300,730
Long-term liabilities	185,800,434	150,851,161	3,513,177	4,130,033	189,313,611	154,981,194
Other liabilities	33,959,233	30,562,708	1,040,614	1,062,940	34,999,847	31,625,648
Total liabilities	219,759,667	181,413,869	4,553,791	5,192,973	224,313,458	186,606,842
Deferred Inflow of Resources	10,270,345	51,281,478	792,230	454,258	11,062,575	51,735,736
Net position:						
Net investment in capital assets	219,546,575	216,713,149	14,512,341	13,281,422	234,058,916	229,994,571
Restricted	36,950,959	33,181,468	-	-	36,950,959	33,181,468
Unrestricted	(11,357,363)	(19,805,371)	8,226,130	8,065,648	(3,131,233)	(11,739,723)
Total net position	\$245,140,171	\$230,089,246	\$ 22,738,471	\$ 21,347,070	\$267,878,642	\$251,436,316

At the end of the current fiscal year, the City of Miami Gardens had a positive balance in restricted net position and a negative balance in unrestricted Net Position. The largest portion of the City's Net Position reflects its investment in capital assets (such as land, road, buildings, machinery & equipment) less any related outstanding debt used to

acquire those assets. The deficit in the unrestricted net position and the increase in deferred inflow of resources are mainly attributed to changes in Florida Retirement System pensions.

The following schedule is the summary of fiscal year 2022 Statement of Activities with comparative information for fiscal year 2021:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 21,867,768	\$ 23,039,842	\$ 5,188,007	\$ 5,181,712	\$ 27,055,775	\$ 28,221,554
Operating grants	17,667,526	3,956,145	-	-	17,667,526	3,956,145
Capital grants contributions	1,899,760	1,121,856	-	80,272	1,899,760	1,202,128
General revenues:						
Property taxes	42,030,532	39,139,772	-	-	42,030,532	39,139,772
Utility taxes	11,297,844	11,538,441	-	-	11,297,844	11,538,441
Franchise fees	8,187,789	7,124,194	-	-	8,187,789	7,124,194
Intergovernmental	24,810,758	20,621,436	-	-	24,810,758	20,621,436
Miscellaneous	5,905,825	3,593,819	25,406	25,321	5,931,231	3,619,140
Sale of Assets	150,473	796,450	-	-	150,473	796,450
Investment earnings	(3,069,925)	340,760	(395,607)	7,979	(3,465,532)	348,739
Total revenues	130,748,350	111,272,715	4,817,806	5,295,284	135,566,156	116,567,999
Expenses:						
General Government	33,420,613	26,397,168	-	-	33,420,613	26,397,168
Public Safety	48,640,483	41,250,158	-	-	48,640,483	41,250,158
Public Works	17,783,540	15,616,845	-	-	17,783,540	15,616,845
Culture and recreation	9,609,787	7,920,416	-	-	9,609,787	7,920,416
Economic Environment	706,528	1,287,967	-	-	706,528	1,287,967
Human Services	1,006,947	944,063	-	-	1,006,947	944,063
Interest expense	4,974,762	5,108,381	-	-	4,974,762	5,108,381
Stormwater	-	-	2,981,170	2,855,169	2,981,170	2,855,169
Total expenses	116,142,660	98,524,998	2,981,170	2,855,169	119,123,830	101,380,167
Increase/(Decrease) in net positions before transfers	14,605,690	12,747,717	1,836,636	2,440,115	16,442,326	15,187,832
Transfers	445,235	511,838	(445,235)	(511,838)	-	-
Increase/(Decrease) in net positions	15,050,925	13,259,555	1,391,401	1,928,277	16,442,326	15,187,832
Net position, beginning of year	230,089,246	216,829,691	21,347,070	19,418,793	251,436,316	236,248,484
Net position, ending of year	\$ 245,140,171	\$ 230,089,246	\$ 22,738,471	\$ 21,347,070	\$ 267,878,642	\$ 251,436,316

Governmental Activities

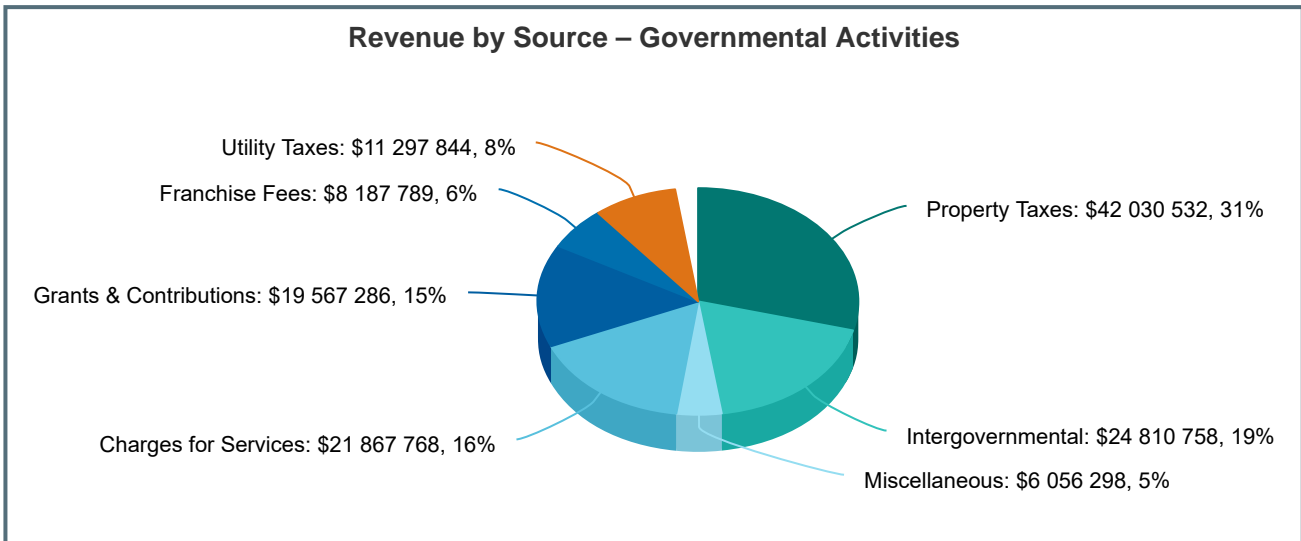
The City's total Net Position increased by \$15.1 million from the prior year net position of \$230.1 million to \$245.1 million. This increase was partly attributable to the following:

- Increase in grant revenue due to the recognition of the ARPA grant. The City was awarded \$27M and deferred \$13M of it in FY 2022.

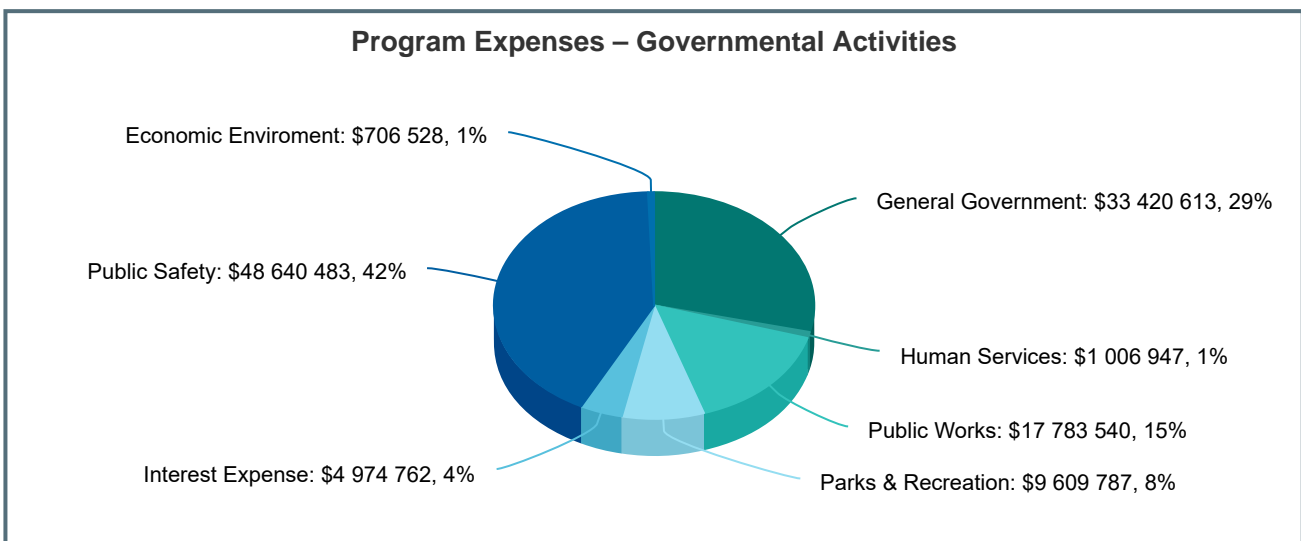
Management’s Discussion and Analysis

- Increase in intergovernmental revenue of \$4.2M due mainly to proceeds from state revenue sharing and half-cent sales tax as a result from the recovery of covid.
- Decrease of \$3.4M in investment earnings due to the recording of year-end market values on City investments.
- Increase in General Government expenses of \$7.0M due to the reinstatement of City special events after the covid pause and implementation of GASB 87 leases.
- Increase in Public Safety expenses of \$9.6M due to implementation of GASB 87 leases of \$6.9M as well as salary and benefits.

The chart below illustrates the distribution of program and general revenues for governmental activities for fiscal year 2022:



The chart below illustrates the program expenses for governmental activities for fiscal year 2022:



Business-type Activities

The Stormwater Fund ended the fiscal year with an unrestricted Net Position of \$8.2 million, an increase of \$1.4 million from the fiscal year 2021 balance.

Financial Analysis of the Governmental Funds

The City of Miami Gardens uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The fund financial statements for the governmental funds are provided on pages 23 through 24. 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, an unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of September 30, 2022, the City’s governmental funds reported combined ending fund balances of \$138,843,741 an increase of \$12,241,461 in comparison with the prior year. Approximately 49.4%, which amounts to \$68,635,341 of the ending balance, constitutes restricted fund balance. Of this amount approximately \$29.9 million is unspent bond proceeds from the General Obligation Bond (GOB) for the parks and recreation facility improvements and the additional financing issued in FY 2016 to complete the City Hall project. Approximately \$45.1 million of the fund balance is available for spending at the City’s discretion.

Below is the analysis of the fund balances for fiscal year 2022:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Transportation Fund</u>	<u>Grant Fund</u>	<u>Debt Service Fund</u>	<u>Other</u>	<u>Total</u>
Fund balances, September 30, 2021	\$ 46,904,407	\$ 32,870,178	\$ 16,538,567	\$ -	\$ 8,646,961	\$ 21,642,167	\$ 126,602,280
Revenues	87,793,268	2,918,668	9,603,930	15,594,796	3,992,094	10,816,945	130,719,701
Expenditures	(86,878,538)	(5,562,231)	(7,825,564)	(5,594,796)	(14,403,534)	(5,803,549)	(126,068,212)
Other financing sources (uses)	8,083,992	(296,340)	(828,533)	(10,000,000)	10,452,398	178,455	7,589,972
Fund Balance as of September 30, 2022	55,903,129	29,930,275	17,488,400	-	8,687,919	26,834,018	138,843,741
Assigned/Non Spendable Fund Balance	(10,775,567)	-	(9,583)	-	-	(14,295,688)	(25,080,838)
Restricted/Committed Fund Balance	-	(29,930,275)	(17,478,817)	-	(8,687,919)	(12,538,330)	(68,635,341)
Unassigned balances, September 30, 2022	<u>\$ 45,127,562</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,127,562</u>

General Fund

The General Fund is the chief operating fund of the City. As of September 30, 2022, the unassigned fund balance of the City’s General Fund increased to \$45,127,562 . Total General Fund revenues increased by \$4,717,104 (5.68%) while expenditures increased by \$18,274,162 (26.64%) when compared to fiscal year 2021.

The amount of General Fund revenue by type, the percent of the total and the amount of change compared to last fiscal year are shown in the following schedule.

General Fund Revenues by Types

	Current Year Actual	Prior Year Actual	Variance Amount	Variance Percent
Ad valorem taxes	\$ 38,038,438	\$ 35,181,784	\$ 2,856,654	8%
Franchise fees	8,187,789	7,124,194	1,063,595	15%
Utility taxes	11,297,844	11,538,441	(240,597)	(2%)
Licenses and permits	1,808,030	1,626,309	181,721	11%
Intergovernmental	14,881,409	12,570,499	2,310,910	18%
Charges for services	8,320,787	5,358,139	2,962,648	55%
Fines and forfeitures	4,401,269	6,191,914	(1,790,645)	(29%)
Interest	(2,112,594)	70,219	(2,182,813)	(3109%)
Grants	224,361	708,202	(483,841)	(68%)
Other Income	2,745,935	2,706,463	39,472	1%

Revenues for the City's General Fund increased by 5.68% (from \$83.1 million to \$87.8 million). Key elements of the revenue changes are as follows:

- Ad Valorem taxes increase is attributed to the increase in taxable value. The City levied the same millage as FY 2021 instead of the roll-back rate.
- Franchise fees increase is attributed to a combined increase in receipts from electric, gas, solid waste, and towing.
- Licenses and permits increase due to new business growth and fees.
- Increase in intergovernmental revenue is due mainly from increased receipts from the state (sales tax, licenses, state revenue sharing, etc.).
- Decrease in fines and forfeitures due to road projects conducted by Florida Department of Transportation that deactivated a number of traffic safety cameras.
- Increase in charges and services due to re-establishment of city wide events after the covid pandemic.

General Fund Expenditures by Categories

	Current Year Actual	Prior Year Actual	Variance Amount	Variance Percent
General government	\$ 27,988,146	\$ 20,440,523	\$ 7,547,623	37%
Public safety	50,796,256	41,629,257	9,166,999	22%
Culture & recreation	8,094,136	6,534,596	1,559,540	24%

The General Fund's operating expenses increased by 26.64% percent (\$86.88 million from \$68.60 million). Key elements of the expenditure increases are as follows:

- Increase from the JITG event that returned after a two-year closure from Covid 19.
- Increase in salaries and benefits under the union contracts (2% Teamsters, 3% FPE, and 4% salary adjustment as well as a 4% step increase for PBA) and 4% for general employees.
- Increase due to contractual leasing agreements for city vehicles under GASB 87.

Business-type Activities

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

Net Position of the Stormwater Utility at the end of the year amounted to \$22,738,471. Of this amount, \$14,512,341 is invested in capital assets, \$8,226,130 is unrestricted. The unrestricted net position increased by \$160,482. This increase is attributed to vacancies and delay of some of the planned capital improvement projects for FY 2022.

Budget Information

General Fund Budgetary Highlights

The City Council approves the original budget (adopted budget) in September prior to the beginning of the fiscal year. The final budget (amended budget) reflects Divisional changes made administratively and approved by the City Manager, prior year encumbrances and Departmental changes and supplemental appropriations approved by the City Council during the year.

The most significant differences between the adopted budget and the amended budget are as follows:

- Increase in City Manager due to increase in salary/benefits, special events, and city-wide training.
- Increase in Public Affairs is attributed to Jazz in the Gardens (JITG) and other special events.
- Increase in City Attorney due to increase in salary/benefits and professional services.
- Decrease in Information Technology and Planning and Zoning due to professional services and salary/benefits vacancies.
- Increase in Fleet is attributed to repairs and maintenance, contractual leasing agreement, and gasoline/lubricants.
- Increase in City Hall Facilities is credited to a rise in salary/benefits, electricity and repairs and maintenance.
- Decrease in Parks and Recreation operational budget due to vacancies creating salary/benefits and operational savings.
- Increase in Police due to salary/benefits/overtime and off-duty services.

The significant variance between the amended budget and year-end actuals are as follows:

- The negative variance for Public Safety was due to the adoption of GASB 87 leases, offset by operational savings for workers' compensation experience.
- The negative variance in Parks and Recreation capital outlay due to adoption of GASB 87 leases.

Other Major Governmental Funds

Capital Projects Fund – The Capital Projects Fund is used to account for all revenues and expenditures related to citywide construction and improvement projects. For Fiscal Year 2022, the Fund reported revenues and transfers in for the amount of \$8.5 million and expenditures which included transfers out totaling approximately \$11.5 million. This fund has a restricted fund balance of \$29.9 million, of which \$27.7 million is proceeds and interest earnings related to the General Obligation Bond and \$0.8 million bond proceeds to complete the City Hall.

Transportation Fund – This Fund is used to account for all street and road repairs, the Keep Miami Gardens Beautiful program, capital outlay expenditures and transit expenditures related to the Citizens Independent Transportation Trust. For the year ended September 30, 2022, the Fund reported revenues and transfers in totaling \$9.8 million. The expenditures and transfers out amount to \$9.0 million. Fiscal year end 2022 the fund balance increased by \$949,833 to \$17,488,400.

Grants Fund – The Grant Fund is used to account for most Federal, State and Local grants associated with various departments within the City, such as, Edward Byrne Formula Grant Program through US Department of Justice, Victims of Crime Act through Department of Justice, Stop the Pain Stop the Violence through Florida Department

Management's Discussion and Analysis

of Law Enforcement, American Rescue Plan through the US Treasury Department, Urban Area Security Initiative through US Department of Homeland Security, etc. The Fund reported revenues and expenditures of \$15.6 million for the year ending September 30, 2022.

Capital Asset and Debt Administration

Capital assets – The City of Miami Gardens' investment in capital assets for its governmental activities as of September 30, 2022 decreased by \$1.8 million from the prior year. The decrease is attributed to parks & recreation construction in progress (CIP). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, streets and median improvements and park facilities. The business-type activities reflected an increase of \$0.31 million in capital assets which is also attributed to the addition of leases from the new GASB 87 ruling and an increase in infrastructure assets.

City of Miami Gardens Capital Assets

(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 22,525,887	\$ 22,525,887	\$ -	\$ -	\$ 22,525,887	\$ 22,525,887
Art	232,472	232,472	-	-	232,472	232,472
Buildings	62,930,282	66,039,032	-	-	62,930,282	66,039,032
Equipment	1,232,023	1,706,902	688,518	953,006	1,920,541	2,659,908
Other Assets	713,249	624,669	-	-	713,249	624,669
Right-of-use Leased Equipment	4,963,083	-	36,291	-	4,999,374	-
Infrastructure	153,520,396	164,415,242	16,484,336	16,051,557	170,004,732	180,466,799
Improvement other than building	4,932,929	5,334,352	-	-	4,932,929	5,334,352
Construction-in-progress	42,334,052	34,317,090	622,564	518,829	42,956,616	34,835,919
	<u>\$ 293,384,374</u>	<u>\$ 295,195,647</u>	<u>\$ 17,831,709</u>	<u>\$ 17,523,392</u>	<u>\$ 311,216,082</u>	<u>\$ 312,719,038</u>

Additional Information can be found in Note 4 Capital Assets, on pages 44 to 45.

Long-term debt. At year-end the City's Governmental Activities had debt outstanding (bonds, notes payable etc.) in the amount of \$105.7 million, a decrease of \$9.2 million over last year, attributed to debt payments. The Business-type Activities reflect a decrease of \$1.0 million attributed to debt payments. The debt position of the City is summarized below and is more fully explained in Note 7 Long-Term Debt beginning on page 47.

City of Miami Gardens Debt

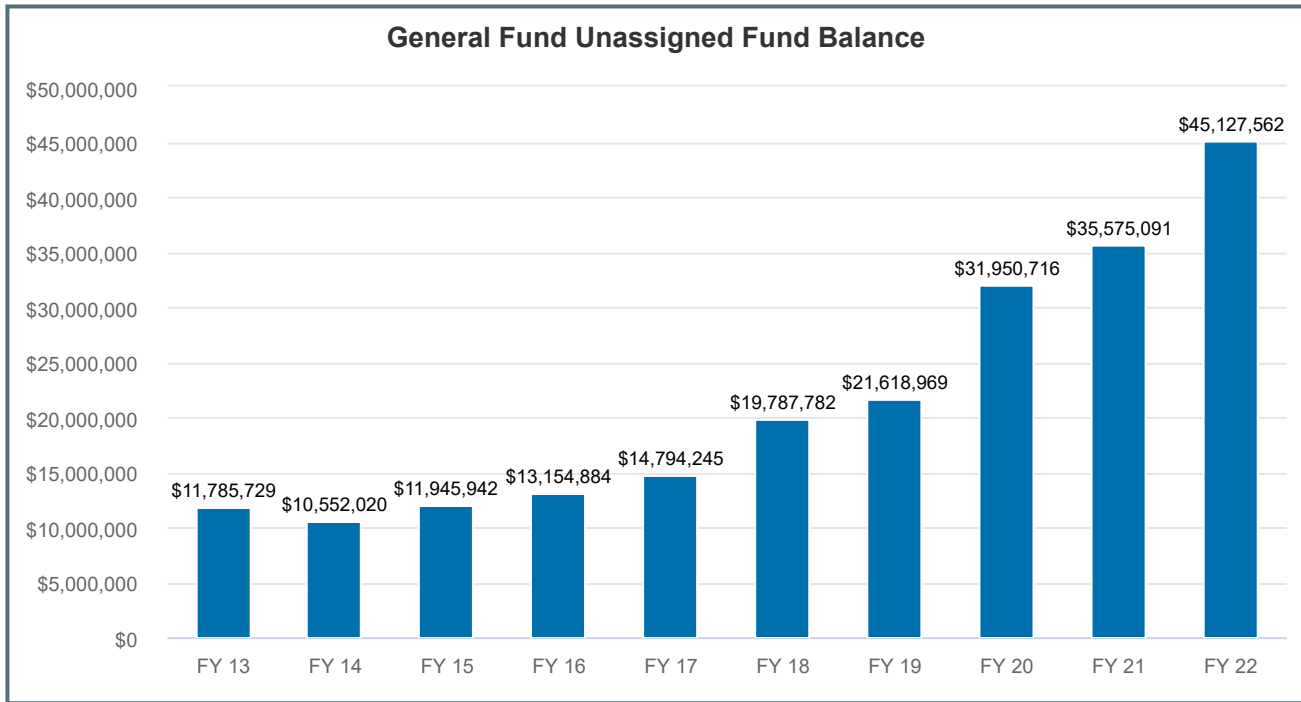
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenue Bonds	\$ 7,059,301	\$ 11,779,798	\$ -	\$ -	\$ 7,059,301	\$ 11,779,798
Certificate of Participation	42,355,000	43,850,000	-	-	42,355,000	43,850,000
General Obligation Bonds	54,595,000	57,100,000	-	-	54,595,000	57,100,000
Due to Dade County	1,643,199	2,104,375	3,319,367	4,354,053	4,962,566	6,458,428
Lease Agreements	4,968,227	-	36,281	-	5,004,508	-
Compensated absences	13,832,262	12,974,016	70,015	74,314	13,902,277	13,048,330
	<u>\$ 124,452,989</u>	<u>\$ 127,808,189</u>	<u>\$ 3,425,663</u>	<u>\$ 4,428,367</u>	<u>\$ 127,878,652</u>	<u>\$ 132,236,556</u>

Economic Factors and Next Year’s Budgets and Ratios

The City recognizes the importance of increasing its commercial tax base for future economic health and to reduce the tax burden on the residents. The City is working with the business community in order to enhance and revitalize the commercial tax base of the City.

The State of Florida, by constitution, does not have a state personal income tax and therefore, the State operates primarily using sales, gasoline, and corporate income taxes. Local governments (cities, counties, and school boards) primarily rely on the property tax and a limited array of permitted other taxes (sales, telecommunication, gasoline, utilities services, etc.) and fees (franchise, building permits, business tax, etc.) for their governmental activities. The City’s property values increased by 7.1% for FY 2022. Revenues for the Fiscal Year 2022 adopted General Fund budget are \$86.8 million, which is higher than FY 2021 revenue of \$80.1 million. This increase is partly attributed to the increase in property values and the Council adopting the same millage rate of 6.9363 as FY 2021, which is 10.03% over the rollback rate. Additional anticipated increases for Interfund Transfers, and Culture and Recreation fees due to the opening of new facilities, make up the rest of the expected increase in general fund revenue.

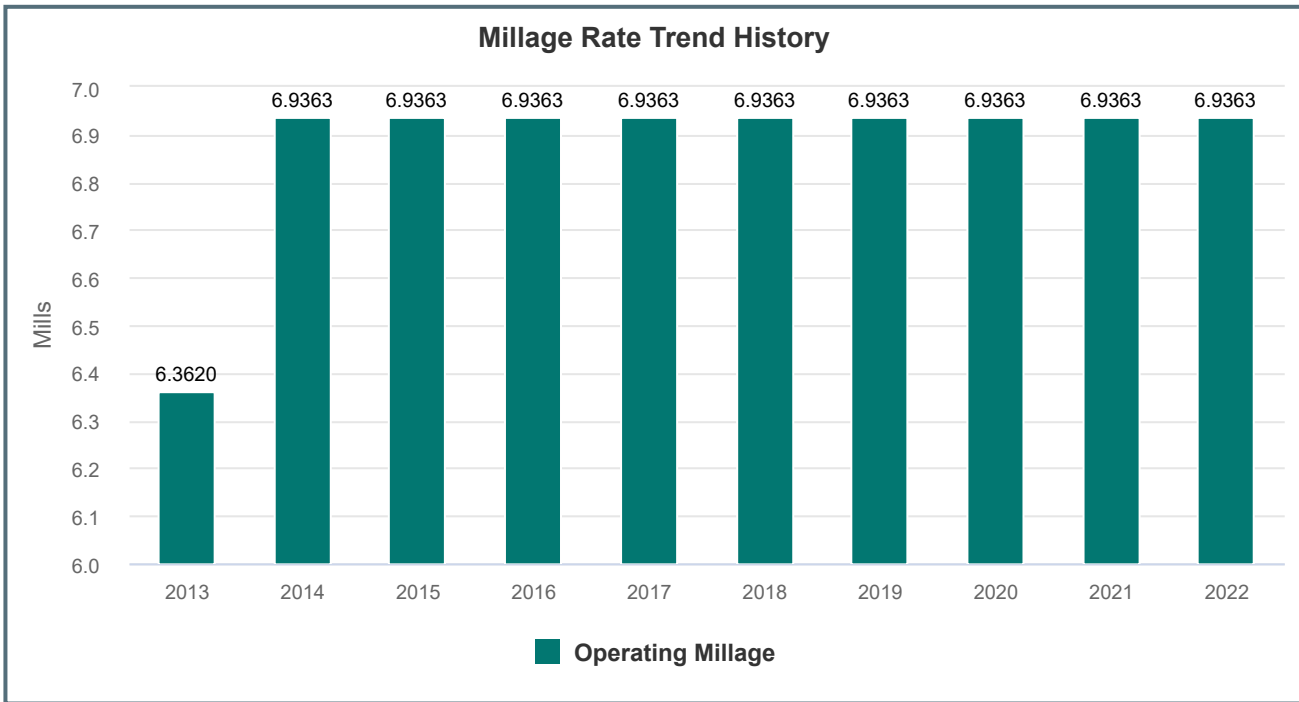
For Fiscal Year 2021, the unassigned fund balance in the General Fund was \$35.6 million compared to \$45.1 million in FY 2022. This \$45.1 million is approximately equal to 6 months of budgeted General Fund operating expenditures for FY 2022. The graph below reflects the history of the City’s unassigned fund balance.



In 1995, the state of Florida limited all local governments’ ability to increase homestead property taxable values in any given year to 3 percent or the increase attributable to the per capita personal income growth rate, whichever is lower. During the primary election in January 2008 the voters approved Amendment No. 1 which provides portability of the “Save Our Home” savings by allowing homestead owners to move their sheltered “Save Our Home” value from one primary residence to the next. The voters also approved an additional \$25,000 homestead exemption. Further, the legislation changed the Truth in Millage levy. Local governments may only levy taxes up to the “roll back” rate adjusted for growth in per capita Florida personal income. This cap may be exceeded through a 2/3 vote of the City Council (up to 110% of prior year’s “roll back” rate adjusted for personal income growth) or a unanimous vote or a voter referendum for any higher rate.

Management’s Discussion and Analysis

The City, just like many cities across the country, had to face the challenge of keeping taxes and service charges as low as possible while providing residents with the level of service they have come to expect. The adjacent graph illustrates the City Millage Rate history.



Requests for Information

The City’s financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the City’s finances and to demonstrate the City’s accountability. The financial statements are available on the City’s website at www.miamigardens-fl.gov. If you have questions about the report or need additional financial information, please contact Mirtha Dziedzic, CGFO, Finance Director, City of Miami Gardens, 18605 NW 27th Avenue Miami Gardens, Florida, 33056.



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Basic Financial Statements

Annual Comprehensive Financial Report 2022



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Basic Financial Statements

Statement of Net Position

September 30, 2022

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 21,248,856	\$ 764,475	\$ 22,013,331
Cash with Fiscal Agent	8,066,024	-	8,066,024
Investments	87,046,952	9,304,393	96,351,345
Restricted Cash & Investment	29,365,320	-	29,365,320
Receivables, net	6,791,117	45,643	6,836,760
Due from other governments	5,813,231	13,957	5,827,188
Prepaid expenses	1,275,164	21,561	1,296,725
Capital assets not being depreciated	65,092,411	622,564	65,714,975
Capital assets being depreciated, net	228,291,963	17,209,144	245,501,107
Total assets	452,991,038	27,981,737	480,972,775
Deferred Outflow of Resources			
OPEB (Note 11)	1,863,702	15,977	1,879,679
Pensions (Note 10)	18,138,934	86,778	18,225,712
Total deferred outflows of resources	20,002,636	102,755	20,105,391
Liabilities			
Accounts payable and accrued expenses	5,843,380	582,511	6,425,891
Retainage payable	335,324	-	335,324
Matured interest payable	1,194,344	-	1,194,344
Due to other governments	127,341	-	127,341
Unearned Revenue	13,658,536	-	13,658,536
Noncurrent liabilities:			
Due within one year			
Compensated absences	2,074,839	14,003	2,088,842
Bonds, loans & capital leases	5,757,242	407,819	6,165,061
Lease	2,136,389	22,898	2,159,287
Due in more than one year			
Compensated absences	11,757,423	56,012	11,813,435
Bonds, loans & capital leases	96,581,968	2,911,548	99,493,516
Lease	2,831,838	13,383	2,845,221
Net OPEB Obligations (Note 11)	9,086,241	94,554	9,180,795
Net Pension liability (Note 10)	68,374,802	451,063	68,825,865
Total liabilities	219,759,667	4,553,791	224,313,458
Deferred Inflow of Resources			
Revenue received in advance	798,337	-	798,337
Deferred Gain on Refunding	114,570	663,555	778,125
Deferred inflows of OPEB (Note 11)	3,228,044	28,213	3,256,257
Deferred inflows of Pensions (Note 10)	6,129,394	100,462	6,229,856
Total deferred inflows of resources	10,270,345	792,230	11,062,575
Net Position			
Net Investment in Capital Assets	219,546,575	14,512,341	234,058,916
Restricted for:			
Housing	690,575	-	690,575
Law Enforcement	1,956,445	-	1,956,445
Transportation	17,478,817	-	17,478,817
Parks & Recreation	4,219,246	-	4,219,246
General Administration	2,633,362	-	2,633,362
Public Services	335,059	-	335,059
Community Development	949,536	-	949,536
Debt Service	8,687,919	-	8,687,919
Unrestricted	(11,357,363)	8,226,130	(3,131,233)
Total Net Position	\$ 245,140,171	\$ 22,738,471	\$ 267,878,642

See notes to basic financial statements

Statement of Activities

For the Year Ended September 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental activities:							
General government	\$ 33,420,613	\$ 12,372,014	\$ -	\$ -	\$ (21,048,599)	\$ -	\$ (21,048,599)
Public safety	48,640,483	7,621,367	682,697	-	(40,336,419)	-	(40,336,419)
Public works	17,783,540	834,668	46,747	-	(16,902,125)	-	(16,902,125)
Parks and recreation	9,609,787	1,039,719	157,791	1,143,079	(7,269,198)	-	(7,269,198)
Economic and physical development	706,528	-	15,640,254	756,681	15,690,407	-	15,690,407
Human Services	1,006,947	-	1,140,037	-	133,090	-	133,090
Interest on long-term debt	4,974,762	-	-	-	(4,974,762)	-	(4,974,762)
Total governmental activities	116,142,660	21,867,768	17,667,526	1,899,760	(74,707,606)	-	(74,707,606)
Business-type activities:							
Stormwater	2,981,170	5,188,007	-	-	-	2,206,837	2,206,837
Total business activities	2,981,170	5,188,007	-	-	-	2,206,837	2,206,837
Total	\$ 119,123,830	\$ 27,055,775	\$ 17,667,526	\$ 1,899,760	\$ (74,707,606)	\$ 2,206,837	\$ (72,500,769)
General revenues:							
Property taxes					\$ 42,030,532	\$ -	\$ 42,030,532
Franchise fees					8,187,789	-	8,187,789
Utility taxes					11,297,844	-	11,297,844
Intergovernmental revenue (unrestricted)					24,810,758	-	24,810,758
Miscellaneous					5,905,825	25,406	5,931,231
Sale of Assets					150,473	-	150,473
Investment earnings					(3,069,925)	(395,607)	(3,465,532)
Transfers					445,235	(445,235)	-
Total General Revenues and Transfers					89,758,531	(815,436)	88,943,095
Change in net position					15,050,925	1,391,401	16,442,326
Net position, beginning					230,089,246	21,347,070	251,436,316
Net position, ending					<u>\$ 245,140,171</u>	<u>\$ 22,738,471</u>	<u>\$ 267,878,642</u>

See notes to basic financial statements

Basic Financial Statements

Balance Sheet – Governmental Fund

September 30, 2022

	Major Funds					Non-Major Governmental Funds	Total Governmental Funds
	General	Capital Projects	Transportation	Grants	Debt		
Assets							
Cash and cash equivalents	\$ 549,504	\$ 70,755	\$ 268,982	\$ 12,204,679	\$ 710,491	\$ 7,444,443	\$ 21,248,854
Cash with Fiscal Agent	-	196	-	-	8,065,829	-	8,066,025
Investments	52,187,614	-	16,500,000	-	-	18,359,336	87,046,950
Restricted Cash & Investments	-	29,365,320	-	-	-	-	29,365,320
Due from other Funds	385,000	-	-	-	-	-	385,000
Due from other governmental agencies	3,965,519	-	1,789,649	41,624	10,807	5,631	5,813,230
Accounts receivables, net	2,958,090	1,167,468	2,242	1,129,564	60	1,533,693	6,791,117
Prepaid	617,214	-	9,583	-	-	648,367	1,275,164
Total assets	\$ 60,662,941	\$ 30,603,739	\$ 18,570,456	\$ 13,375,867	\$ 8,787,187	\$ 27,991,470	\$ 159,991,660
Liabilities							
Accounts payable and accrued liabilities	\$ 3,771,525	\$ 402,445	\$ 895,041	\$ 197,677	\$ 99,268	\$ 477,424	\$ 5,843,380
Retainage payable	-	73,530	187,015	41,960	-	32,819	335,324
Due to other funds	-	-	-	-	-	385,000	385,000
Due to other governments	70,550	-	-	-	-	56,791	127,341
Unearned Revenue	119,400	197,489	-	13,136,230	-	205,418	13,658,537
Total liabilities	3,961,475	673,464	1,082,056	13,375,867	99,268	1,157,452	20,349,582
Deferred Inflows or Resources							
Unavailable Revenue	798,337	-	-	-	-	-	798,337
Fund balances:							
Non Spendable							
Prepays	617,214	-	9,583	-	-	648,367	1,275,164
Restricted for:							
Housing	-	-	-	-	-	690,575	690,575
Law Enforcement	-	-	-	-	-	1,956,445	1,956,445
Transportation	-	-	17,478,817	-	-	-	17,478,817
Parks & Recreation	-	-	-	-	-	4,219,246	4,219,246
General Administration	-	1,428,864	-	-	-	1,204,498	2,633,362
Public Services	-	-	-	-	-	335,059	335,059
City Hall Project	-	786,669	-	-	-	-	786,669
Debt Service	-	-	-	-	146,715	-	146,715
General Obligation Bond project	-	27,714,742	-	-	-	-	27,714,742
Economic and physical development	-	-	-	-	-	3,182,971	3,182,971
Community Development	-	-	-	-	-	949,536	949,536
Committed for:							
Debt Service	-	-	-	-	8,541,204	-	8,541,204
Assigned							
Disaster Recovery	350,000	-	-	-	-	-	350,000
General Maintenance	4,500,000	-	-	-	-	13,647,321	18,147,321
Economic Development	4,777,904	-	-	-	-	-	4,777,904
Subsequent year's budget	530,449	-	-	-	-	-	530,449
Unassigned	45,127,562	-	-	-	-	-	45,127,562
Total fund balances	55,903,129	29,930,275	17,488,400	-	8,687,919	26,834,018	138,843,741
Total liabilities, deferred inflows of resources and fund balances	\$ 60,662,941	\$ 30,603,739	\$ 18,570,456	\$ 13,375,867	\$ 8,787,187	\$ 27,991,470	

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

- OPEB liabilities used in governmental activities are not reported in the governmental funds. (9,086,241)
- Deferred pension and OPEB amounts are not reported in the Governmental Funds financial statements, but are reported in the Government-Wide financial statements as follows:
 - Deferred outflows of resources 20,002,636
 - Deferred inflows of resources (9,472,008)
- Long-term liabilities are not due and payable in the current period and therefore not reported in the funds:
 - Bond and capital lease payable (102,339,210)
 - Matured interest payable (1,194,344)
 - Compensated absences (13,832,262)
 - Pension expense (68,374,802)
- Net position of governmental activities \$ 245,140,171

See notes to basic financial statements

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Fund

For the Year Ended September 30, 2022

	Major Funds					Non-Major Governmental Funds	Total Governmental Funds
	General	Capital Projects	Transportation	Grants	Debt		
Revenues:							
Property taxes	\$ 38,038,438	\$ -	\$ -	\$ -	\$ 3,992,094	\$ -	\$ 42,030,532
Utility taxes	11,297,844	-	-	-	-	-	11,297,844
Intergovernmental	14,881,409	-	9,367,297	-	-	-	24,248,706
Charges for services	8,320,787	-	122,837	-	-	1,428,865	9,872,489
Licenses and permits	1,808,030	-	-	-	-	5,080,037	6,888,067
Impact fees	-	-	-	-	-	754,227	754,227
Fines and forfeitures	4,401,269	-	-	-	-	180,949	4,582,218
Franchise fees	8,187,789	-	-	-	-	-	8,187,789
Grant revenue	224,361	1,143,079	31,360	15,594,796	-	2,149,822	19,143,418
Other income	2,745,935	1,958,429	46,098	-	-	2,062,517	6,812,979
Interest	(2,112,594)	(182,840)	36,338	-	-	(839,472)	(3,098,568)
Total revenues	87,793,268	2,918,668	9,603,930	15,594,796	3,992,094	10,816,945	130,719,701
Expenditures:							
Current:							
General government	24,090,346	609,677	-	2,892,443	-	-	27,592,466
Human Services	-	-	-	1,006,947	-	-	1,006,947
Public safety	42,183,462	-	-	332,143	-	2,827,190	45,342,795
Public works	-	-	4,461,507	-	-	657,352	5,118,859
Parks and recreation	7,693,874	-	-	157,790	-	123,752	7,975,416
Economic and physical development	-	-	-	-	-	706,528	706,528
Non-departmental	3,475,434	-	-	-	203,740	-	3,679,174
Capital outlay:							
General government	422,366	27,371	-	-	-	-	449,737
Public safety	6,436,285	8,981	-	45,434	-	120,654	6,611,354
Public works	-	-	3,364,057	-	-	-	3,364,057
Parks and recreation	400,262	4,916,202	-	1,160,039	-	366,844	6,843,347
Economic and physical development	-	-	-	-	-	1,001,229	1,001,229
Debt service:							
Principal - Lease	2,176,509	-	-	-	-	-	2,176,509
Principal	-	-	-	-	9,181,673	-	9,181,673
Interest and fiscal charges	-	-	-	-	5,018,121	-	5,018,121
Total expenditures	86,878,538	5,562,231	7,825,564	5,594,796	14,403,534	5,803,549	126,068,212
Excess (deficiency) of revenues over expenditures	914,730	(2,643,563)	1,778,366	10,000,000	(10,411,440)	5,013,396	4,651,489
Other financing sources (uses):							
Transfers in	11,696,668	5,622,251	221,741	-	10,452,398	827,381	28,820,439
Transfers out	(10,593,985)	(5,918,591)	(1,195,500)	(10,000,000)	-	(667,128)	(28,375,204)
Capital Lease Arrangements	6,981,309	-	145,226	-	-	18,202	7,144,737
Total other financing sources (uses)	8,083,992	(296,340)	(828,533)	(10,000,000)	10,452,398	178,455	7,589,972
Net change in fund balances	8,998,722	(2,939,903)	949,833	-	40,958	5,191,851	12,241,461
Fund balances, beginning	46,904,407	32,870,178	16,538,567	-	8,646,961	21,642,167	126,602,280
Fund balance, ending	\$ 55,903,129	\$ 29,930,275	\$ 17,488,400	\$ -	\$ 8,687,919	\$ 26,834,018	\$ 138,843,741

See notes to basic financial statements

Basic Financial Statements

Reconciliation of the Statement of Revenues, Expenses and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended September 30, 2022

Net Changes in Fund Balances – Total Governmental Funds, page 26	\$ 12,241,461
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlays, reported as expenditures in governmental funds, are shown as capital assets in the statement of net assets.	18,269,721
Provision for depreciation expense on governmental capital assets is included in the governmental activities in the statement of net assets.	(20,080,988)
The issuance of long-term debt provides current financial resources to governmental funds; however, has no effect on net assets. Also, governmental funds report the effect of issuance costs, discounts, premiums and similar items when is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amount is the net effect of these differences in the treatment of long-term debt and related items	(164,608)
Principal payments on long-term debt are reported as expenditures in governmental funds, but as a reduction of long-term liabilities in the statement of net assets.	11,358,182
Lease liability issued	(7,144,736)
Interest is accrued in the statement of activities where in the governmental Funds expenditures is reported when due	43,361
Pension contributions are reported as expenditures in the governmental funds and recorded as a net pension asset on the statement of net position	(461,174)
Certain items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:	
Change in OPEB liability	(328,557)
Change in long-term compensated absences	<u>(858,246)</u>
Changes in Net Position of Governmental Activities, page 24	<u>\$ 12,874,416</u>

See notes to basic financial statements

Statement of Net Position Proprietary Fund

September 30, 2022

	Stormwater
Assets	
Current assets:	
Cash and equity in pooled cash and investments	\$ 10,068,868
Accounts receivable – net	45,643
Due from Other Governments	13,957
Prepaid items	21,561
Total current assets	10,150,029
Non-current assets:	
Capital assets and leases being depreciated, net	17,831,708
Total assets	27,981,737
Deferred Outflow of Resources	
OPEB (see Note 11)	15,977
Pension (see Note 10)	86,778
Total deferred outflow of Resources	102,755
Liabilities	
Current liabilities:	
Accounts payable	212,511
Accrued liabilities	370,000
Lease liability	22,898
Current portion of compensated absences	14,003
Current portion of notes payable	407,819
Total current liabilities	1,027,231
Non-current liabilities:	
Notes payable	2,911,548
Net OPEB Obligations	94,554
Lease liability	13,383
Compensated absences	56,012
Net Pension Liability	451,063
Total noncurrent liabilities	3,526,560
Total liabilities	4,553,791
Deferred Inflow of Resources	
Refunding Gain	663,555
OPEB (see Note 11)	28,213
Pension (see Note 10)	100,462
Total deferred outflow of Resources	792,230
Net Position	
Net investment in capital assets	14,512,341
Unrestricted	8,226,130
Total net position	\$ 22,738,471

See notes to basic financial statements

Basic Financial Statements

Statement of Revenues, Expenses and Changes in Net Position Proprietary Fund

For the Year Ended September 30, 2022

	Business-type Activities – Enterprise Funds
	Stormwater
Operating revenues:	
Charges for services	5,188,007
Miscellaneous	25,406
Total operating revenues	5,213,413
Operating expenses:	
Administrative costs	923,486
Operations and maintenance	938,498
Depreciation	890,710
Lease Amortization	36,939
Total operating expenses	2,789,633
Operating income	2,423,780
Non-operating revenues (expenses):	
Interest income	112,373
Interest expense	(191,537)
Net Increase (Decrease) in FMV	(507,980)
Total non-operating revenues (expenses)	(587,144)
Income before contributions & transfers	1,836,636
Transfer out	(445,235)
Change in net position	1,391,401
Net position, beginning	21,347,070
Net position, ending	\$ 22,738,471

See notes to basic financial statements

Statement of Cash Flows Proprietary Fund

For the Year Ended September 30, 2022

	Business-type Activities – Enterprise Funds <hr/> Stormwater
Cash Flows from Operating Activities:	
Cash received from customers, governments and other funds	\$ 5,720,177
Cash paid to suppliers	(1,015,316)
Cash paid to employees	(670,217)
Net cash provided by operating activities	4,034,644
Cash Flows from Noncapital Financing Activities:	
Transfers to other funds	(445,235)
Net cash used in noncapital financing activities	(445,235)
Cash Flows from Capital and Related Financing Activities:	
Acquisition and construction of capital assets	(1,235,966)
Proceeds from assumption of long-term debt	775,638
Principal retirements of capital debt	(1,034,686)
Capital leases	36,282
Interest paid on capital debt	(191,537)
Net cash used in capital and related financing activities	(1,650,269)
Cash Flows from Investing Activities:	
Interest and other income	(395,607)
Net cash provided by investing activities	(395,607)
Net Increase in Pooled Cash and Cash Equivalents	1,543,533
Pooled Cash and Cash Equivalents, beginning	8,866,204
Pooled Cash and Cash Equivalents, ending	\$ 10,409,737
Pooled Cash and Cash Equivalents per Statement of Net Positions	
Unrestricted	\$ 10,068,868
Total, September 30	\$ 10,068,868
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating income	\$ 2,423,780
Adjustments to reconcile operating income (loss) to net cash provided by(used in) operating activities:	
Depreciation and amortization	927,649
Increase in accounts receivable	165,896
Decrease in prepaid items	158,088
Decrease in accounts payable	16,117
Decrease in OPEB liabilities	6,683
Decrease in pension liabilities	340,721
Decrease in compensated absences	(3,439)
Decrease in accrued liabilities	(851)
Total adjustments	1,610,864
Net Cash Provided by Operating Activities	\$ 4,034,644

See notes to basic financial statements



Notes to Basic Financial Statements

Annual Comprehensive Financial Report 2022



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Note 1. Summary of Significant Accounting Policies

The City of Miami Gardens, Florida (“the City”), located in Miami-Dade County, Florida, was incorporated on May 13, 2003, by Miami-Dade County (“the County”). The City operates under a Council/Manager form of government. The City Council is governed by the City Charter and by state and local laws and regulations. The City Council is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Council-appointed City Manager. The City provides public safety, general government, recreation, and public works services to its residents. The City does not provide educational, utilities, fire, or hospital facilities. Those services are provided by the Miami-Dade County School Board and Miami-Dade County, respectively. The accompanying financial statements present the City for the fiscal year ended September 30, 2022.

The accounting policies of the City conform to generally accepted accounting principles (“GAAP”), in the United States for local governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. A summary of the City’s significant accounting policies applied in the preparation of the accompanying financial statements are described below:

A. Financial Reporting Entity

The financial reporting entity covered by this report includes the City and its component unit. The reporting entity has been defined in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards (Section 2100). The accompanying financial statements include those of the City (the primary government) and its component unit. A Component unit is a legally separate organization for which the primary government is financially accountable that should be included in the City’s financial statements because of the nature and significance of the relationship with the primary government. GASB Codification Section 2100 provides guidance for the inclusion of a legally separate entity as a component unit of an entity. The application of this guidance provides for identification of entities for which the City is financially accountable that the nature and significance of the relationship with the City is such that exclusions would cause the City’s basic financial statements to be misleading or incomplete.

Based upon the application of GASB Codification Section 2100, the component unit listed below is included in the City’s reporting entity as a blended component unit.

Blended component unit, although legally separate entity, is in substance part of the City’s operations. Accordingly, data from this component unit is included with data of the primary government. The financial balances and activities of the blended component unit is as of and for the year ended September 30, 2022.

Blended Component Unit

Miami Gardens Community Redevelopment Agency (CRA) – The CRA was created on September 12, 2018, in accordance with Chapter 163.356, Florida Statutes, and City Resolution No. 2018-163-3577 to eliminate blight and slum conditions within the NW 27th Avenue community redevelopment area of the agency pursuant to the redevelopment plans of the Agency for new residential and commercial activity of Miami Gardens area. The City has entered into an interlocal agreement with Miami-Dade County approving the deposit of tax increments in the MG CRA account. The CRA, whose board members are the same as the City Council’s, provides services that exclusively benefit the City. The CRA is fiscally dependent on the City because the City Council approves the CRA’s budget, and must approve any debt issuance.

Complete financial statements for the CRA can be obtained by writing to: Director, City of Miami Gardens Community Redevelopment Agency, 18605 NW 27th Avenue, Miami Gardens, FL 33056.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the *Statement of Net Position* and the *Statement of Activities*) report information on all governmental activities of the City. For the most part, the effect of interfund activity has been removed from these statements; interfund services provided and used are not eliminated in the process of consolidation. *Governmental activities*, which normally are supported by taxes and intergovernmental

Note 1. Summary of Significant Accounting Policies (continued)

revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The City has one business-type activity, the stormwater fund.

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

Separate financial statements are provided for governmental funds, and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. 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 City 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.

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 City 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.

Property taxes, franchise fees, and other 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 cash is received by the City.

The City reports the following major governmental funds:

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

The *Transportation Fund* is used to account for the City's share of the local option gas tax and other State sharing revenues that are restricted for the maintenance of City roads.

The *Capital Projects Fund* is used to account for all revenues and expenditures related to citywide construction and improvement projects.

The *Grants Fund* is used to account for most Federal, State and Local grants associated with various departments within the City

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (continued)

The City reports the following major proprietary fund:

The *Stormwater Fund* is used to account for fees assessed on property owners. Funds are dedicated to the ongoing renewal and replacement costs of the City's stormwater drainage system.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's enterprise fund functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 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 funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the stormwater fund are charges to customers for services.

Operating expenses for the 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 nonoperating revenues and expenses.

D. New Pronouncements – Adopted and Unadopted

GASB issued Statement No 87, Leases was issued June 2017. This Statement improves the accounting and financial reporting for leases by governments. Effective July 1, 2021, the City implemented GASB Statement No. 87, Leases, which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use the underlying asset. In accordance with the statement, the City recognized certain leased assets and liabilities for leases that were previously classified as operating leases and recognized inflows or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use leased assets, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Statement also requires enhanced disclosure which include a general description of the leasing arrangement, the aggregate amount of resource inflows and outflows recognized from lease contracts, including those not included in the measurement of the lease liability and receivable, and the disclosure of the long-term effect of the lease arrangements on a government's resources. See Notes 4, 5, and 7 for further information on the implementation of GASB 87, Leases. The adoption impacted the beginning lease receivable, right-to-use, lease liability and deferred inflows of resources, as shown below:

Statement of Net Position	Governmental Activities	
	Right-to-use Asset	Lease Liability
Balances September 30, 2021, as previously reported	\$ -	\$ -
Change to implement GASB No. 87	5,970,639	5,970,639
Balances October 1, 2021, as restated	\$ 5,970,639	\$ 5,970,639
	Business-type Activities	
	Right-to-use Asset	Lease Liability
Balances September 30, 2021, as previously reported	\$ -	\$ -
Change to implement GASB No. 87	53,167	53,167
Balances October 1, 2021, as restated	\$ 53,167	\$ 53,167

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental

Note 1. Summary of Significant Accounting Policies (continued)

entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. This statement has no effect on the City.

GASB issued Statement No 96, Subscription-based Information Technology Arrangements in May 2020. The Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for governments. This Statement 91) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-an intangible asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022 and all reporting periods thereafter. The City will incorporate these changes in the FY 2023 financial statements.

GASB issued Statement No 97, Certain Component Unit Criteria, and Accounting and Financial Report for Internal Revenue Code Section 457 Deferred Compensation Plans, an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB State No. 32 in June 2020. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. This statement has no effect on the City.

GASB issued Statement No 99, Omnibus 2022, in April 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement that are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. This statement has no effect on the City.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The City adopted this Statement in FY 2022 financial statements for leases only, subscription based information technology arrangements will be implemented in FY 2023 financial statements.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. This statement has no effect on the City.

Note 1. Summary of Significant Accounting Policies (continued)

GASB issued Statement No 100, Accounting Changes and Error Corrections, an Amendment of GASB Statements No. 62 in June 2022. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The City will incorporate these changes in the FY 2023 financial statements.

GASB issued Statement No 101, Compensated Absences, in June . The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The City will incorporate these changes in the FY 2024 financial statements.

Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Equity**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 maintains a pooled cash account for all funds. This enables the City to invest large amounts of idle cash for short periods of time and to optimize earnings potential.

The City of Miami Gardens has adopted an investment policy pursuant to Section 218-415, Florida Statutes, which allows for surplus funds to be invested in the Local Government Surplus Funds trust fund (the "State Pool") or any intergovernmental investment pool; Securities and Exchange Commission registered money market funds; certificates of deposits and savings accounts in state-certified qualified public depositories and direct obligation of the U.S. Treasury. Surplus funds are invested in the State Pool. The State Pool is administered by the Florida State Board of Administration (SBA) who provides regulatory oversight.

Long-term investments are stated at fair value as required by GASB Statement No. 31 "Accounting and Financial Reporting for Certain Investment and for External Investment Pools".

2. Receivables and Payables

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

Operating revenues in the stormwater fund are generally recognized on the basis of \$6.00 per Equivalent Residential Unit (ERU) and is billed under the Uniform Method of Collection as special assessment in the ad valorem tax bill. Revenues for services delivered during the last quarter of the fiscal year are accrued and billed in October.

All trade and property tax receivables are shown net of an allowance for uncollectible. Uncollectible accounts receivable allowances are based on historical trends.

Note 1. Summary of Significant Accounting Policies (continued)

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These costs are expensed when used.

4. Capital Assets

Capital assets, which include property, plant and equipment, and certain infrastructure assets (e.g., stormwater, roads, bridges, sidewalks, and similar items), are reported in the applicable governmental and business-type columns in the government-wide financial statements.

Capital assets are defined by the City as assets with an initial, individual cost or component of more than \$5,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated 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 constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the asset constructed. No such costs were capitalized during fiscal year 2022.

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

Assets	Years
Stormwater infrastructure	50
Road & sidewalk infrastructure	20-50
Buildings	30
Improvements other than buildings	30
Furniture and equipment	3-15
Vehicle	5
Right-to-use lease	1-5

5. Lease

Lessee: The City is a lessee for a noncancellable lease of equipment, office space and land. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the

Note 1. Summary of Significant Accounting Policies (continued)

City is reasonably certain to exercise. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The City monitors changes in circumstances that would require a remeasurement of its lease and will re-measure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Payments due under the lease contracts include fixed payments plus, for many of the City's leases, variable payments. For office space leases that include variable payments, those include payments for the City's proportionate share of the building's property taxes, insurance, and common area maintenance. For office equipment leases for which the City has elected not to separate lease and non-lease components, maintenance services are provided by the lessor at a fixed cost and are included in the fixed lease payments for the single, combined lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Amounts expected to be payable by the City under residual value guarantees
- The exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the City exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. Extension and termination options are included in a number of property and equipment leases across the City. These are used to maximize operational flexibility in terms of managing the assets used in the City's operations. The majority of extension and termination options held are exercisable only by the City and not by the respective lessor.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Variable payments that depend on an index or a rate (such as the Consumer Price Index or a market interest rate), initially measured using the index or rate as of the commencement of the lease term.

6. Compensated Absences

It is the City's policy to permit employees to accumulate within certain limits, earned but unused personal-time-off, which will be paid to employees upon separation from City service. All personal-time-off is accrued when incurred in the government-wide financial statements. In the governmental funds, a liability is recorded only for pay time off payouts for employee separations that occurred within 60 days after the fiscal year ended September 30, 2022. The General Fund and Enterprise Fund has been used to liquidate the liability for compensated absences.

7. Deferred Outflows/Inflows

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement section, deferred outflows of resources, represents a consumption of net position that applies to future period(s) and so will not be recognized

Note 1. Summary of Significant Accounting Policies (continued)

as an outflow of resources (expenses/expenditure) until that time. The City currently reports deferred outflows related to debt refunding, pensions and other post-employment benefits (OPEB) in this category. The deferred outflow relating to debt includes the net deferred loss on refunding of the Stormwater bond by Miami-Dade County. This amount is being deferred and amortized over the life of the refunding debt. The deferred outflows related to pensions and OPEB are calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB No. 75, *Accounting and Financial reporting for Postemployment Benefits Other Than Pensions*, respectively. These will be recognized as either pension/OPEB expense or a reduction in the net pension/OPEB liability, respectively, in future reporting years. Details on the composition of deferred outflows related to pensions and OPEB are reported in subsequent notes.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement section, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. In this category, the City currently reports deferred inflows related to pensions, other post-employment benefits (OPEB), deferred gain on refunding of the QNIP bonds by Miami-Dade County in the government-wide statements and unavailable revenue related to local business license tax and rental income taxes in the governmental funds.

8. Unearned Revenues

Unearned revenue is recorded for governmental fund receivables that are measurable and available, but have not met the criteria for revenue recognition, such as donations or grants received for specific projects. These are recorded as unearned revenue in the government-wide and fund financial statements.

9. Nature and Purpose of Classifications of Fund Equity

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Amounts that are restricted to specific purposes either by a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council which is the highest level of decision-making authority through resolution are classified as committed fund balances. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken which is an adoption of another resolution to remove or revise the limitation. Amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances.

Assignments are made by management based on Council direction through a resolution. Non-spendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

It is not possible to report a positive amount of unassigned fund balance in a governmental fund other than the General Fund. However, if a governmental fund other than the general fund were to have nonspendable, restricted, and committed fund balance in excess of total fund balance, the difference would be reported as negative unassigned fund balance.

10. Fund Balance Flow Assumption

When expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City will consider spending the restricted funds first. When expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City will consider spending first the

Note 1. Summary of Significant Accounting Policies (continued)

committed funds, then assigned funds, and finally unassigned funds as needed, unless City Council has provided otherwise in its actions through an ordinance.

11. Fund Balance Policy

The City’s policy is to maintain an adequate General Fund balance to provide liquidity in the event of an economic downturn or natural disaster. The City Council adopted a goal to maintain an unassigned fund balance equal to 16% to 25% during the annual budget process. For Fiscal Year ending September 30, 2022 the General Fund reports a positive unassigned fund balance. It represents 41% of the General Fund Budget.

12. Restricted Fund Balance

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

Revenue Source	Legal Restrictions of Use
Gas Tax	Roads, Sidewalks, Streets
Community Development Block Grant	Grant Program Expenditures
State Housing Initiative Program (SHIP)	Grant Program Expenditures
Federal/State Forfeitures	Law Enforcement

For the year ended September 30, 2022, the City complied, in all material respects, with these restrictions.

E. Significant Accounting Policies

Pensions

In the governmental activities and business-type activities, Statement of Net Position, pension liabilities are recognized for the City’s proportionate share of each pension plan’s net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources related to pensions, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan (Pension Plan) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to and deductions from the Pension Plan’s and the HIS’s fiduciary net position have been determined on the same basis as they are reported by the Pension Plan and HIS plans. Changes in the net pension liability during the period are recorded as pension expense, deferred outflows of resources, or deferred inflows of resources depending on the nature of the change. Those changes in the net pension liability that are recorded as deferred outflows of resources or deferred inflows of resources that arise from changes in actuarial assumptions or other inputs, changes in the proportionate share of the net pension liability, and differences between expected or actual experience are amortized over the average expected remaining service lives of all employees that are provided with pensions through the pension plans and recorded as a component of pension expense beginning with the period in which they arose. Differences between projected and actual investment earnings are reported as deferred outflows of resources or deferred inflows of resources and are amortized as a component of pension expense using a systematic and rational method over a five (5) year period.

F. Other Post-Employment Benefits (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. The rates provide for 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 is financing the post-employment benefits on a pay-as-you-go basis. As determined by an actuarial valuation, the City records a net OPEB obligation in its proprietary and government-wide financial statements related to the implicit subsidy. See Note 12 for further information.

Note 2. Deposits and Investments

Deposits

All deposits of the City are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida security or Public deposits Act. Every qualified public depository is required by this law to deposit with the State treasurer eligible collateral equal to, or in excess of, an amount to be determined by the State Treasurer. The State Treasurer is required to ensure that all funds are entirely collateralized throughout the fiscal year.

Investments

The SBA administers the Florida PRIME which is governed by Ch. 19-7 of the Florida Administrative Code and Chapters 218 and 215 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME. Florida PRIME is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operating procedures consistent with the requirements for 2a-7 fund, which permits money market funds to use amortized cost to maintain a constant net asset value (NAV) of \$1 per share.

GASB Statement No. 72, *Fair Value Measurement and Application*, requires that investments be categorized according to the fair value hierarchy established by this Statement. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investments in the State Board Administration (SBA) Florida PRIME totaling \$30,838,211 are recorded at amortized cost.

As of September 30, 2022, the City of Miami Gardens had the following investments:

Investment Type	Amount	Level 1	Weighted Average Maturity
State Board of Administration*	\$ 30,838,211		60 days
Tax Certificates	5,620		1.9 years
Municipal Bonds	26,379,459		
Corporate Bonds	1,026,638		1.3 years
Govt/inflation (Federal Home Loan/Federal Farm)	46,306,109		4 months
Commercial Paper	167,845		6.1 months
Muni MBS (Municipal Bonds)	698,020		
GNMA (Government National Mortgage Association)	2,978,427		7.1 months
FHLMC (Federal Home Loan Mortgage Corp.)	2,777,485		
Money Market	12,771,997		
Certificate of Deposit	2,115,790		
Total deposits and investments	\$ 126,065,601		

* In December 2015, GASB issued Statement 79 titled "Certain External Investment Pools and Pool Participants" in response to the Securities and Exchange Commission's amendments in 2014 to regulations that apply to money market funds. GASB 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. If the external investment pool meets the criteria in GASB 79 and measures all of its investments at amortized cost, the pool's participants also should measure their investments in that external investment pool at amortized cost for financial reporting purposes.

At September 30, 2022, \$29,365,320 in deposit and investments relate to unspent debt proceeds pertaining to various financings including General Obligation Bonds, and Revenue bonds, which are restricted assets whose use is limited to projects primarily related to the acquisition and construction of City facilities and equipment as authorized by City Council Board Resolutions and Debt Covenants.

Of the deposits and investments totaling \$126,065,601 at September 30, 2022; \$116,412,272 is related to the Governmental Funds and \$9,653,329 related to the Stormwater Fund.

Credit Risk – The risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The City's investment policy allows investments in U.S. Government sponsored agencies and enterprises, and the State Board of Administration investment pool.

Notes to Basic Financial Statements

Note 2. Deposits and Investments (continued)

Investment Type	Rating	Percentage of Investment	Amount
State Board of Administration*	AAAm	24.46%	\$ 30,838,211
Municipal Bonds*	AA	20.93%	\$ 26,379,459
Corporate Bonds	Not Rated	0.81%	\$ 1,026,638
Govt/inflation (Federal Home Loan/Federal Farm)*	AA+	36.73%	\$ 46,306,109
Commercial Paper	Not Rated	0.13%	\$ 167,845
Muni MBS (Municipal Bonds)**	Aaa	0.55%	\$ 698,020
GNMA (Government National Mortgage Association)	Not Rated	2.36%	\$ 2,978,427
FHLMC MBS (Federal Home Loan Mortgage Corp.)	Not Rated	2.20%	\$ 2,777,485
Tax certificates	Not Rated	0.00%	\$ 5,620
Money Market	Not Rated	10.13%	\$ 12,771,997
Certificate of Deposit	Not Rated	1.68%	\$ 2,115,790

* Standard and Poor's

** Moody's

Interest Rate Risk – the risk that changes in interest rates will adversely affect the fair value of an investment.

The investments were purchased with the intent to be held to maturity and with a maturity of less than 5 years to manage its exposure to decline in fair values. There were no investments in the City's portfolio that exceeded this maximum maturity at September 30, 2022.

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

Note 3. Receivables

Receivables as of September 30, 2022, for the City's governmental funds, including the allowance for uncollectible accounts are as follows:

Ad valorem, utility & franchise fees	\$ 2,205,358
Intergovernmental	2,981,022
Grants	148,320
Miscellaneous receivable	7,269,647
Net Receivable	<u>\$ 12,604,347</u>
Stormwater accounts	\$ 80,484
Less: allowance for uncollectibles	(34,841)
Intergovernmental	13,957
Net Receivable	<u>\$ 59,600</u>

Note 4. Capital Assets

Capital asset activity for the year ended September 30, 2022 was as follows:

	Balance October 1, 2021	Additions	Deletions	Balance September 30, 2022
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 22,525,887	\$ -	\$ -	\$ 22,525,887
Art in Public Places	232,472	-	-	232,472
Construction in progress	34,317,090	8,016,962	-	42,334,052
Total capital assets not being depreciated	57,075,449	8,016,962	-	65,092,411
Capital assets being depreciated:				
Building	89,260,151	140,846	-	89,400,997
Infrastructure	385,529,267	2,375,442	-	387,904,709
Improvements other than buildings	8,922,615	29,794	-	8,952,409
Machinery and equipment	20,972,915	171,033	(750,911)	20,393,037
Other Assets	3,232,263	390,907	-	3,623,170
Right-to-use Leased Equipment*	5,970,640	1,174,097	-	7,144,737
Total capital assets being depreciated	513,887,851	4,282,119	(750,911)	517,419,059
Less accumulated depreciation for:				
Building	(23,221,119)	(3,249,596)	-	(26,470,715)
Infrastructure	(221,114,025)	(13,270,288)	-	(234,384,313)
Improvements other than buildings	(3,588,263)	(431,217)	-	(4,019,480)
Machinery and equipment	(19,266,013)	(645,907)	750,906	(19,161,014)
Other assets	(2,607,594)	(302,327)	-	(2,909,921)
Right-to-use Leased Equipment	-	(2,181,653)	-	(2,181,653)
Total accumulated depreciation	(269,797,014)	(20,080,988)	750,906	(289,127,096)
Total capital assets being depreciated, net	238,120,197	(15,798,869)	(5)	228,291,963
Governmental activities capital assets, net	\$ 295,195,646	\$ (7,781,907)	\$ (5)	\$ 293,384,374
Business-type activities				
Capital assets not being depreciated:				
Construction in progress	\$ 518,829	\$ 103,735	\$ -	\$ 622,564
Total capital assets not being depreciated	518,829	103,735	-	622,564
Capital assets being depreciated:				
Infrastructure	23,434,965	1,011,740	-	24,446,705
Machinery and equipment	2,649,649	47,262	-	2,696,911
Leased Equipment*	53,167	20,063	-	73,230
Total capital assets being depreciated	26,137,781	1,079,065	-	27,216,846
Less accumulated depreciation for:				
Infrastructure	(7,383,408)	(578,961)	-	(7,962,369)
Machinery and equipment	(1,696,643)	(311,750)	-	(2,008,393)
Leased Equipment	-	(36,939)	-	(36,939)
Total accumulated depreciation	(9,080,051)	(927,650)	-	(10,007,701)
Total capital assets being depreciated, net	17,004,563	151,415	-	17,209,145
Business activities capital assets, net	\$ 17,523,392	\$ 255,150	\$ -	\$ 17,831,709

*Restated balance see note 1

Notes to Basic Financial Statements

Note 4. Capital Assets (continued)

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

Governmental Activities			
General government		\$	2,472,237
Public safety			2,627,026
Public works			13,390,430
Recreation & social services			1,591,295
Total depreciation expense – governmental activities		\$	20,080,988
Business-type Activities			
Stormwater		\$	927,650
Total depreciation expense – business-type activities		\$	927,650

Construction Commitments

The City of Miami Gardens has active construction projects as of September 30, 2022. The projects include final completion of the Bunche Pool, Norwood Park/Pool, Betty T. Ferguson, Buccaneer Park, North Dade Optimist, Bunche Park and Senior Family Center and various capital improvements at the parks. The amount remaining on these incomplete projects as of September 30, 2022 totaled \$4,483,440.

Note 5 - Lease Payable

The City is obligated under leases covering equipment that expire at various dates during the next several years.

The City has entered into a lease agreement as lessee primarily for equipment, such as vehicles. Most leases have initial terms of up to 5 years, and contain one or more renewal at our option, generally for three- or 5-year periods. We have generally included these renewal periods in the lease term when it is reasonably certain that we will exercise the renewal option. The City's leases generally do not include termination options for either party to the lease or restrictive financial or other covenants. The City's lease arrangements do not contain any material residual value guarantees. As the interest rate implicit in the City's leases is not readily determinable, the City utilizes its incremental borrowing rate to discount the lease payments.

The statement of net position shows the following amounts relating to leases:

Right-of-use assets	Governmental	Business-type	Total
	Activities	Activities	
Vehicles	\$ 4,963,083	\$ 36,291	\$ 4,999,374
Total	\$ 4,963,083	\$ 36,291	\$ 4,999,374
	Governmental	Business-type	Total
	funds	activities	
Lease payable			
Current	\$ 2,136,389	\$ 22,898	\$ 2,159,287
Non-current	\$ 2,831,838	\$ 13,383	\$ 2,845,221
Total	\$ 4,968,227	\$ 36,281	\$ 5,004,508

Note 5 - Lease Payable (Continued)

The future principal and interest lease payments as of September 30, 2022, were as follows:

Fiscal year	Governmental funds		Business-type activities	
	Principal	Interest	Principal	Interest
2023	\$ 2,136,389	\$ 14,494	\$ 22,898	\$ 57
2024	1,762,925	7,346	4,011	9
2025	877,871	2,140	4,014	6
2026	172,411	309	4,018	3
2027	18,631	41	1,340	-
Total	\$ 4,968,227	\$ 24,330	\$ 36,281	\$ 75

Note 6. Encumbrances

Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. Significant encumbrances as of September 30, 2022 are as follows:

Major Funds:	
General Fund	\$ 530,449
Transportation Fund	1,282,125
Capital Projects Fund	4,483,440
Total Major Funds	6,296,014
Non-Major Governmental Funds	6,231,748
Total Encumbrances	\$ 12,527,762

Notes to Basic Financial Statements

Note 7. Long-Term Liabilities

The following is a summary of changes in long-term liabilities of the City for governmental and business-type activities for the year ended September 30, 2022:

	October 1, 2021	Additions	Reductions	September 30, 2022	Due within One Year
Governmental Activities					
Bonds & notes payable:					
General Obligation Bonds:					
General Obligation Bond, Series 2014	\$ 7,560,000	\$ -	\$ 1,755,000	\$ 5,805,000	\$ 1,840,000
Taxable General Obligation Refunding Bond, Series 2020	49,540,000	-	750,000	48,790,000	760,000
Special Obligation and Revenue Bonds, Loans and Leases:					
QNIP due to Miami Dade County	2,104,375	-	461,176	1,643,199	480,025
Land Acquisition Revenue Bonds, Series 2005	3,125,368	-	386,067	2,739,301	400,468
Land Acquisition Revenue Bonds, Series 2009	2,050,132	-	2,050,132	-	-
Certificates of Participation Series 2010 A01 & A02	43,850,000	-	1,495,000	42,355,000	1,565,000
Capital Improvement Revenue Bonds, Series 2016	1,404,298	-	1,404,298	-	-
Less: bond discounts	(493,514)	25,861	-	(467,653)	(25,861)
Less: deferred charge refunding	(3,013,027)	167,390	-	(2,845,637)	(167,390)
Notes from Direct Borrowing and Direct Placements:					
Taxable Refunding Revenue Bond Series 2019	5,200,000	-	880,000	4,320,000	905,000
Total bonds and notes payable	111,327,632	193,251	9,181,673	102,339,210	5,757,242
Other Liabilities					
Lease Agreements	-	4,968,227	-	4,968,227	2,136,389
Net pension liability	26,208,931	42,165,871	-	68,374,802	-
Net OPEB liability	8,306,565	779,678	-	9,086,243	-
Compensated absences	12,974,016	9,048,951	8,190,705	13,832,262	2,074,839
Total other liabilities	47,489,512	56,962,727	8,190,705	96,261,534	4,211,228
Governmental activities long-term liabilities	\$ 158,817,144	\$ 57,155,978	\$ 17,372,378	\$ 198,600,744	\$ 9,968,470
Business-type Activities					
Bonds and notes payable:					
Special Obligation and Revenue Bonds, Loans and Leases:					
Miami-Dade County Stormwater Annexation Bond Series 2020	-	181,236	28,310	152,926	18,789
Miami-Dade County Stormwater Utility Bond Series 2020	-	3,166,441	-	3,166,441	389,030
Miami-Dade County Stormwater Utility Bond	4,354,053	-	4,354,053	-	-
Total bonds and notes payable	4,354,053	3,347,677	4,382,363	3,319,367	407,819
Other Liabilities:					
Compensated absences	74,314	-	4,299	70,015	14,003
Lease Agreements	-	36,281	-	36,281	22,898
Net pension liability	110,342	340,721	-	451,063	-
Net OPEB liability	87,871	6,683	-	94,554	-
Total other liabilities	272,527	383,685	4,299	651,913	36,901
Business-type activities long-term liabilities	\$ 4,626,580	\$ 3,731,362	\$ 4,386,662	\$ 3,971,280	\$ 444,720

Note 7. Long-Term Liabilities (continued)

Long-Term Debt – Governmental Activities

Long-term debt of the City’s governmental activities includes general and special obligation bonds from direct placements and loan agreements that are payable from property tax land and other specific revenue sources. The city’s general obligation bonds, special obligation bonds and special obligation bonds from direct placements contain 1) a provision that in an event of default, outstanding amounts become immediately due if the City is unable to make payment and (2) contain a subjective acceleration clause that allows for the acceleration of payment of the entire principle amount to become immediately due if it is determined that a material adverse event occurs. See individual long-term debt narrative on the following pages for specific default events.

At September 30, 2022, the annual debt service requirements are as follows:

Year Ending September 30,	Governmental Activities					
	Notes from Direct Borrowings and Direct Placements		Special Obligation, Revenue Bonds, Loans and Leases		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 905,000	\$ 133,497	\$ 5,045,493	\$ 4,500,216	\$ 5,950,493	\$ 4,633,713
2024	940,000	103,767	5,250,255	4,253,260	6,190,255	4,357,027
2025	970,000	72,898	5,160,850	3,997,740	6,130,850	4,070,638
2026	995,000	41,051	6,423,529	3,716,527	7,418,529	3,757,578
2027	510,000	8,308	5,072,375	3,504,196	5,582,375	3,512,504
2028-2032	-	-	26,375,000	14,551,607	26,375,000	14,551,607
2033-2037	-	-	30,795,000	8,695,684	30,795,000	8,695,684
2038-2041	-	-	17,210,000	1,684,269	17,210,000	1,684,269
Total	\$ 4,320,000	\$ 359,521	\$ 101,332,502	\$ 44,903,499	\$ 105,652,502	\$ 45,263,020

Year Ending September 30,	Stormwater					
	Notes from Direct Borrowings and Direct Placements		Special Obligation, Revenue Bonds, Loans and Leases		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ -	\$ -	\$ 407,818	\$ 165,968	\$ 407,818	\$ 165,968
2024	-	-	427,980	145,577	427,980	145,577
2025	-	-	449,517	124,178	449,517	124,178
2026	-	-	471,970	101,703	471,970	101,703
2027	-	-	495,339	78,104	495,339	78,104
2028-2030	-	-	1,066,743	80,647	1,066,743	80,647
Total	\$ -	\$ -	\$ 3,319,367	\$ 696,177	\$ 3,319,367	\$ 696,177

Public Service Tax Revenue Bonds, Series 1999 and Series 2002

Prior to the City’s incorporation, Miami-Dade County issued Florida Public Service Tax Revenue Bonds (UMSA Public Improvements) Series 1999 and Series 2002. The County pledged the Unincorporated Municipal Service Area’s (UMSA) utility tax revenues for debt service on the Revenue Bonds. As part of the Master Interlocal Agreement with Miami-Dade County (County), and as a condition to incorporation, the City is obligated to repay its share of certain County debt instruments that had been issued for improvements to the unincorporated areas of the County. The County had pledged certain revenues in support of those debt instruments. The restrictive covenants of those debt instruments prohibit the County from releasing the pledged revenues until the obligations have been paid in full. The City can prepay at any time its share of the outstanding debt and thus have its revenue streams released from this encumbrance. Until that time, the City is required to allow the County to continue to

Note 7. Long-Term Liabilities (continued)

receive those revenue streams and then forward the City the difference between what was collected and what was paid as the City’s share of the outstanding debt. The City’s Public Service Tax on utility service will first go to the County to pay the debt service and related costs of the County’s *Public Service Tax Revenue Bonds, Series 1999 and Series 2002*. The County refinanced these bonds in 2011 and refinanced them again in 2020.

Debt service requirements are as follows:

Fiscal year ending September 30,	Governmental Activities Revenue Bonds		
	Principal	Interest	Total
2023	\$ 480,025	\$ 68,582	\$ 548,607
2024	499,850	49,140	548,990
2025	209,950	33,166	243,116
2026	221,000	22,669	243,669
2027	232,375	11,619	243,994
	\$ 1,643,200	\$ 185,176	\$ 1,828,376

Series 2005 \$7,500,000 Land Acquisition Revenue Bonds

On June 23, 2005, the City issued \$7,500,000 in special revenue bonds for the purpose of financing a portion of the costs of purchasing and renovating existing buildings and constructing new public facilities, purchasing land for, and financing architectural, engineering, environmental, legal, and other planning costs related thereto for, the sites of City Hall, Public Works Department facilities and other public facilities, widening roads and making other road improvements, and paying the costs of issuance of the bonds. The bonds have a maturity of 20 years and carry a fixed interest rate of 3.73% and require semi-annual payments each October 1st and April 1st, with the final payment due October 1, 2025.

The Promissory Note agreement also includes the following additional information:

- An “Event of Default” shall be deemed to have occurred if – the City fails to make any payment of principal or interest when the same become due and payable; default of covenants; default in the performance of any part of the agreement.
- Upon the occurrence of certain “Events of Default” the bank may declare the entire debt due and payable; and in any such default and acceleration, the City shall also be obligated to pay (but only from Pledged Revenues) as part of the indebtedness evidenced by this Bond, all costs of collection and enforcement hereof, including such fees as may be incurred on appeal or incurred in any proceeding under bankruptcy laws as they now or hereafter exist, including specifically but without limitation, claims, disputes and proceedings seeking adequate protection or relief from the automatic stay.
- Without the prior written consent of the Bank, the City shall not incur additional obligations secured by the Local Government Half-Cent Sales Tax Revenues and the Communication Services Tax Revenues, unless (i) the ratio of the amount of tax revenues collected during each of the preceding two fiscal years divided by the annual debt service on all debt obligations secured by the tax revenues and on the debt obligations proposed to be issued, is a least equal to 1.50, (ii) no Event of Default exists and (iii) the other covenants of the City continue to be met.
- If an “event of default” occurs the interest rate of the bonds shall immediately be adjusted to a rate equal to the maximum lawful rate, irrespective of a declaration of maturity.

Note 7. Long-Term Liabilities (continued)

Debt service requirements are as follows:

Fiscal year ending September 30,	Governmental Activities Revenue Bonds		
	Principal	Interest	Total
2023	\$ 400,468	\$ 94,707	\$ 495,175
2024	415,405	79,490	494,895
2025	430,900	63,707	494,607
2026	1,492,529	27,835	1,520,364
0	-	-	-
	<u>\$ 2,739,302</u>	<u>\$ 265,739</u>	<u>\$ 3,005,041</u>

Series 2009 \$4,000,000 Land Acquisition Revenue Bonds

On July 30, 2009, the City issued \$4,000,000 in revenue bonds to finance the costs of land acquisition and improvement. These bonds are secured by pledging the communication service tax, the local government half-cent sales tax and utility tax revenue. This is a fixed rate bond at 4.66% per annum. The bonds are subject to optional prepayment in whole or in part at any time at a price of par, plus accrued interest to the date of prepayment and may be subject to prepayment penalty. The debt service payments are scheduled quarterly with the first payment made on November 1, 2009. The bond matures on August 1, 2029.

The Promissory Note agreement also includes the following additional information:

- An “Event of Default” shall be deemed to have occurred if – the City fails to make any payment of principal or interest when the same become due and payable; default of covenants; default in the performance of any part of the agreement.
- Upon the occurrence of certain “Events of Default” the bank may declare the entire debt due and payable; and in any such default and acceleration, the City shall also be obligated to pay (but only from Pledged Revenues) as part of the indebtedness evidenced by this Bond, all costs of collection and enforcement hereof, including such fees as may be incurred on appeal or incurred in any proceeding under bankruptcy laws as they now or hereafter exist, including specifically but without limitation, claims, disputes and proceedings seeking adequate protection or relief from the automatic stay.
- Without the prior written consent of the Bank, the City shall not incur additional obligations secured by the Local Government Half-Cent Sales Tax Revenues and the Communication Services Tax Revenues, unless (i) the ratio of the amount of tax revenues collected during each of the preceding two fiscal years divided by the annual debt service on all debt obligations secured by the tax revenues and on the debt obligations proposed to be issued, is a least equal to 1.50, (ii) no Event of Default exists and (iii) the other covenants of the City continue to be met.

If an “event of default” occurs the interest rate of the bonds shall immediately be adjusted to a rate equal to the maximum lawful rate, irrespective of a declaration of maturity.

The City paid off the bond from the assigned debt reduction booked in FY 2022.

Debt service requirements are as follows:

Fiscal year ending September 30,	Governmental Activities Revenue Bonds		
	Principal	Interest	Total
2023	-	-	-

Note 7. Long-Term Liabilities (continued)

Series 2010A-1 \$2,150,000 tax exempt; and Series 2010A-2 \$52,850,500 (Build America Bonds), Certification of Participations

On November 20, 2010, the City issued \$55,000,000 Certificate of Participations to finance the construction and purchase of furniture and equipment of the City Hall. Series 2010A-1 are tax exempt Certificate of Participation Bonds with various maturity date. The initial maturity date was June 1, 2014 and the True Interest Cost was 2.50%. Series 2010A-2 Taxable Certificates of Participation (Build American Bonds) latest maturity date is June 1, 2040 with a True Interest Cost of 4.72%. The 2010A Certificates are secured by and payable from the trust estate. The City Non-ad valorem revenues which are legally available constitute the primary sources of funds to make lease payments and all other amounts required to be paid by the City under Series 2010A.

The Promissory Note agreement also includes the following additional information:

- An “Event of Default” shall be deemed to have occurred if – the City fails to make any payment of principal or interest when the same become due and payable, default in the performance of any part of the agreement.
- An “Event of Default” will immediately result in the bank declaring all obligations of the City to be immediately due and payable without further action of any kind. If payment cannot be made the City is required to immediately surrender and deliver possession of all facilities financed under the Series 2010A. The bank may also seek enforcement of, and exercise all, remedies available under any applicable law.

Debt service requirements are as follows:

Fiscal year ending September 30,	Governmental Activities Revenue Bonds		
	Principal	Interest	Total
2023	\$ 1,565,000	\$ 2,976,257	\$ 4,541,257
2024	1,635,000	2,864,046	4,499,046
2025	1,715,000	2,746,817	4,461,817
2026	1,795,000	2,623,851	4,418,851
2027	1,875,000	2,495,150	4,370,150
2028-2032	10,740,000	10,383,100	21,123,100
2033-2037	13,425,000	6,264,650	19,689,650
2038-2040	9,605,000	1,364,650	10,969,650
	\$ 42,355,000	\$ 31,718,521	\$ 74,073,521

Series 2014 General Obligation Bonds

On July 16, 2014, the City issued \$60 million General Obligation Bonds that was approved by the voters in April 2014 for improvements including expansion to parks and recreation facilities and to purchase and install crime prevention equipment. The original maturity date of the bond is July 2039. The True Interest Costs is 4.0%. General obligation bonds are direct obligations and pledge by full faith and credit. In each year that the debt is outstanding, an ad valorem tax is levied equal to principal and interest due. In August 2020, the City issued Taxable General Obligation Refunding Bond, Series 2020, refunding \$41.8 million of the Series 2014 General Obligation Bond, leaving \$9,265,000 with a new maturity date of September 2025.

The Promissory Note agreement also includes the following additional information:

- Without the prior written consent of the Bank, the City shall not incur additional indebtedness secured by or payable from all or a portion of the non-ad valorem revenues unless the total amount of non-ad valorem revenues for the prior fiscal year (exclusive of any proceeds of indebtedness) were at least two (2) times the maximum annual debt service on all indebtedness.

Note 7. Long-Term Liabilities (continued)

- An “Event of Default” shall be deemed to have occurred if – the City fails to make any payment of principal or interest when the same become due and payable; default in the performance of any part of the agreement; any petition to declare bankruptcy.
- An “Event of Default” will immediately result in the bank declaring all obligations of the City to be immediately due and payable without further action of any kind. The bank may also seek enforcement of, and exercise all, remedies available under any applicable law.

Debt service requirements are as follows:

Fiscal year ending September 30,	Governmental Activities Revenue Bonds		
	Principal	Interest	Total
2023	\$ 1,840,000	\$ 290,250	\$ 2,130,250
2024	1,935,000	198,250	2,133,250
2025	2,030,000	101,500	2,131,500
	\$ 5,805,000	\$ 590,000	\$ 6,395,000

Taxable General Obligation Refunding Bond, Series 2020

On August 11, 2020, the City issued \$50 million General Obligation Taxable Refunding Bonds that was approved by the City Council to partially refund the Series 2014 General Obligation Bond. The maturity date of the bond is July 2039 just like the original issue. The True Interest Costs is 2.39%. General obligation bonds are direct obligations and pledge by full faith and credit. In each year that the debt is outstanding, an ad valorem tax is levied equal to principal and interest due.

The Promissory Note agreement also includes the following additional information:

- An “Event of Default” shall be deemed to have occurred if – the City fails to make any payment of principal or interest when the same become due and payable; default in the performance of any part of the agreement; any petition to declare bankruptcy.
- An “Event of Default” will immediately result in the bank declaring all obligations of the City to be immediately due and payable without further action of any kind. The bank may also seek enforcement of, and exercise all, remedies available under any applicable law.

Debt service requirements are as follows:

Fiscal year ending September 30,	Governmental Activities Revenue Bonds		
	Principal	Interest	Total
2023	\$ 760,000	\$ 1,070,421	\$ 1,830,421
2024	765,000	1,062,334	1,827,334
2025	775,000	1,052,550	1,827,550
2026	2,915,000	1,042,173	3,957,173
2027	2,965,000	997,427	3,962,427
2028-2032	15,635,000	4,168,507	19,803,507
2033-2037	17,370,000	2,431,034	19,801,034
2038-2039	7,605,000	319,619	7,924,619
	\$ 48,790,000	\$ 12,144,065	\$ 60,934,065

Note 7. Long-Term Liabilities (continued)

Series 2016 Capital Improvement Revenue Bonds

On September 29, 2016 the City issued \$6.0 million Revenue Bonds to complete the City Hall and Police Headquarters Building. The bond will mature on July 1, 2026 with a fixed interest rate of 2.15%. The collateral of this issuance is subject to Covenant to Budget and Appropriation of Non-Ad Valorem Revenues. There is no prepayment penalty.

The Promissory Note agreement also includes the following additional information:

- An “Event of Default” shall be deemed to have occurred if – the City fails to make any payment of principal or interest when the same become due and payable; default in the performance of any part of the agreement; any petition to declare bankruptcy.
- Without the prior written consent of the Bank, the City shall not incur additional obligations secured by the Local Government Half-Cent Sales Tax Revenues, Electric Utility Tax and the Communication Services Tax Revenues, unless (i) the ratio of the amount of tax revenues collected during each of the preceding two fiscal years divided by the annual debt service on all debt obligations secured by the tax revenues and on the debt obligations proposed to be issued, is a least equal to 1.50, (ii) no Event of Default exists and (iii) the other covenants of the City continue to be met.
- An “Event of Default” will immediately result in the bank declaring all obligations of the City to be immediately due and payable without further action of any kind. The bank may also seek enforcement of, and exercise all, remedies available under any applicable law.

The City paid off the bond from the assigned debt reduction booked in FY 2021.

Debt service requirements are as follows:

Fiscal year ending September 30,	Governmental Activities Revenue Bonds		
	Principal	Interest	Total
2023	\$ -	\$ -	\$ -

Series 2019 Taxable Refunding Revenue Bond

On February 13, 2019, the City issued a taxable revenue bond of \$6.9 million to refinance the City’s outstanding Land Acquisition and Improvement Revenue Bonds, Series 2007 awarding the sale of the bonds to PNC Bank, National Association. The bonds’ fixed interest rate is 3.258% and matures December 30, 2026.

The Promissory Note agreement also includes the following additional information:

- An “Event of Default” shall be deemed to have occurred if – the City fails to make any payment of principal or interest when the same become due and payable; default of covenants; default in the performance of any part of the agreement.
- Upon the occurrence of certain “Events of Default” the Bank may declare the entire debt due and payable and the bank may also seek enforcement of, and exercise all, remedies available under any applicable law.
- Without the prior written consent of the Bank, the City shall not incur additional obligations secured by the Local Government Half-Cent Sales Tax Revenues and the Communication Services Tax Revenues, unless (i) the ratio of the amount of tax revenues collected during each of the preceding two fiscal years divided by the annual debt service on all debt obligations secured by the tax revenues and on the debt obligations proposed to be issued, is a least equal to 1.50, (ii) no Event of Default exists and (iii) the other covenants of the City continue to be met.
- If an “event of default” occurs the interest rate of the bonds shall immediately be adjusted to a rate equal to the rate on the Bond, plus three percent (3%), provided the rate be not in excess.

Note 7. Long-Term Liabilities (continued)

Debt service requirements are as follows:

Fiscal year ending September 30,	Governmental Activities Revenue Bonds		
	Principal	Interest	Total
2023	\$ 905,000	\$ 133,497	\$ 1,038,497
2024	940,000	103,767	1,043,767
2025	970,000	72,898	1,042,898
2026	995,000	41,051	1,036,051
2027	510,000	8,308	518,308
	\$ 4,320,000	\$ 359,521	\$ 4,679,521

Stormwater Utility Revenue Bonds, Series 1999 and Series 2004 – Business-type Activities

Prior to the City’s incorporation, Miami-Dade County issued two Stormwater Utility Revenue Bonds Series 1999 and Series 2004 payable from the Stormwater utility fees collected from the unincorporated areas and certain cities. The County assesses and collects the Stormwater utility fee pursuant to section 24-61 through 24-61.5 of the County codes, and section 403.0893, Florida Statute (the Stormwater utility fees). The County issued two Utility Revenue Bonds, Series 1999 and 2004. The City is responsible for 8.742% of the debt services of these two bonds. The County refinanced the bond in 2014 and refinanced again in 2020 (Miami-Dade County Stormwater Utility Revenue Refunding Bonds, Series 2020) creating approximately \$800,000 savings for the City. In 2021, the City annexed Ives Estates/Miami Industrial District that added an additional obligation under the series 2020 for the newly annexed area. The city is responsible for 0.4222% of the annexation debt. The City’s Stormwater Assessments will continue to be paid directly to the County until the County’s Stormwater Utility Revenue Bonds mature in 2029 (Table 1 & Table 2).

The County provides the City with the following table which details the future debt service for the stormwater agreement:

Debt service requirements are as follows:

Fiscal year ending September 30,	Business Type Activities Revenue Bonds		
	Principal	Interest	Total
2023	\$ 389,030	\$ 158,322	\$ 547,352
2024	408,263	138,871	547,134
2025	428,807	118,457	547,264
2026	450,225	97,017	547,242
2027	472,518	74,506	547,024
2028-2029	1,017,597	76,932	1,094,529
	\$ 3,166,440	\$ 664,105	\$ 3,830,545

Notes to Basic Financial Statements

Note 7. Long-Term Liabilities (continued)

Debt service requirements are as follows:

Fiscal year ending September 30,	Business Type Activities Revenue Bonds		
	Principal	Interest	Total
2023	\$ 18,789	\$ 7,646	\$ 26,435
2024	19,717	6,707	26,424
2025	20,710	5,721	26,431
2026	21,744	4,686	26,430
2027	22,821	3,598	26,419
2028-2029	49,146	3,715	52,861
	<u>\$ 152,927</u>	<u>\$ 32,073</u>	<u>\$ 185,000</u>

Note 8. Inter-Fund Receivables, Payables, and Transfers

Transactions between funds of the City can result in receivables and payables at year-end when there is reasonable expectation of repayment.

Receivable and payables for the fiscal year ended September 30, 2022 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Community Development Block Grant Fund	215,000
General Fund	Law Enforcement Trust Fund	170,000
		<u>\$ 385,000</u>

Interfund activity for the fiscal year ended September 30, 2022 is as follows:

	Transfers In	Transfer Out
General Fund	\$ 11,696,668	\$ 10,593,985
Transportation Fund	221,741	1,195,500
Development Services Fund	-	667,128
Debt Service Fund	10,452,398	-
Capital Projects Fund	5,622,251	5,918,591
Special Revenue Fund	-	10,000,000
Stormwater Fund	-	445,235
CRA Fund	827,381	-
	<u>\$ 28,820,439</u>	<u>\$ 28,820,439</u>

Transfers are used to (1) move revenues from the fund with collection authorization to the Debt Service Fund as debt service principal and interest payments become due, and (2) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 9. Property Taxes

Property values are assessed as of January 1 of each year, at which time taxes become an enforceable lien on property. Tax bills are mailed for the City by Miami-Dade County annually on October 1 and are payable with discounts of up to 4% offered for early payment. Taxes become delinquent on April 1 of the year following the year of assessment and state law provides for enforcement of collection of property taxes by seizure of the personal property or by the sale of interest-bearing tax certificates to satisfy unpaid property taxes. Assessed values are established by the Miami-Dade County Property Appraiser.

In November 1992, a Florida constitutional amendment was approved by the voters, which provides for limiting the increases in homestead property valuations for ad valorem tax purposes to a maximum of 3% annually and also provides for reassessment of market values upon changes in ownership. The County bills and collects all property taxes and remits them to the City. State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The tax levy of the City is established by the City Council and the Miami-Dade County Property Appraiser incorporates the City's millage into the total tax levy, which includes the County and the County School Board tax requirements. The millage rate assessed by the City for the year ended September 30, 2022 was 6.9363 mills (\$6.9363 per \$1,000 of taxable assessed valuation) which has remained unchanged over the past 8 years.

Note 10. Retirement Plans

All of the City's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the Pension Plan and the Retiree Health Insurance Subsidy (HIS Plan). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (Investment Plan) alternative to the Pension Plan, which is administered by the State Board of Administration (SBA). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a Florida state agency, county government, district school board, state university, community college, or a participating city or special district. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Florida Legislature established and may amend the contribution requirements and benefit terms of all FRS plans.

The plan administrator for FRS prepares and publishes its own stand-alone Annual Comprehensive Financial Report, including financial statements and required supplementary information. Copies of this report can be obtained from the Department of Management Services, Division of Retirement, Bureau of Research and Member Communications, P.O. Box 9000, Tallahassee, Florida 32315-9000; or at the Division's website (www.frs.myflorida.com).

A. Pension Plan – Florida Retirement System (FRS)

Plan Description – The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees.

The general classes of membership for the City are as follows:

- Regular Class – Members of the FRS who do not qualify for membership in the other classes.
- Senior Management Service Class (SMSC) – Members in senior management level positions
- Special Risk Class – Members who are employed as law enforcement officers

Employees enrolled in the Pension Plan prior to July 1, 2011, vest after six years of creditable service, and employees enrolled in the Pension Plan on or after July 1, 2011, vest after eight years of creditable service. Regular Class and SMSC members initially enrolled in the Pension Plan before July 1, 2011, once vested, are eligible for normal retirement benefits at age 62 or at any age after 30 years of creditable service. Members in these classes initially enrolled in the Pension Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Early retirement may be taken any time after vesting within 20 years of normal retirement age; however, a 5.0% benefit reduction is imposed for each year prior to the normal retirement age.

Notes to Basic Financial Statements

Note 10. Retirement Plans (continued)

DROP is available under the Pension Plan when the member first reaches eligibility for normal retirement. The DROP allows a member to retire while continuing employment for up to 60 months. While in the DROP, the member's retirement benefits accumulate in the FRS Trust Fund increased by a cost-of-living adjustment each July and earn monthly interest equivalent to an annual rate of 1.30%. DROP participants with an effective DROP commencement date before July 1, 2011, earn monthly interest equivalent to an annual rate of 6.50%.

Benefits Provided – Benefits under the Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned. The following chart shows the percentage value for each year of service credit earned.

Class, Initial Enrollment, and Retirement Age/Years of Service	% Value (Per Year of Service)
Regular Class Members Initially Enrolled Before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60%
Retirement at age 63 or with 31 years of service	1.63%
Retirement at age 64 or with 32 years of service	1.65%
Retirement at age 65 or with 33 or more years of service	1.68%
Regular Class Members Initially Enrolled On or After July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60%
Retirement at age 66 or with 34 years of service	1.63%
Retirement at age 67 or with 35 years of service	1.65%
Retirement at age 68 or with 36 or more years of service	1.68%
Special Risk Class	
Service from Dec. 1, 1970 through Sept. 30, 1974	2.00%
Service on and after Oct. 1, 1974	3.00%
Senior Management Service Class	2.00%

The benefits received by retirees and beneficiaries are increased by a cost of living adjustment (COLA) each July based on their June benefit amount. For retirees who have been retired for less than 12 months on July 1, the first COLA increase is prorated. The COLA applies to all continuing monthly retirement benefits paid under the FRS Pension Plan (i.e., normal and early service retirement benefits and benefits accruing in participant accounts under the DROP, disability retirement benefits, and survivor benefits). The COLA for retirements or DROP participation effective before August 1, 2011, is 3 percent per year. The COLA formula for retirees with an effective retirement date or DROP begin date on or after August 1, 2011, will be the sum of the pre-July 2011 service credit divided by the total service credit at retirement multiplied by 3 percent. Each Pension Plan member with an effective retirement date of August 1, 2011, or after will have an individual COLA factor for retirement. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a COLA after retirement.

Contributions – Effective July 1, 2011, all enrolled members of the Pension Plan, other than DROP participants, are required to contribute 3.0% of their salary to the Pension Plan. In addition to member contributions, governmental employers are required to make contributions to the Pension Plan based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the fiscal year 2021-2022 are as follows:

Note 10. Retirement Plans (continued)

Class	Employee Contribution Rate	Employer Contribution Rate*	Total Contribution Rate
Regular	3.00%	10.82%	13.82%
Senior Management	3.00%	29.01%	32.01%
Special Risk	3.00%	25.89%	28.89%
DROP	n/a	18.34%	18.34%

* From contribution rates effective July 1, 2021.

* These rates include the normal cost and unfunded actuarial liability contributions but do not include the 1.66 percent contribution for the Retiree Health Insurance Subsidy and the fee of 0.06 percent for administration of the FRS Investment Plan and provision of educational tools for both plans

For the fiscal year ending September 30, 2022, contributions, including employee contributions, to the Pension Plan for the City totaled \$8,165,956 .

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. Ending September 30, 2022, the City reported a liability of \$56,954,198 for its proportionate share of the Pension Plan’s net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The City’s proportionate share of the net pension liability was based on its share of the City’s 2021-2022 fiscal year contributions relative to the 2021-2022 fiscal year contributions of all participating members. The City’s General Fund is primarily utilized for the payment of pension liabilities of the governmental funds.

The Florida Retirement System (FRS) Actuarial Assumption Conference is responsible for setting the assumptions used in the funding valuations of the defined benefit pension plan pursuant to section 216.136(10), Florida Statutes. The division determines the assumptions in the valuations for GASB 67 reporting purposes. The FRS Pension Plan’s GASB 67 valuation is performed annually. The most recent experience study for the FRS Pension Plan was completed in 2019 for the period July 1, 2013, through June 30, 2018. The 6.80 percent return assumption used in the June 30, 2022 calculations were determined by Plan’s consulting actuary to be reasonable and appropriate per Actuarial Standards of Practice.

For the fiscal year ended September 30, 2022, the City recognized pension expense of (\$7,236,500). In addition, 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	\$ 2,704,995	\$ -
Change of Assumptions	7,014,148	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,760,678	-
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	1,039,521	(3,881,263)
Pension Plan Contributions Subsequent to the Measurement Date	1,634,197	-
Total	\$ 16,153,539	\$ (3,881,263)

Notes to Basic Financial Statements

Note 10. Retirement Plans (continued)

The deferred outflows of resources related to the Pension Plan, totaling \$1,634,197 for the City, resulting from contributions made after the measurement date of the net pension but before the end of the City's report period September 30, 2022 will be recognized as a reduction of the net pension or collective net pension liability in the subsequent fiscal period rather than in the current fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Years Ending September 30	Deferred Inflows
2023	\$ 2,556,813
2024	684,925
2025	(1,840,179)
2026	8,895,014
2027	341,506
Thereafter	-
Total	\$ 10,638,079

Actuarial Assumptions – The total pension liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.40%
Salary Increases	3.25% average, including inflation
Discount Rate	6.70%, net of pension plan investment expense, including inflation

Mortality rates were based on PUB-2010 base table varies by member category and sex, projected generationally with scale MP-2018.

The actuarial assumptions used in the July 1, 2022, valuation was based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

The long-term expected rate of return on Pension Plan investments was not based on historical returns but, instead, is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation*	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.4%	2.6%	1.1%
Fixed Income	19.8%	4.4%	4.4%	3.2%
Global Equity	54.0%	8.8%	7.3%	17.8%
Real Estate	10.3%	7.4%	6.3%	15.7%
Private Equity	11.1%	12.0%	8.9%	26.3%
Strategic Investments	3.8%	6.2%	5.9%	7.8%
Total	100.0%			
Assumed Inflation – Mean			2.4%	1.3%

* As outlined in the FRS Pension Plan's investment policy.

Note 10. Retirement Plans (continued)

Discount Rate – The discount rate used to measure the total pension liability was 6.80%. The Pension Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation of the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the Proportionate Share of the Net Position Liability to Changes in the Discount Rate – The following represents the City’s proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower 5.70% or one percentage point higher 7.70% than the current rate:

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
Proportional Share of the Net Pension Liability	\$ 98,498,370	\$ 56,954,198	\$ 22,218,328

Pension Plan Fiduciary Net Position – Detailed information regarding the Pension Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan – At September 30, 2022, the City outstanding payables to the Pension Plan for contributions required for the fiscal year ended September 30, 2022 totaled \$375,393.

B. Retiree Health Insurance Subsidy Program (HIS)

Plan Description – The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of state administered retirement systems in paying health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided – For the fiscal year ended September 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a state administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2022, the HIS contribution rate for the period October 1, 2021 through September 30, 2022, was 1.66% of payroll pursuant to section 112.363, Florida Statutes. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

For the fiscal year ending September 30, 2022, contributions to the HIS Plan for the City totaled \$840,033 .

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2022, the City reported a liability of \$11,871,667 for its proportionate share of the HIS Plan’s net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The City’s proportionate share of the net pension liability was based on its share of the City’s 2021-2022 fiscal year contributions relative to the 2021-2022 fiscal year contributions of all participating members.

Notes to Basic Financial Statements

Note 10. Retirement Plans (continued)

For the fiscal year ended September 30, 2022, the City recognized pension expense of \$659,481. In addition, 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	\$ 360,334	\$ (52,236)
Change of Assumptions	680,492	(1,836,539)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	17,188	-
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	852,339	(459,818)
Pension Plan Contributions Subsequent to the Measurement Date	161,820	-
Total	\$ 2,072,173	\$ (2,348,593)

The deferred outflows of resources related to the HIS Plan, totaling \$161,820 for the City, resulting from contributions made after the measurement date of the net pension liability but before the end of the City's report period September 30, 2022 will be recognized as a reduction of the net pension liability or collective net pension liability in the subsequent fiscal period rather than in the current fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Years Ending September 30	Deferred Inflows
2023	\$ (98,930)
2024	43,403
2025	113,325
2026	(61,967)
2027	(290,728)
Thereafter	(143,344)
Total	\$ (438,241)

Note 10. Retirement Plans (continued)

Actuarial Assumptions – Actuarial valuations for the HIS plan are conducted biennially. The July 1, 2021 HIS valuation is the most recent actuarial valuation and was used to develop the liabilities for June 30, 2022.

Liabilities originally calculated as of the actuarial valuation date have been recalculated as of a later GASB Measurement Date using standard actuarial roll forward procedures.

The total pension liability as of June 30, 2022 was determined using the following actuarial assumptions:

Inflation	2.40%
Salary Increases	3.25% average, including inflation
Discount Rate	3.54%, net of pension plan investment expense, including inflation

The mortality assumption was changed from the Generational RP-2000 with Projection Scale BB tables to the PUB-2010 base table, projected generationally with Scale MP-2018.

The actuarial assumptions that determine the total pension liability as of June 30, 2022 were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Discount Rate – The discount rate used to measure the total pension liability at September 30, 2022 was 3.54%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The municipal bond rate used to determine total pension liability was decreased from 2.21% to 2.16%,

Sensitivity of the Proportionate Share of the Net Position Liability to Changes in the Discount Rate – The following represents the City’s proportionate share of the net pension liability calculated using the discount rate of 3.54%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower 2.54% or one percentage point higher 4.54% than the current rate:

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
Proportional Share of the Net Pension Liability	\$ 13,582,161	\$ 11,871,667	\$ 10,456,267

Pension Plan Fiduciary Net Position – Detailed information regarding the HIS Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Florida Retirement System (FRS) and Health Insurance Subsidy (HIS) Aggregate; Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – The table below shows aggregate totals for the FRS and HIS Plans.

	Florida Retirement System	Health Insurance Subsidy	Aggregate Total
Liabilities	\$ 56,954,198	\$ 11,871,667	\$ 68,825,865
Pension Expense	7,236,500	659,481	7,895,981
Deferred Outflows of Resources	16,153,539	2,072,173	18,225,712
Deferred Inflows of Resources	(3,881,263)	(2,348,593)	(6,229,856)

Note 10. Retirement Plans (continued)**C. Investment Plan**

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the defined benefit pension plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class, as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members.

Allocations to the investment member's accounts during the 2021-22 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows:

Membership Class	Percentage of Gross Compensation
FRS Regular	6.30%
FRS Senior Management Service	7.67%
FRS Special Risk	14.00%

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over the account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2022, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the City.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump sum distribution, leave the funds invested for future distribution, or elect any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or the member may remain in the Investment Plan and rely upon that account balance for retirement income.

The Investment Plan pension expense for the City totaled \$659,481 for the fiscal year ended September 30, 2022.

At September 30, 2022, the City has no outstanding contributions to the Investment Plan required for the fiscal year.

Note 11. Other Post-Employment Benefits

Plan Description

The City provides its own single-employer, defined-benefit healthcare plan. The plan allows its employees and their beneficiaries to continue obtaining health, dental and other insurance benefits upon retirement. The benefits of the plan conform to Florida statutes, which are the legal authority for the plan. The classes of membership for the City are as follows: Special Class – Members who are employed as law enforcement officers; Stormwater – members who are employed in the Stormwater Enterprise Fund; and General Class – Members who do not qualify for membership in the other classes. The plan has no assets and does not issue separate financial reports.

Any employee of the City who participates in and satisfies the vesting, disability, early or normal retirement provisions of the Florida Retirement System (FRS) may be eligible for post-employment benefits. Eligible retirees may be covered at the retirees’ option the same as dependents of active employees. Prescription drug coverage is automatically extended to retirees and their dependents who continue coverage under the Medical Plan. Retirees and their dependents, who are Medicare-eligible, are not required to enroll for Parts A and B under Medicare. For claims otherwise covered under the Medicare Part B, the Plan pays as secondary only for retirees actually enrolled into Part A and B. This is an Open Plan.

The City also offers its retirees a stipend to help cover the cost to continue coverage of benefits such as health, life, accident hospitalization or other kinds of insurance during those years between retirement and Medicare eligibility.

Benefits Provided

The OPEB Plan provides healthcare insurance benefits for retirees and their dependents.

Funding Policy

The City’s funding policy is to pay post-retirement medical benefits from general funds. A trust has not been established to pre-fund these benefits.

Plan Membership

At September 30, 2022, the date of the latest actuarial valuation, plan participation consisted of the following:

Active plan members	429
Inactive plan members	12
	441
	441

Total OPEB Liability

The City’s total net OPEB liability of \$9,180,795 was measured as of September 30, 2021, and was determined by an actuarial valuation as of August 1, 2022.

Notes to Basic Financial Statements

Note 11. Other Post-Employment Benefits (continued)**Actuarial Assumptions and Other Inputs**

Valuation Date:	August 1, 2021
Measurement Date:	September 30, 2021
Roll-forward Disclosure:	The Total OPEB Liability was rolled-forward from the valuation date to the measurement date using standard actuarial techniques.

Methods and Assumptions Used to Determine Total OPEB Liability:

Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Discount Rate	2.19%
Salary Increases	Increases are based on a salary scale dependent upon gender and service for each participant.
Retirement Age	Retirement rate assumptions are based on the Florida Retirement System, retirement rates based on those used in the July 1, 2014 actuarial valuation of Florida Retirement System.
Mortality Decrements	Healthy Active – Special Risk, male and female: Pub-2010 Safety Employees Headcount-Weighted Mortality Projected with Fully Generational MP-2020 Mortality Improvement Scale
Retirees Share of Benefit – Related Costs	Premium contributions are required from retirees.
Medical Trend	Based on the Society of Actuaries Long Term Medical Cost Trend Model, version 2021_b. The following baseline assumptions are the input variables into the SOA model:
	Rate of Inflation 2.5%
	Rate of Growth in Real Income / GDP per capita 1.5%
	Expres Medical Growth 1.1%
	Expected Health Share of GDP in 2030 20.3%
	Health Share of GDP Resistance Point 25.0%
	Year for Limiting Cost Growth to GDP Growth 2,075

The pre-65 medical trend was increased to reflect the impact of Cadillac Tax. For this purpose, the Affordable Care Act (ACA) threshold of \$10,200 was assumed to grow like general inflation at 2.5%.

The Plan is unfunded, as such no projection of Fiduciary Net Position is required.

Demographic assumptions mirror those used for the Florida Retirement System pension plans.

The discount rate used to determine the liabilities under GASB 75 is based on an index rate for 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. This rate was 2.66% as of September 30, 2022.

Note 11. Other Post-Employment Benefits (continued)

Changes in the OPEB liability for the fiscal year ended September 30, 2022, were as follow:

Balance at September 30, 2021	\$ 8,394,435
Changes for the year	
Service cost	\$ 613,117
Interest	200,380
Differences between expected and actual experience	(159,853)
Changes in assumptions	132,716
Total change in OPEB liability for 9/30/22	786,360
Estimated employer contributions/ benefits payments	-
Net changes	786,360
Total OPEB Liability – September 30, 2022	\$ 9,180,795

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

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

<u>Discount Rate</u>	<u>1% Decrease 1.41%</u>	<u>Discount Rate 2.41%</u>	<u>1% Increase 3.41%</u>
Total OPEB Liability	\$ 8,958,859	\$ 9,180,795	\$ 7,820,375
Net OPEB Liability	\$ 8,958,859	\$ 9,180,795	\$ 7,820,375

Sensitivity of the total OPEB liability to the healthcare cost trend rate

The following table illustrates the impact of healthcare cost trend sensitivity on the Net OPEB Liability for fiscal year ending September 30, 2022.

<u>Ultimate Trend</u>	<u>1% Decrease 3.04%</u>	<u>Medical Trend 4.04%</u>	<u>1% Increase 5.04%</u>
Total OPEB Liability	\$ 7,408,909	\$ 9,180,795	\$ 9,575,316
Net OPEB Liability	\$ 7,408,909	\$ 9,180,795	\$ 9,575,316

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

For the fiscal year ended September 30, 2022, the City recognized OPEB expense of \$391,795. At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 1,334,260	\$ 2,072,764
Change of Assumptions	545,370	1,183,494
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	-
Employer Contribution Subsequent to Measurement Date	-	-
Total	\$ 1,879,630	\$ 3,256,258

Note 11. Other Post-Employment Benefits (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB plan will be recognized in the expense as follows:

Years Ending September 30	Deferred Inflows
2023	\$ (322,222)
2024	(322,222)
2025	(322,222)
2026	(322,218)
2027	(285,161)
Thereafter	197,417

Note 12. Interlocal Agreements, Commitments and Contingencies

City’s Obligation to Repay Its Share of County’s Outstanding Debt, Resolution R-2004-68-119

As part of the Master Interlocal Agreement with the County, and as a condition to incorporation, the City is obliged to repay its share of certain County debt instruments that had been issued for improvements to the unincorporated areas of the County. The County had pledged certain revenues in support of those debt instruments. The restrictive covenants of those debt instruments prohibit the County from releasing the pledged revenues until the obligations have been paid in full. The City can prepay at any time its share of the outstanding debt and thus have its revenues streams released from this encumbrance. Until that time, the City is required to let the County continue to receive those revenue streams and then forward the City the difference between what was collected and what was paid as the City’s share of the outstanding debt. The City’s Public Service Tax on utility service will first go to the County to pay the debt service and related costs of the County’s *Public Service*.

Tax Revenue Bonds Series 1999 and Series 2002. The County will then forward the remainder to the City. The City’s Stormwater Assessments will continue to be paid directly to the County until the County’s *Stormwater Utility Revenue Bonds, Series 1999*, matures.

Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters for which the City carries insurance coverage provided by the Preferred Governmental Insurance Trust (PGIT). Each participant in the Trust, agreed that the Trust is to defend in the name of and on behalf of the member any claims, suits or other legal proceedings which may at any time be instituted against the member on account of bodily injury liability, property damage liability, errors and omissions liability, civil rights liability or any other such liability, monetary or otherwise, to the extent such defenses and liability has been assumed by the Trust pursuant to the agreement.

Litigation

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

Compliance Audits

Amounts received or receivable from grant agencies are subject to audit and adjustment by Federal and State grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, or expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

Note 13. COVID-19 Pandemic

On March 9, 2020, the Governor of Florida, Ron DeSantis issued Executive Order Number 20-52, declaring a state of emergency for the entire state due to the outbreak of the Novel Coronavirus (COVID-19), soon thereafter identified as a global pandemic.

As the State of Florida struggled with the devastating impact of the COVID-19 pandemic, the City moved expeditiously to ensure continued uninterrupted essential services to residents in order to ensure the safety and well-being of employees and the public.

As a result of the Administrative Order, the City restricted in-person services and moved towards providing a virtual environment to facilitate employees and continue to serve residents.

During FY 2022 the City began to reopen facilities and programming to residents maintaining all adopted protocols for social distancing and sanitation for the safety and well-being of everyone, to include the continuation and enhancement of virtual meetings and programming. The outbreak of COVID-19 continues to be monitored at local, state, national, and worldwide levels.

Note 14. Subsequent Event

Management has evaluated events and transactions for subsequent events that would impact the financial statements for the year ended September 30, 2022 through June 29, 2023, the date the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the financial statements.



Required Supplementary Information (Other Than MD&A)

Annual Comprehensive Financial Report 2022



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Required Supplementary Information (Other Than MD&A)

Budgetary Comparison Schedule General Fund

For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 38,462,746	\$ 38,462,746	\$ 38,038,438	\$ (424,308)
Utility taxes	10,810,861	10,810,861	11,297,844	486,983
Intergovernmental	13,265,179	14,265,179	14,881,409	616,230
Charges for services	8,298,347	8,264,847	8,320,787	55,940
Licenses and permits	2,180,500	2,180,500	1,808,030	(372,470)
Fines and forfeitures	3,953,595	3,953,595	4,401,269	447,674
Franchise fees	4,935,000	7,017,000	8,187,789	1,170,789
Grants and donations	92,040	92,040	224,361	132,321
Other income	2,773,578	1,807,078	2,745,935	938,857
Interest	300,000	300,000	(2,112,594)	(2,412,594)
Total revenues	85,071,846	87,153,846	87,793,268	639,422
Expenditures:				
Current:				
General government:				
Legislative	1,895,330	1,872,022	1,861,854	10,168
City Manager	1,485,122	1,826,484	1,822,428	4,056
Public Affairs	4,821,597	6,873,034	6,816,129	56,905
City Clerk	643,571	633,395	625,766	7,629
Finance	1,377,122	1,410,131	1,407,867	2,264
Human Resources	1,305,828	1,272,743	1,268,597	4,146
Purchasing	551,626	514,126	509,110	5,016
City Attorney	1,060,280	1,241,580	1,233,085	8,495
Planning & Zoning	916,905	713,505	719,603	(6,098)
Information Technology	2,676,883	2,563,683	2,524,315	39,368
Non-departmental	3,701,411	3,859,910	3,475,434	384,476
Fleet	2,875,372	4,477,372	4,371,291	106,081
City Hall Facilities	808,299	935,548	930,301	5,247
Public safety:				
Police	42,522,014	43,683,044	42,728,462	954,582
Code enforcement	1,734,432	1,648,035	1,631,509	16,526
Culture and recreation	9,634,705	7,834,599	7,693,874	140,725
Capital outlay				
General government	330,365	317,815	422,366	(104,551)
Public safety	-	-	6,436,285	(6,436,285)
Parks and recreation	-	-	400,262	(400,262)
Total expenditures	78,340,862	81,677,026	86,878,538	(5,201,512)
Excess(deficiency) of revenues over expenditures	6,730,984	5,476,820	914,730	(4,562,090)
Other financing sources (uses):				
Transfers in	1,696,668	1,696,668	11,696,668	10,000,000
Transfers out	(8,427,652)	(10,593,985)	(10,593,985)	-
Lease Financial Agreements	-	-	6,981,309	6,981,309
Total other financing sources (uses)	(6,730,984)	(8,897,317)	8,083,992	16,981,309
Net change in fund balances	\$ -	\$ (3,420,497)	\$ 8,998,722	\$ 12,419,219

**Budgetary Comparison Schedule
Transportation Fund**

For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 7,658,225	\$ 7,626,867	\$ 9,367,297	1,740,430
Charges for services	232,000	232,000	122,837	(109,163)
Grant revenue	-	31,358	31,360	2
Other income	42,700	42,700	46,098	3,398
Interest income	25,000	25,000	36,338	11,338
Total revenues	7,957,925	7,957,925	9,603,930	1,646,005
Expenditures:				
Public works:				
Administration	682,807	682,807	715,568	(32,761)
Keep Miami Gardens Beautiful	225,719	225,719	174,599	51,120
Streets	2,324,236	2,324,236	2,017,804	306,432
CITT	253,221	253,221	291,718	(38,497)
CITT - Transit	1,529,737	1,529,737	1,261,818	267,919
Capital outlay	5,598,608	14,588,102	3,364,057	11,224,045
Total expenditures	10,614,328	19,603,822	7,825,564	11,778,258
Excess (deficiency) of revenues over expenditures	(2,656,403)	(11,645,897)	1,778,366	13,424,263
Other financing sources (uses):				
Transfers in	221,741	221,741	221,741	-
Transfers out	(1,195,500)	(1,195,500)	(1,195,500)	-
Lease Financial Agreements	-	-	145,226	145,226
Total other financing sources (uses)	(973,759)	(973,759)	(828,533)	145,226
Net change in fund balances	\$ (3,630,162)	\$ (12,619,656)	\$ 949,833	\$ 13,569,489

Note to Budgetary Comparison Schedule

For the Year Ended September 30, 2022

Note 1. Budgets and Budgetary Accounting

An annual appropriated budget is prepared for all of the City's funds.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- A. The City Manager submits to the Council a proposed operating budget for the ensuing fiscal year. The operating budget includes appropriations and the means of financing them with an explanation regarding each expenditure that is not of a routine nature.
- B. Public hearings are conducted to obtain taxpayer comments.
- C. Prior to October 1, the budget is legally enacted through passage of an ordinance.
- D. The level of control at which expenditures may not exceed budget is at the fund level. The City Commission approves these levels by annual ordinance. The City Manager is authorized to transfer budgeted amounts within individual funds; any revisions that alter the total expenditures of any fund must be approved by the City Commission.
- E. The City Council, by motion, may make supplemental appropriations for the year up to the amount of revenues in excess of those estimated. During fiscal year ended September 30, 2022 no supplemental appropriation was required for Council approval.
- F. The City manager is authorized to make revisions to the adopted budget when new debt is issued, or grants received that were not included in the originally adopted budget.
- G. Formal budgetary integration is employed as a management control device for the general fund.
- H. The budgets for the general fund, debt service fund and transportation fund are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- I. Unencumbered appropriations lapse at fiscal year-end. Unencumbered amounts are re- appropriated in the following year's budget.

**Schedule of the City's Proportionate Share of the Net Position Liability
Florida Retirement System Pension Plan**

Last 10 Years*

	2022	2021	2020	2019	2018	**	2017	2016	2015	2014
City's proportion of the FRS net pension liability (asset)	0.1531%	0.1599%	0.1688%	0.1709%	0.1572%		0.1623%	0.1698%	0.1640%	0.1695%
City of Miami Garden's 's proportionate share of the net pension liability (asset)	\$56,954,198	\$12,079,486	\$73,170,751	\$58,871,224	\$47,345,265		\$48,013,365	\$42,874,705	\$21,180,496	\$10,341,056
City's covered payroll	\$41,006,004	\$39,956,556	\$38,899,785	\$37,213,517	\$33,000,456	†	\$33,379,228	\$32,306,357	\$32,628,587	\$33,543,247
City's proportionate share of the FRS net pension liability (asset) as a percentage of its covered payroll	138.89%	30.23%	188.10%	158.20%	143.47%		143.84%***	132.71%***	64.91%***	30.83%***
FRS Plan fiduciary net position as a percentage of the total pension liability	96.40%	96.40%	78.85%	82.61%	84.26%		83.89%	84.88%	92.00%	96.09%

* Schedule is intended to show information for 10 years. The amounts presented for each fiscal year were determined as of June 30th and presents only those years for which information is available.

** NPL at 2017 has been increased by \$16,474 due to implementation of GASB 75.

† Covered payroll adjusted to reflect the period of June 30th

Required Supplementary Information (Other Than MD&A)

**Schedule of City Contributions
Florida Retirement System Pension Plan**

Last 10 Years*

	<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>
Contractually required contribution	\$ 8,165,956	\$ 7,517,827	\$ 7,138,189	\$ 6,734,870	\$ 5,817,934	\$ 5,431,024	\$ 5,347,442	\$ 5,096,818	\$ 4,626,412
Contributions in relation to the contractually required contribution	<u>(8,165,956)</u>	<u>(7,517,827)</u>	<u>(7,138,189)</u>	<u>(6,734,870)</u>	<u>(5,817,934)</u>	<u>(5,431,024)</u>	<u>(5,347,442)</u>	<u>(5,096,818)</u>	<u>(4,626,412)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 43,355,487	\$ 39,950,026	\$ 39,383,771	\$ 37,669,300	\$ 33,443,863	\$ 32,373,547	\$ 32,263,403	\$ 32,315,181	\$ 33,328,131
Contributions as a percentage of covered payroll	18.83%	18.82%	18.12%	17.88%	17.40%	16.78%	16.57%	15.77%	13.88%

* Schedule is intended to show information for 10 years. The amounts presented for each fiscal year were determined as of September 30th and presents only those years for which information is available.

**Schedule of the City's Proportionate Share of the Net Pension Liability
Health Insurance Subsidy Pension Plan**

Last 10 Years*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's proportion of the HIS net pension liability (asset)	0.1121%	0.1161%	0.1118%	0.1108%	0.1007%	0.1009%	0.1045%	0.1087%	0.1134%
City's proportionate share of the HIS net pension liability (asset)	\$11,871,667	\$14,239,787	\$13,654,996	\$12,400,144	\$10,663,122	\$10,788,375	\$12,184,848	\$11,080,866	\$10,603,683
City's covered payroll	\$41,006,004	\$39,956,556	\$38,899,785	\$37,213,517	\$33,000,456	\$33,379,228	\$32,306,357	\$32,628,587	\$33,543,247
City's proportionate share of the HIS net pension liability (asset) as a percentage of its covered payroll	28.95%	35.64%	35.10%	33.32%	32.31%	32.32%	37.72%	33.96%	31.61%
HIS Plan fiduciary net position as a percentage of the total pension liability	3.56%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

* Schedule is intended to show information for 10 years. The amounts presented for each fiscal year were determined as of June 30th and presents only those years for which information is available.

† Covered payroll adjusted to reflect the period of June 30th.

Required Supplementary Information (Other Than MD&A)

**Schedule of City Contributions
Health Insurance Subsidy Pension Plan**

Last 10 Years*

	<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>
Contractually required HIS contribution	\$ 840,033	\$ 831,372	\$ 817,395	\$ 779,420	\$ 700,368	\$ 679,018	\$ 677,068	\$ 556,562	\$ 484,176
HIS contributions in relation to the contractually required contribution	<u>(840,033)</u>	<u>(831,372)</u>	<u>(817,395)</u>	<u>(779,420)</u>	<u>(700,368)</u>	<u>(679,018)</u>	<u>(677,068)</u>	<u>(556,562)</u>	<u>(484,176)</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 43,355,487	\$ 39,950,026	\$ 39,383,771	\$ 37,669,300	\$ 33,443,863	\$ 32,373,547	\$ 32,263,403	\$ 32,315,181	\$ 33,328,131
HIS contributions as a percentage of covered payroll	1.94%	2.08%	2.08%	2.07%	2.09%	2.10%	2.10%	1.72%	1.45%

* The amounts presented for each fiscal year were determined as of 6/30/xx.

**Schedule of Changes in the City's Total
Other Post-Employment Benefits Liability and Related Ratios**

Last 10 Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability					
Service cost	\$ 613,117	\$ 538,701	\$ 437,114	\$ 645,798	\$ 659,445
Interest	200,380	191,906	220,609	316,404	268,218
Changes in assumptions	132,716	1,779,014	643,864	(462,900)	(333,608)
Differences between expected & actual experience	-	(1,037,410)	-	(3,730,972)	-
Benefit payments	<u>(159,853)</u>	<u>(97,776)</u>	<u>(83,215)</u>	<u>(143,806)</u>	<u>(138,274)</u>
Net change in Total OPEB liability	786,360	1,374,435	1,218,372	(3,375,476)	455,781
Total OPEB Liability – Beginning	8,394,435	7,020,000	5,801,628	9,177,104	8,721,323
Total OPEB Liability – Ending	<u>\$ 9,180,795</u>	<u>\$ 8,394,435</u>	<u>\$ 7,020,000</u>	<u>\$ 5,801,628</u>	<u>\$ 9,177,104</u>
Covered-employee payroll	\$43,355,487	\$39,950,026	\$39,383,771	\$37,669,300	\$33,443,863
Total OPEB Liability as a % of covered-employee payroll	21%	21%	18%	15%	27%

Notes to schedule:

Changes of assumption – discount rate was changed as follows:

09/30/18	3.50%
09/30/19	3.83%
09/30/20	2.75%
09/30/21	2.41%
09/30/22	2.19%

The amounts presented for each fiscal year are only those years for which information of ten years is available.

** The amounts presented for each fiscal year were determined as of 6/30 and present only those years for which information is available. There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52-101 to pay related benefits for the OPEB plan.*

Required Supplementary Information (Other Than MD&A)

Schedule of Changes in the City's Net Plan Fiduciary Net Position

Last 10 Years*

	2022	2021	2020	2019	2018
Contributions – Employer	\$ 159,852	\$ 97,776	\$ 83,215	\$ 143,806	\$ 138,274
Net investment income	-	-	-	-	-
Benefit payments – net of retiree contributions	(159,852)	(97,776)	(83,215)	(143,806)	(138,274)
Administrative expense	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-
Fiduciary Net Position – Beginning	-	-	-	-	-
Fiduciary Net Position – Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total OPEB Liability – Ending	<u>\$ 9,180,795</u>	<u>\$ 8,394,435</u>	<u>\$ 7,020,000</u>	<u>\$ 5,801,628</u>	<u>\$ 9,177,104</u>
Plan fiduciary net position as a percentage of the total OPEB liability	-	-	-	-	-
Covered-employee payroll	\$43,355,487	\$39,950,026	\$39,383,771	\$37,669,300	\$33,443,863
Total OPEB Liability as a % of covered-employee payroll	-	-	-	-	-

Notes to schedule:

Changes of assumption – discount rate was changed as follows:

09/30/18	3.50%
09/30/19	3.83%
09/30/20	2.75%
09/30/21	2.41%
09/30/22	2.19%

The amounts presented for each fiscal year are only those years for which information of ten years is available.

**The amounts presented for each fiscal year were determined as of 6/30 and present only those years for which information is available. There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52-101 to pay related benefits for the OPEB plan.*

Schedule of Employer's Proportionate Share of the Net OPEB Liability

Last 10 Years*

General

	2022	2021	2020	2019	2018
City's Proportion of the Net OPEB Liability	20.42%	20.42%	24.94%	24.94%	24.76%
City's Proportionate Share of the Net OPEB Liability	\$ 1,874,718	\$ 1,714,143	\$ 1,750,788	\$ 1,446,689	\$ 2,272,251
City's Covered-employee Payroll	\$43,355,487	\$39,950,026	\$39,383,771	\$37,669,300	\$33,443,863
City's Proportionate Share of the Net OPEB Liability as a Percentage of Covered-employee Payroll	4%	4%	4%	4%	7%
Plan Fiduciary Net OPEB as a Percentage of the Total OPEB Liability	-%	-%	-%	-%	-%

Special Risk

	2022	2021	2020	2019	2018
City's Proportion of the Net OPEB Liability	78.73%	78.73%	74.21%	74.21%	74.21%
City's Proportionate Share of the Net OPEB Liability	\$ 7,228,041	\$ 6,608,939	\$ 5,209,542	\$ 4,305,388	\$ 6,810,328
City's Covered-employee Payroll	\$43,355,487	\$39,950,026	\$39,383,771	\$37,669,300	\$33,443,863
City's Proportionate Share of the Net OPEB Liability as a Percentage of Covered-employee Payroll	17%	17%	13%	11%	20%
Plan Fiduciary Net OPEB as a Percentage of the Total OPEB Liability	-%	-%	-%	-%	-%

Stormwater

	2022	2021	2020	2019	2018
City's Proportion of the Net OPEB Liability	0.85%	0.85%	0.85%	0.85%	1.03%
City's Proportionate Share of the Net OPEB Liability	\$ 78,037	\$ 71,353	\$ 59,670	\$ 49,314	\$ 94,524
City's Covered-employee Payroll	\$43,355,487	\$39,950,026	\$39,383,771	\$37,669,300	\$33,443,863
City's Proportionate Share of the Net OPEB Liability as a Percentage of Covered-employee Payroll	0.18%	0.18%	0.15%	0.13%	28.00%
Plan Fiduciary Net OPEB as a Percentage of the Total OPEB Liability	-%	-%	-%	-%	-%

* The amounts presented for each fiscal year were determined as of 6/30 and present only those years for which information is available. There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52-101 to pay related benefits for the OPEB plan.

** Covered-employee payroll adjusted to reflect the period of 06/30/xx.



Other Supplementary Information

Annual Comprehensive Financial Report 2022



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Major Governmental Funds

Capital Projects Fund

This fund is used to account for the acquisition and construction of major capital projects for various parks improvements, public facilities, and street construction.

Grants Fund

Grants Fund is used to account for specific state, federal or local grants that are awarded to the City.

Debt Service Fund

Debt Service Fund is used to account for and report the financial resources that are restricted, committed, or assigned for the periodic payment of principal, interest, and expenditures on special obligation long-term debt of governmental funds, specifically, special revenue bonds issued by the City for various capital projects.

Transportation Fund

Transportation Fund is used to account for all street and road repairs, the Keep Miami Gardens Beautiful program, capital outlay expenditures and transit expenditures related to the Citizens Independent Transportation Trust (CITT).



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Other Supplementary Information

Budgetary Comparison Schedule Capital Projects Fund

For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Grant revenue	\$ -	\$ 2,542,019	\$ 1,143,079	\$ (1,398,940)
Other income	925,036	925,036	1,958,429	1,033,393
Interest	-	-	(182,840)	(182,840)
Total revenues	925,036	3,467,055	2,918,668	(548,387)
Expenditures:				
Administration	628,696	628,696	609,678	19,018
Physical Environment	-	-	-	-
Parks & Recreation	-	-	-	-
Public Works	-	-	-	-
Public Safety	-	-	-	-
Capital outlay	-	33,455,773	4,952,553	28,503,220
Bond Issuance costs	-	-	-	-
Total expenditures	628,696	34,084,469	5,562,231	28,522,238
Excess of revenues over expenditures	296,340	(30,617,414)	(2,643,563)	27,973,851
Other financing sources (uses):				
Bond Issued	-	-	-	-
Issuance Premium	-	-	-	-
Transfers in	6,622,251	5,622,251	5,622,251	-
Transfers out	(5,918,591)	(5,918,591)	(5,918,591)	-
Total other financing sources (uses)	703,660	(296,340)	(296,340)	-
Net change in fund balances	\$ 1,000,000	\$ (30,913,754)	\$ (2,939,903)	\$ 27,973,851

**Budgetary Comparison Schedule
Grants Fund**

For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Byrne Grant	\$ -	\$ 13,398	\$ 110,312	\$ 96,914
U.S. Department of Justice	-	-	133,090	133,090
Fed. Grant-US Treasury ARPA	-	-	14,052,482	14,052,482
State Grant – VOCA (Public Safety)	-	-	134,175	134,175
Children’s Trust	407,390	407,390	155,722	(251,668)
CDC – Reach Rise Project	692,588	692,588	677,132	(15,456)
Alliance for a Healthier Generation	-	-	1,605	1,605
HFSF Covid19 Racial&Ethnic Disparities	-	-	3,958	3,958
Healthy Out of School Time	-	-	464	464
CDC – COVID 19	-	383,779	313,307	(70,472)
Project Grow	-	-	12,549	12,549
Total revenues	1,099,978	1,497,155	15,594,796	14,097,641
Expenditures:				
General Government	-	-	2,892,443	(2,892,443)
Public Services	-	13,398	332,143	(318,745)
Human Services	692,588	1,076,367	1,006,947	69,420
Recreation/Culture	407,390	407,390	157,790	249,600
Capital outlay	-	-	1,205,473	(1,205,473)
Total expenditures	1,099,978	1,497,155	5,594,796	(4,097,641)
Excess of revenues over expenditures	-	-	10,000,000	10,000,000
Other financing sources (uses):				
Transfers out	-	-	(10,000,000)	(10,000,000)
Total other financing sources (uses)	-	-	(10,000,000)	(10,000,000)

Budgetary Comparison Schedule Debt Service Fund

For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Ad Valorem Taxes	\$ 3,960,268	\$ 3,960,268	\$ 3,992,094	\$ 31,826
Total revenues	3,960,268	3,960,268	3,992,094	31,826
Expenditures:				
Principal	6,213,130	9,181,674	9,181,673	1
Other Fees	-	203,741	203,740	1
Interests	5,033,203	5,027,251	5,018,121	9,130
Total expenditures	11,246,333	14,412,666	14,403,534	9,132
Excess(deficiency) of revenues over expenditures	(7,286,065)	(10,452,398)	(10,411,440)	40,958
Other financing sources (uses):				
Transfers in	7,286,065	10,452,398	10,452,398	-
Total other financing sources (uses)	7,286,065	10,452,398	10,452,398	-
Net change in fund balances	\$ -	\$ -	\$ 40,958	\$ 40,958



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Non-Major Governmental Funds

Special Revenue Funds account for proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service of capital projects.

State Housing Initiatives Partnership (SHIP) Program Fund. This fund accounts for all revenues received from SHIP to provide housing assistance to eligible residents.

Community Development Block Grant (CDBG) Fund. This fund is used to account for the community development block grant that is funding the revitalization project for substandard housing within the City. Revenues come from the US Department of Housing and Urban Development (HUD).

Developmental Services Fund. This fund accounts for all revenues and expenditures related to the City's planning, zoning, and building departments.

Law Enforcement Trust Fund. This fund accounts for funds and property seized or confiscated by either Federal, State, and/or Local law enforcement agencies.

Brick Paver Fund. This fund accounts for the sale of engraved brick paver to be displayed at City Hall for commemorate special occasions. The proceeds will be utilized to administer the program, fund other City programs and/or to assist City residents.

Impact Fees Fund. This fund accounts for impact fees assessed on residential and non-residential new development. They are designed for the use in law enforcement protection and parks.

Tree Trust Fund. This fund accounts for the purpose of which is to acquire, protect and maintain natural forest communities in Miami-Dade County and to plant trees on public property.

Formula One Fund. This fund accounts for the proceeds from the event to the City for use in the Parks and Recreation STEM program, to provide for internships/scholarships to high school and/or college students and for various economic development within the community.

Infill Housing Development. This fund accounts for settlement proceeds received to be made available for hard costs associated with the construction housing units built through the Infill Housing Program.

Special Taxing District. This fund accounts for designated areas whereby a majority of property owners agree to allow the City to provide public improvements and special services through a non-ad valorem assessment.

Community Redevelopment Agency (Miami Gardens CRA). To account for revenues and expenditures to be used for special operations in the defined Miami Gardens Community Redevelopment Area.



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Other Supplementary Information

**Combining Balance Sheet
Non-Major Governmental Funds**

September 30, 2022

	SHIP	CDBG	Development Services	Law Enforcement	Brick Paver	Impact Fees	Tree Trust	Formula One	Infill Housing Development	Special Taxing Districts	Miami Gardens CRA	Total Nonmajor Governmental Funds
Assets												
Cash and cash equivalents	\$ 727,745	\$ 7,028	\$ 587,554	\$ 238,773	\$ 933	\$ 1,485,498	\$ 801,273	\$ 876,248	\$ 200,000	\$ 336,006	\$ 2,183,385	\$ 7,444,443
Investments	-	-	13,393,104	-	-	4,966,232	-	-	-	-	-	18,359,336
Accounts receivables, net	143,397	1,390,295	-	-	-	-	-	-	-	-	-	1,533,692
Prepaid	-	-	-	648,367	-	-	-	-	-	-	-	648,367
Due from other governmental agencies	-	-	-	-	-	1,780	-	-	-	3,851	-	5,631
Total assets	\$ 871,142	\$ 1,397,323	\$ 13,980,658	\$ 887,140	\$ 933	\$ 6,453,510	\$ 801,273	\$ 876,248	\$ 200,000	\$ 339,857	\$ 2,183,385	\$ 27,991,469
Liabilities and Fund Balances												
Liabilities:												
Accounts payable and accrued expenses	\$ 36,774	\$ 156,686	\$ 277,479	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,798	\$ 1,687	\$ 477,424
Due to other funds	-	215,000	-	170,000	-	-	-	-	-	-	-	385,000
Due to other governments	-	-	56,791	-	-	-	-	-	-	-	-	56,791
Retainage payable	6	14,471	-	-	-	18,342	-	-	-	-	-	32,819
Unearned revenue/Escrow	143,787	61,630	-	-	-	-	-	-	-	-	-	205,417
Total liabilities	180,567	447,787	334,270	170,000	-	18,342	-	-	-	4,798	1,687	1,157,451
Fund balances:												
Restricted for:												
Housing	690,575	-	-	-	-	-	-	-	-	-	-	690,575
Law Enforcement	-	-	-	717,140	-	1,887,672	-	-	-	-	-	2,604,812
Parks & Recreation	-	-	-	-	-	4,219,246	-	-	-	-	-	4,219,246
Public Services	-	-	-	-	-	-	-	-	-	335,059	-	335,059
General Administration	-	-	-	-	-	328,250	-	876,248	-	-	-	1,204,498
Economic and physical development	-	-	-	-	-	-	801,273	-	200,000	-	2,181,698	3,182,971
Community Development	-	949,536	-	-	-	-	-	-	-	-	-	949,536
Committed for:												
Assigned	-	-	13,646,388	-	933	-	-	-	-	-	-	13,647,321
Unreserved, undesignated reported in:												
Total fund balances	690,575	949,536	13,646,388	717,140	933	6,435,168	801,273	876,248	200,000	335,059	2,181,698	26,834,018
Total liabilities and fund balances	\$ 871,142	\$ 1,397,323	\$ 13,980,658	\$ 887,140	\$ 933	\$ 6,453,510	\$ 801,273	\$ 876,248	\$ 200,000	\$ 339,857	\$ 2,183,385	\$ 27,991,469

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Governmental Funds**

For the Year Ended September 30, 2022

	SHIP	CDBG	Development Services	Law Enforcement	Brick Paver	Impact Fees	Tree Trust	Formula One	Infill Housing Development	Special Taxing Districts	Miami Gardens CRA	Total Nonmajor Governmental Funds
Revenues:												
Impact fees	-	-	-	-	-	754,227	-	-	-	-	-	754,227
Forfeiture funds	-	-	-	168,848	-	12,101	-	-	-	-	-	180,949
Licenses & Permits	-	-	5,080,037	-	-	-	-	-	-	-	-	5,080,037
Charges for services	-	-	548,141	-	-	-	168,893	-	-	711,831	-	1,428,865
Grant revenue	562,052	1,587,770	-	-	-	-	-	-	-	-	-	2,149,822
Other income	214,125	91,711	-	-	-	-	-	1,000,000	200,000	-	556,681	2,062,517
Interest	-	-	(606,894)	-	-	(233,767)	-	-	-	1,189	-	(839,472)
Total revenues	776,177	1,679,481	5,021,284	168,848	-	532,561	168,893	1,000,000	200,000	713,020	556,681	10,816,945
Expenditures:												
Current:												
Parks and recreation	-	-	-	-	-	-	-	123,752	-	-	-	123,752
Economic and physical development	177,537	520,129	-	-	-	-	-	-	-	-	8,862	706,528
Public safety	-	-	2,827,190	-	-	-	-	-	-	-	-	2,827,190
Public Services	-	-	-	-	-	-	-	-	-	657,352	-	657,352
Capital Outlay:												
Public safety	-	-	120,654	-	-	-	-	-	-	-	-	120,654
Parks and recreation	-	-	-	-	-	366,844	-	-	-	-	-	366,844
Economic and physical development	-	1,001,229	-	-	-	-	-	-	-	-	-	1,001,229
Debt Service:												
Total expenditures	177,537	1,521,358	2,947,844	-	-	366,844	-	123,752	-	657,352	8,862	5,803,549
Excess (deficiency) of revenues over expenditures	598,640	158,123	2,073,440	168,848	-	165,717	168,893	876,248	200,000	55,668	547,819	5,013,396
Other financing sources (uses):												
Transfers in	-	-	-	-	-	-	-	-	-	-	827,381	827,381
Transfers out	-	-	(667,128)	-	-	-	-	-	-	-	-	(667,128)
Capital Lease Arrangements	-	-	18,202	-	-	-	-	-	-	-	-	18,202
Total other financing sources (uses)	-	-	(648,926)	-	-	-	-	-	-	-	827,381	178,455
Net change in fund balances	598,640	158,123	1,424,514	168,848	-	165,717	168,893	876,248	200,000	55,668	1,375,200	5,191,851
Fund balances, beginning	91,935	791,413	12,221,874	548,292	933	6,269,451	632,380	-	-	279,391	806,498	21,642,167
Fund balance, ending	\$ 690,575	\$ 949,536	\$ 13,646,388	\$ 717,140	\$ 933	\$ 6,435,168	\$ 801,273	\$ 876,248	\$ 200,000	\$ 335,059	\$ 2,181,698	\$ 26,834,018

Other Supplementary Information

Budgetary Comparison Schedule
Community Development Block Grant Fund
Non-Major Governmental Funds

For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Grant revenue and donations	\$ 1,111,210	\$ 2,476,508	\$ 1,587,770	\$ (888,738)
Other income	-	-	91,711	91,711
Total revenues	1,111,210	2,476,508	1,679,481	(797,027)
Expenditures:				
Operating	303,742	460,812	520,129	(59,317)
Capital outlay	807,468	2,015,696	1,001,229	1,014,467
Total expenditures	1,111,210	2,476,508	1,521,358	955,150
Excess of revenues over expenditures	-	-	158,123	158,123
Other financing sources (uses):				
Net change in fund balances	\$ -	\$ -	\$ 158,123	\$ 158,123

**Budgetary Comparison Schedule
Development Services Fund
Non-Major Governmental Funds**

For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Licenses & Permits	\$ 2,325,305	\$ 2,325,305	\$ 5,080,037	\$ 2,754,732
Charges for services	419,505	419,505	548,141	128,636
Other income	11,759	11,759	(606,894)	(618,653)
Total revenues	2,756,569	2,756,569	5,021,284	2,264,715
Expenditures:				
Development Services:				
Building Services	3,224,979	3,236,445	2,827,192	409,253
Capital outlay	88,388	203,083	120,654	82,429
Total expenditures	3,313,367	3,439,528	2,947,846	491,682
Excess of revenues over expenditures	(556,798)	(682,959)	2,073,438	2,756,397
Other financing sources (uses):				
Transfers out	(667,128)	(667,128)	(667,128)	-
Leases Financial Agreements	-	-	18,202	18,202
Total other financing sources (uses)	(667,128)	(667,128)	(648,926)	18,202
Net change in fund balances	\$ (1,223,926)	\$ (1,350,087)	\$ 1,424,512	\$ 2,774,599

Budgetary Comparison Schedule
Impact Fees
Non-Major Governmental Funds

For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact Fees	\$ -	\$ -	\$ 766,328	\$ 766,328
Interest	-	-	(233,767)	(233,767)
Total revenues	-	-	532,561	532,561
Expenditures:				
Capital outlay	-	-	366,844	(366,844)
Total expenditures	-	-	366,844	(366,844)
Excess of revenues over expenditures	-	-	165,717	165,717
Other financing sources (uses):				
Net change in fund balances	\$ -	\$ -	\$ 165,717	\$ 165,717

**Budgetary Comparison Schedule
Special Taxing District
Non-Major Governmental Funds**

For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Special Assessment – Chgs for Public Service	\$ 739,160	\$ 739,160	\$ 711,831	\$ (27,329)
Interest	-	-	1,189	1,189
Total revenues	739,160	739,160	713,020	(26,140)
Expenditures:				
Electricity	693,791	693,791	620,625	73,166
Repairs & Maintenance Service	35,330	35,330	25,597	9,733
Financial & Administrative Services	10,039	10,039	11,130	(1,091)
Total expenditures	739,160	739,160	657,352	81,808
Excess of revenues over expenditures	-	-	55,668	55,668
Other financing sources (uses):				
Net change in fund balances	\$ -	\$ -	\$ 55,668	\$ 55,668

Other Supplementary Information

**Budgetary Comparison Schedule
Community Redevelopment Agency
Non-Major Governmental Funds**

For the Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous Revenues	556,681	556,681	556,681	-
Total revenues	556,681	556,681	556,681	-
Expenditures:				
Economic and physical development	8,350	147,520	8,862	138,658
Total expenditures	8,350	147,520	8,862	138,658
Excess of revenues over expenditures	548,331	409,161	547,819	138,658
Other financing sources (uses):				
Transfers in	827,381	827,381	827,381	-
Total other financing sources (uses)	827,381	827,381	827,381	-
Net change in fund balances	\$ 1,375,712	\$ 1,236,542	\$ 1,375,200	\$ 138,658



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Statistical Section

Annual Comprehensive Financial Report 2022



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TABLE OF CONTENTS

This part of the City of Miami Garden’s Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

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Financial Trends	103
<i>These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.</i>	
Revenue Capacity	109
<i>These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.</i>	
Debt Capacity	113
<i>These schedules contain 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 future.</i>	
Demographic and Economic Information	118
<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>	
Operating Information	120
<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>	

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant years.



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Net Position by Component
Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Invested in capital assets	\$ 261,783,392	\$ 255,314,939	\$ 250,167,614	\$ 237,824,806	\$ 225,805,423	\$ 224,300,737	\$ 231,676,291	\$ 222,916,123	\$ 216,713,149	\$ 219,546,575
Restricted	6,121,430	6,796,767	9,757,585	12,535,914	15,398,419	18,814,666	22,548,555	32,462,314	33,181,468	36,950,959
Unrestricted	2,179,405	(2,432,679)	(39,687,115)	(34,858,744)	(34,554,179)	(36,351,017)	(40,378,178)	(38,548,746)	(19,805,371)	(11,357,363)
Total governmental activities net position	\$ 270,084,227	\$ 259,679,027	\$ 220,238,084	\$ 215,501,976	\$ 206,649,663	\$ 206,764,386	\$ 213,846,668	\$ 216,829,691	\$ 230,089,246	\$ 245,140,171
Business-type activities										
Invested in capital assets	\$ 9,132,867	\$ 9,702,322	\$ 9,346,633	\$ 9,720,254	\$ 9,755,595	\$ 9,965,166	\$ 11,473,761	\$ 12,760,368	\$ 13,281,422	\$ 14,512,341
Unrestricted	1,422,103	1,708,955	2,362,274	2,691,155	3,494,631	5,569,255	5,933,163	6,658,425	8,065,648	8,226,130
Total business-type activities net position	\$ 10,554,970	\$ 11,411,277	\$ 11,708,907	\$ 12,411,409	\$ 13,250,226	\$ 15,534,421	\$ 17,406,924	\$ 19,418,793	\$ 21,347,070	\$ 22,738,471
Primary government										
Invested in capital assets	\$ 270,916,259	\$ 265,017,261	\$ 259,514,247	\$ 247,545,060	\$ 235,561,018	\$ 234,265,903	\$ 243,150,052	\$ 235,676,491	\$ 229,994,571	\$ 234,058,916
Restricted	6,121,430	6,796,767	9,757,585	12,535,914	15,398,419	18,814,666	22,548,555	32,462,314	33,181,468	36,950,959
Unrestricted	3,601,508	(723,724)	(37,324,841)	(32,167,589)	(31,059,548)	(30,781,762)	(34,445,015)	(31,890,321)	(11,739,723)	(3,131,233)
Total primary government net position	\$ 280,639,197	\$ 271,090,304	\$ 231,946,991	\$ 227,913,385	\$ 219,899,889	\$ 222,298,807	\$ 231,253,592	\$ 236,248,484	\$ 251,436,316	\$ 267,878,642

Changes in Net Position Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	\$ 16,525,346	\$ 20,174,685	\$ 17,423,449	\$ 24,890,226	\$ 22,342,383	\$ 22,811,697	\$ 25,470,459	\$ 35,809,577	\$ 26,397,168	\$ 33,420,613
Public safety	37,298,100	37,768,451	37,250,605	37,327,259	40,627,044	41,203,580	51,502,510	53,753,151	41,250,123	48,640,483
Public works	15,161,302	15,564,664	16,511,565	16,246,746	16,225,866	16,656,467	18,494,408	18,011,618	15,616,845	17,783,540
Parks and recreation	6,801,697	7,065,966	6,514,054	6,864,744	6,786,784	6,149,189	7,727,705	7,936,930	7,920,416	9,609,787
Economic environment	2,341,655	1,725,248	1,546,074	1,460,882	1,133,556	843,430	1,221,889	1,568,157	1,163,942	706,528
Human Services	-	28,555	176,605	396,981	136,161	148,373	699,832	713,606	944,063	1,006,947
Interest on long-term debt	5,543,197	6,013,090	7,603,784	7,460,875	7,435,209	6,940,156	6,685,444	5,963,167	5,108,381	4,974,762
Total governmental activities	83,671,297	88,340,659	87,026,136	94,647,713	94,687,003	94,752,892	111,802,247	123,756,206	98,400,938	116,142,660
Business-type activities:										
Stormwater	2,894,787	2,559,364	2,437,432	2,389,114	2,305,965	2,533,311	2,878,155	2,961,894	2,855,169	2,981,170
Total business-type activities	2,894,787	2,559,364	2,437,432	2,389,114	2,305,965	2,533,311	2,878,155	2,961,894	2,855,169	2,981,170
Total primary government expenses	86,566,084	90,900,023	89,463,568	97,036,827	96,992,968	97,286,203	114,680,402	126,718,100	101,256,107	119,123,830
Program Revenues										
Governmental activities:										
Charges for services:										
General government	8,370,005	8,678,486	9,614,573	7,286,561	8,384,564	12,167,217	11,611,956	9,202,668	11,188,528	12,372,014
Public safety	5,963,644	5,680,283	6,813,911	9,016,281	9,009,862	8,019,450	10,019,622	9,230,487	9,617,061	7,621,367
Public works	89,437	83,287	110,435	203,383	239,869	547,857	1,152,121	817,474	1,024,543	834,668
Parks & Recreation	1,158,323	1,000,675	1,121,882	1,202,311	656,725	628,293	1,222,047	902,678	1,209,675	1,039,719
Operating grants and contributions	3,159,475	3,296,282	2,896,185	2,639,895	2,923,990	2,158,862	18,792,772	9,906,507	3,832,120	17,667,526
Capital grants and contributions	3,478,683	1,983,665	236,335	1,500,167	223,711	182,134	113,200	287,492	1,121,856	1,899,760
Total governmental activities program revenues	22,219,567	20,722,678	20,793,321	21,848,598	21,438,721	23,703,813	42,911,718	30,347,306	27,993,783	41,435,054
Business-type activities:										
Charges for services:										
Stormwater	3,498,210	3,804,604	3,464,069	3,395,975	3,474,179	5,094,141	4,886,154	4,934,886	5,181,712	5,188,007
Capital grants and contributions	-	38,650	34,000	129,887	87,640	-	214,632	476,175	80,272	-
Total business-type activities program revenues	3,498,210	3,843,254	3,498,069	3,525,862	3,561,819	5,094,141	5,100,786	5,411,061	5,261,984	5,188,007
Total primary government revenues	25,717,777	24,565,932	24,291,390	25,374,460	25,000,540	28,797,954	48,012,504	35,758,367	33,255,767	46,623,061
Net (expense)/revenue										
Governmental activities	(61,451,730)	(67,617,981)	(66,232,815)	(72,799,115)	(73,248,282)	(71,049,079)	(68,890,529)	(93,408,900)	(70,407,155)	(74,707,606)
Business-type activities	603,423	1,283,890	1,060,637	1,136,748	1,255,854	2,560,830	2,222,631	2,449,167	2,406,815	2,206,837
Total primary government net expenses	(60,848,307)	(66,334,091)	(65,172,178)	(71,662,367)	(71,992,428)	(68,488,249)	(66,667,898)	(90,959,733)	(68,000,340)	(72,500,769)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	19,653,871	21,757,058	26,268,558	27,332,192	29,299,174	32,504,999	34,759,128	37,057,237	39,139,771	42,030,532
Utility taxes	10,525,589	10,411,425	11,361,010	10,395,944	10,489,627	10,750,222	10,830,781	11,267,300	11,538,441	11,297,844
Franchise fees on gross receipts	4,239,521	3,477,303	3,398,916	3,537,910	3,076,242	3,801,953	3,682,186	2,469,387	7,124,194	8,187,789
Intergovernmental (unrestricted)	17,360,797	17,762,556	18,811,366	19,202,180	19,819,628	20,364,978	20,471,779	18,020,881	20,621,436	24,810,758
Investment income (unrestricted)	84,489	225,284	464,725	272,071	521,128	657,553	1,040,949	554,597	126,245	(3,175,301)
Investment income (restricted)	-	25,287	358,452	285,002	540,853	851,259	1,095,953	547,118	214,515	105,376
Miscellaneous	3,426,225	3,122,865	3,179,810	6,593,687	3,267,134	3,599,172	3,609,580	25,978,473	4,390,270	6,056,298
Loss on sale of capital assets	-	-	-	-	(3,072,575)	-	-	-	-	-
Transfers	422,553	431,004	435,314	444,022	454,759	468,403	482,455	496,930	511,838	445,235
Total governmental activities	55,713,045	57,212,782	64,278,151	68,063,008	64,395,970	72,998,539	75,972,811	96,391,923	83,666,710	89,758,531

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business-type activities:										
Investment income	3,401	3,421	5,469	9,776	37,722	91,798	131,721	59,632	7,979	(395,607)
Miscellaneous	4,135	-	-	-	-	105,799	606	-	25,321	25,406
Transfers	(422,553)	(431,004)	(435,314)	(444,022)	(454,759)	(468,403)	(482,455)	(496,930)	(511,838)	(445,235)
Total business-type activities	(415,017)	(427,583)	(429,845)	(434,246)	(417,037)	(270,806)	(350,128)	(437,298)	(478,538)	(815,436)
Total primary government	55,298,028	56,785,199	63,848,306	67,628,762	63,978,933	72,727,733	75,622,683	95,954,625	83,188,172	88,943,095
Change in Net Position										
Governmental activities	(5,738,685)	(10,405,200)	(1,954,665)	(4,736,108)	(8,852,313)	1,949,460	7,082,282	2,983,023	13,259,555	15,050,925
Business-type activities	188,406	856,307	630,792	702,502	838,817	2,290,024	1,872,503	2,011,869	1,928,277	1,391,401
Total primary government	\$ (5,550,279)	\$ (9,548,893)	\$ (1,323,873)	\$ (4,033,606)	\$ (8,013,496)	\$ 4,239,484	\$ 8,954,785	\$ 4,994,892	\$ 151,877,832	\$ 16,442,326

General Governmental Tax Revenues by Source
Last Ten Fical Years

(accrual basis of accounting)

(amounts expressed in thousands)

Fiscal Year	Ad-Valorem Taxes General Purpose	Local Option Gas Tax	State Revenue Sharing Tax	Alcoholic Beverage Tax	Half Cent Sales Tax	Utility Tax	Franchise Tax	Total
2013	\$ 17,943	\$ 2,101	\$ 3,487	\$ 21	\$ 7,338	\$ 10,526	\$ 4,240	\$ 45,656
2014	21,063	2,133	3,554	25	7,657	10,411	3,525	48,368
2015	21,655	2,219	3,657	22	8,031	11,362	3,399	50,345
2016	22,854	2,199	3,625	19	8,298	10,395	3,538	50,928
2017	24,222	2,283	3,787	25	8,425	10,490	3,076	52,308
2018	27,090	2,253	3,776	23	8,837	10,750	3,802	56,531
2019	29,376	2,301	3,769	21	8,993	10,831	3,595	58,886
2020	31,489	2,003	3,612	21	7,750	11,268	2,469	58,612
2021	33,899	2,060	3,710	23	9,362	11,370	7,293	67,717
2022	36,869	2,184	3,887	23	11,424	11,298	8,188	73,873

**Fund Balances of Governmental Funds
Last Ten Fiscal Years**

(modified accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund										
Non-Spendable:										
Prepays	\$ 545,371	\$ 308,471	\$ 246,671	\$ 254,560	\$ 331,478	\$ 310,132	\$ 446,652	\$ 377,152	\$ 640,280	\$ 617,214
Committed to:										
Assigned to:										
Disaster Recovery	-	-	-	-	323,723	323,723	323,723	323,723	323,723	350,000
General Maintenance	-	-	500,000	750,000	1,000,000	1,000,000	1,000,000	3,242,541	4,000,000	4,500,000
Economic Development	-	-	-	-	-	-	-	-	2,500,000	4,777,904
Debt Reduction	-	-	-	-	-	-	-	-	2,611,152	-
Subsequent year's budget	-	2,455	363,621	35,257	4,469,702	196,994	750,000	431,551	1,254,161	530,449
Unassigned	11,240,358	10,241,094	11,945,942	13,154,884	14,794,245	19,787,782	21,618,969	34,193,257	35,575,091	45,127,562
Total general fund	\$ 11,785,729	\$ 10,552,020	\$ 13,056,234	\$ 14,194,701	\$ 20,919,148	\$ 21,618,631	\$ 24,139,344	\$ 38,568,224	\$ 46,904,407	\$ 55,903,129
All other governmental funds										
Non-Spendable:										
Prepays	\$ 450	\$ 390	\$ -	\$ -	\$ 9,758	\$ 8,750	\$ 9,583	\$ 9,583	\$ 9,583	\$ 657,950
Restricted for:										
Housing	121,916	108,908	119,059	4,850	265,013	528,045	448,159	510,840	91,935	690,575
Law Enforcement	141,200	152,182	266,608	363,973	305,413	586,258	1,025,821	1,742,162	2,257,568	1,956,445
Transportation	4,604,466	5,298,838	7,335,122	9,984,147	12,743,690	15,512,834	17,749,465	17,186,811	16,528,984	17,478,817
Parks & Recreation	1,205,129	1,126,872	1,395,418	1,851,897	1,904,120	1,964,974	2,765,743	3,619,854	4,301,361	4,219,246
General Administration	-	-	-	-	-	-	102,669	148,307	283,856	2,633,362
Public Services	-	-	-	-	-	-	88,699	123,323	279,391	335,059
City Hall Project	10,933,917	11,935	32,035	1,911,609	1,908,947	1,803,687	1,430,491	1,009,766	1,200,288	786,669
Debt Service	-	-	155,082	73,926	8,885	8,885	107,772	146,715	146,715	146,715
General Obligation Bond projects	-	66,122,224	65,718,426	63,814,163	59,433,257	53,097,265	47,681,432	41,039,784	31,644,849	27,714,742
Capital Projects	-	-	-	-	-	-	-	-	1,438,878	3,182,971
Community Development Block Grant	48,719	109,967	486,296	257,121	171,298	213,669	260,227	486,637	791,412	949,536
Committed to:										
Debt Service	2,218,076	1,051,162	61,487	325,729	517,297	475,120	421,243	8,497,665	8,500,246	8,541,204
Assigned to:										
Capital Projects	1,396,696	709,740	-	-	-	-	145,169	-	-	-
Debt Payment	-	-	-	3,500,000	-	-	-	-	-	-
Subsequent year's budget	-	-	-	-	-	-	257,716	-	-	-
Brick Pavers	-	-	833	933	933	933	933	933	933	933
Development Services Fund	-	-	-	-	-	-	7,690,278	9,676,739	12,221,874	13,646,388
Unassigned:										
Capital Projects Fund	-	-	(1,955,609)	228,990	514,921	112,401	-	-	-	-
Development Services Fund	(459,483)	(451,453)	(110,533)	95,270	697,841	4,217,413	-	-	-	-
Total all other governmental funds	\$ 20,211,086	\$ 74,240,765	\$ 73,504,224	\$ 82,412,608	\$ 78,481,373	\$ 78,530,234	\$ 80,185,400	\$ 84,199,119	\$ 79,697,873	\$ 82,940,612

Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes and franchise fees	\$ 23,893,392	\$ 25,234,361	\$ 29,667,474	\$ 30,870,102	\$ 32,375,416	\$ 36,306,952	\$ 38,441,314	\$ 39,526,624	\$ 46,263,966	\$ 50,218,321
Charges for services	7,170,038	7,602,354	8,824,499	7,388,494	7,620,153	9,363,148	9,620,836	7,270,171	7,513,959	9,872,489
Utility taxes	10,525,589	10,411,425	11,361,010	10,395,944	10,489,627	10,750,222	10,830,781	11,267,300	11,538,441	11,297,844
Intergovernmental	17,186,317	17,721,789	18,522,102	18,868,282	19,359,532	20,022,338	20,379,746	18,020,881	20,621,436	24,248,706
Licenses and permits	3,506,129	3,595,612	3,834,908	3,645,956	4,163,151	6,801,757	7,067,560	6,533,283	8,132,306	6,888,067
Fines and forfeitures	4,752,650	4,157,295	4,612,169	6,083,000	6,327,724	5,157,762	6,527,321	5,695,769	6,263,873	4,582,218
Impact fee	152,592	87,470	386,406	586,898	179,992	333,806	1,195,610	1,028,326	1,572,050	754,227
Grant revenue	6,812,638	5,320,714	2,963,403	4,473,960	3,607,797	2,388,315	18,590,548	9,818,515	3,556,976	19,143,418
Interest	84,489	160,087	547,172	281,068	757,967	1,508,812	2,111,041	1,075,854	312,118	(3,098,568)
Miscellaneous	3,426,225	3,122,865	3,182,629	6,597,875	3,267,134	3,600,837	3,611,459	17,913,889	5,344,889	6,812,979
Total revenues	77,510,059	77,413,972	83,901,772	89,191,579	88,148,493	96,233,949	118,376,216	118,150,612	11,120,014	130,719,701
Expenditures										
General government	12,486,845	13,517,593	14,733,506	17,032,690	16,057,625	16,642,779	18,056,832	16,998,845	17,660,848	27,592,466
Human services	-	28,555	176,605	396,981	-	148,373	699,832	713,606	944,063	1,006,947
Public safety	34,993,256	35,945,956	35,556,280	35,631,038	35,819,337	37,080,474	42,143,433	44,322,526	44,622,990	45,342,795
Public works	3,139,109	3,082,935	3,402,650	3,657,628	3,440,243	3,917,364	5,481,879	4,926,629	5,050,541	5,118,859
Parks and recreation	5,586,301	5,879,496	5,313,861	5,621,490	5,429,777	4,845,575	6,197,961	6,287,649	6,725,603	7,975,416
Economic and physical environment	2,341,655	1,725,248	1,546,074	1,460,882	1,133,556	843,430	1,221,889	1,568,157	1,163,942	706,528
Non-departmental	4,102,095	4,259,919	3,620,615	3,563,202	3,509,180	3,630,786	4,086,410	4,119,430	3,207,193	3,679,174
Debt service:										
Principal retirement	4,925,259	4,431,378	5,254,807	11,796,744	9,428,384	11,929,037	12,161,038	10,270,306	6,140,342	9,181,673
Interest and fiscal charges	5,581,708	5,480,843	7,562,808	7,500,935	7,477,375	7,168,291	7,044,989	6,600,939	5,144,702	5,018,121
Bond issuance cost	-	459,547	-	-	-	-	49,000	535,088	-	-
Capital outlay:										
General government	33,168,928	10,010,512	4,679,551	629,244	1,122,390	570,200	720,092	437,264	420,575	449,737
Public safety	653,370	60,005	45,594	552,309	210,121	451,413	14,679,891	602,012	873,771	6,611,354
Public works	3,350,589	2,978,435	1,464,777	1,827,830	1,297,991	1,562,619	1,885,626	4,571,180	3,972,252	3,364,057
Economic and physical development	-	-	-	-	-	-	6,502,315	1,874,050	323,962	1,001,229
Parks and recreation	2,374,029	2,133,182	451,752	2,283,777	4,975,325	7,163,668	656,604	7,244,803	9,303,590	6,843,347
Total expenditures	112,703,144	89,993,604	83,808,880	91,954,751	90,037,465	95,954,009	121,587,791	111,072,484	105,554,374	123,891,703
Excess (deficiency) of revenues over expenditures	(35,193,085)	(12,579,632)	92,892	(2,763,172)	(1,888,972)	279,940	(3,211,575)	7,078,128	5,565,640	6,827,998
Other financing (uses) sources:										
Transfers in	14,822,384	15,479,624	13,936,975	22,336,131	19,979,850	21,511,523	15,154,678	30,232,450	16,406,311	28,820,439
Transfers out	(14,399,831)	(15,048,620)	(13,501,661)	(21,892,109)	(19,525,091)	(21,043,120)	(14,672,223)	(29,735,520)	(15,894,473)	(28,375,204)
Proceeds from capital lease	3,700,000	-	-	-	-	-	-	-	-	-
Proceeds from bond	-	60,000,000	-	12,366,000	4,227,425	-	6,905,000	8,625,000	-	-
Premiums on bond issuance	-	6,184,065	-	-	-	-	-	-	-	-
Capital Lease Arrangements	-	-	-	-	-	-	-	-	-	7,144,737
Total other financing sources (uses)	4,122,553	66,615,069	435,314	12,810,022	4,682,184	468,403	7,387,455	9,121,930	511,838	7,589,972
Net change in fund balances	\$ (31,070,532)	\$ 54,035,437	\$ 528,206	\$ 10,046,850	\$ 2,793,212	\$ 748,343	\$ 4,175,880	\$ 16,200,058	\$ 6,077,478	\$ 14,417,970

Debt service as a percentage of noncapital expenditures	14.4%	13.2%	16.6%	22.3%	20.5%	22.2%	19.8%	18.1%	12.4%	13.4%
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**Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**

Fiscal Year	Real Property	Personal Property	Total Assessed Value	Less: Tax Exempt Property	Taxable Value	Total Direct Tax Rate	Estimated Actual Value	Taxable Assessed Value as a Percentage of Estimated Actual Value ⁽¹⁾
2013	\$ 4,473,851,995	\$ 409,206,426	\$ 4,883,058,421	\$ 1,492,163,302	\$ 3,390,895,119	6.3620	\$ 3,381,045,528	100.29%
2014	4,389,292,826	384,000,304	4,773,293,130	1,472,932,907	3,300,360,223	6.9363	3,315,149,071	99.55%
2015	4,510,205,108	379,130,957	4,889,336,065	1,467,469,874	3,421,866,191	8.2363	3,451,480,819	99.14%
2016	4,684,612,172	392,207,255	5,076,819,427	1,487,649,804	3,589,169,623	8.1761	3,626,944,476	98.96%
2017	4,949,652,518	409,750,134	5,359,402,652	1,539,992,799	3,819,409,853	8.0934	3,822,908,533	99.91%
2018	5,437,119,005	412,243,766	5,849,362,771	1,627,169,554	4,222,193,217	7.9928	4,067,707,040	103.80%
2019	5,852,088,086	438,322,180	6,290,410,266	1,718,762,896	4,571,647,370	7.9072	4,521,533,157	101.11%
2020	6,287,354,027	437,238,843	6,724,592,870	1,779,826,215	4,944,766,655	7.8325	4,917,388,335	100.56%
2021	6,669,596,424	457,134,707	7,126,731,131	1,839,598,598	5,287,132,533	7.7166	5,264,692,671	100.43%
2022	8,229,125,586	563,301,913	8,792,427,499	1,972,292,086	6,820,135,413	7.6647	5,659,066,597	120.52%

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

⁽¹⁾ Includes tax-exempt property.

Sources: Miami-Dade County Department of Property Appraisal DR-420 and DR-430V

**Property Tax Rates
Direct and Overlapping Governments ⁽¹⁾
Last Ten Fiscal Years**

Fiscal Year	City ⁽²⁾			Overlapping Rates										Total Direct & Overlapping Rates
	City Operating	City Debt	Total City	County			School Board			Other Authorities/Special Districts				
				County Operating	County Debt	Total County	School Operating	School Debt	Total School	Fire	Library	State	Children's Trust	
2013	6.3620	-	6.3620	4.7035	0.2850	4.9885	7.7650	0.2330	7.9980	2.4627	0.1725	0.4634	0.5000	22.9471
2014	6.9363	-	6.9363	4.7035	0.4220	5.1255	7.6440	0.3330	7.9770	2.4623	0.1725	0.4455	0.5000	23.6191
2015	6.9363	1.3000	8.2363	4.6669	0.4500	5.1169	7.7750	0.1990	7.9740	2.4321	0.2840	0.2610	0.5000	24.8043
2016	6.9363	1.2398	8.1761	4.6669	0.4500	5.1169	7.4130	0.1990	7.6120	2.4293	0.2840	0.2412	0.5000	24.3595
2017	6.9363	1.1571	8.0934	4.6669	0.4000	5.0669	7.1380	0.1840	7.3220	2.4282	0.2840	0.2268	0.5000	23.9213
2018	6.9363	1.0565	7.9928	4.6669	0.4000	5.0669	6.7740	0.2200	6.9940	2.4282	0.2840	0.2145	0.4673	23.4477
2019	6.9363	0.9709	7.9072	4.6669	0.4644	5.1313	6.5040	0.2290	6.7330	2.4207	0.2840	0.3256	0.4415	23.2433
2020	6.9363	0.8962	7.8325	4.6669	0.4780	5.1449	7.0250	0.1230	7.1480	2.4207	0.2840	0.3115	0.4680	23.6096
2021	6.9363	0.7803	7.7103	4.6669	0.4780	5.1470	6.1860	0.9430	7.1290	2.4207	0.2840	0.2995	0.4507	23.4412
2022	6.9363	0.7284	7.6647	4.6669	0.5075	5.1744	6.0790	0.9300	7.0090	2.4207	0.2840	0.2892	0.5000	23.3420

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

⁽²⁾ City of Miami Gardens only levy operating millage and Debt millage begins in FY 2016

Additional information:

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

Tax rate limits:

City 10.000 Mills

County 10.000 Mills

School 10.000 Mills

State 10.000 Mills

Source: Miami -Dade County Property Appraiser Millage Tables

**Principal Property Taxpayers
Current Year and Nine Years Ago**

(amounts expressed in thousands)

2022					2013				
Taxpayer	Assessed Valuation	Industry or Business Type	Rank	Percentage Total Assessed Valuation	Taxpayer	Assessed Valuation	Industry or Business Type	Rank	Percentage Total Assessed Valuation
Hard Rock Stadium	\$ 204,549	Sports & Entertainment	1	4.9%	Robbie Stadium Corporation	\$ 107,700	Sports & Entertainment	1	3.8%
Mg East, LLC	68,497	Warehouse	2	1.2%	Calder Race Course, Inc	42,172	Casino	2	1.5%
Mdh Miami Ssip, LLC	46,326	Warehouse	3	1.1%	Walden Pond	23,408	Retail	3	0.8%
Walmart Stores East Lp	45,528	Retail	4	1.0%	Villas Del Lago Ltd	20,464	Real Estate	4	0.7%
Dorsan Development	42,698	Residential	5	0.9%	Lakes Edge Partners L.P.	18,400	Real Estate	5	0.7%
Calder Race Course, Inc.	40,195	Casino	6	0.8%	Cedar Grove Apts L.P.	14,342	Real Estate	6	0.5%
Eastgroup Properties LP	38,378	Vacant Land	7	0.6%	Crossings At University	13,530	Real Estate	7	0.5%
Gardens and 27, LLC	34,711	Retail	8	0.6%	Marbrisa Assoc. Ltd	12,350	Real Estate	8	0.4%
Park Plaza Apartment Holdings, LLC	28,666	Residential	9	0.5%	Kimco Of No. Miami Inc.	11,903	Real Estate	9	0.4%
TRG SBV II Owner LLC	28,310	Retail	10	0.5%	K-Mart Corp	11,607	Retail	10	0.4%
	<u>\$ 577,858</u>			<u>12.1%</u>		<u>\$ 275,876</u>			<u>9.7%</u>

Sources: Miami-Dade County Tax Assessors' Office 2021 Tax Roll.

**Property Tax Levies and Collections
Last Ten Fiscal Years**

(amounts expressed in thousands)

Fiscal Year Ended September 30,	Total Taxes Levied for Fiscal Year	Collected within the Fiscal Year of Levy		Total Collections to Date	
		Amount	Percent of Levy	Amount	Percent of Levy
2013	\$ 20,528	\$ 17,943	87.4%	\$ 17,943	87.4%
2014	22,049	21,063	95.5%	21,063	95.5%
2015	22,935	21,655	94.4%	21,655	94.4%
2016	24,453	22,854	93.5%	22,854	93.5%
2017	25,983	24,222	93.2%	24,222	93.2%
2018	29,048	27,090	93.3%	27,090	93.3%
2019	31,307	29,376	93.8%	29,376	93.8%
2020	33,786	31,489	93.2%	31,489	93.2%
2021	36,160	33,899	93.7%	33,899	93.7%
2022	39,226	36,869	94.0%	36,869	94.0%

Source: City of Miami Gardens, Finance department and the Miami-Dade County Tax Collector's Office Total Adjusted Tax Levy is based on final assessed property values by Miami-Dade County.

Note: Department of Property Appraisal office after the Property Appraisal Adjustment Board has completed hearings on the tax roll; and before discounts.

Discounts Allowed:

- November 4%
- December 3%
- January 2%
- February 1%
- April Taxes delinquent

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

(amounts expressed in thousands, except per capita)

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾
	General Obligation Bonds	Revenue Bonds	Interlocal Debt	Capital Leases	Interlocal Debt	Revenue Bonds	Capital Leases				
2013	\$ -	\$ 89,084	\$ 5,566	\$ 3,700	\$ 7,245	\$ 20	\$ -	\$ 105,615	n/a	\$ 983.39	
2014	66,122	85,388	4,877	2,979	7,302	-	-	166,668	n/a	1,540.94	
2015	64,544	82,572	4,525	2,249	6,924	-	-	160,814	n/a	1,473.32	
2016	62,867	85,703	4,158	1,509	6,532	-	-	160,769	n/a	1,445.79	
2017	61,135	78,916	3,777	759	6,126	-	-	150,713	n/a	1,331.38	
2018	59,358	69,697	3,383	-	5,705	-	-	138,143	n/a	1,215.75	
2019	57,550	66,437	2,973	-	5,270	-	-	132,230	n/a	1,157.03	
2020	56,490	58,239	2,547	-	4,820	-	-	122,096	n/a	1,067.62	
2021	54,087	55,136	2,104	-	4,354	-	-	115,681	n/a	1,028.20	
2022	51,749	48,946	1,643	-	3,319	-	-	105,657	n/a	918.33	

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 on page 118 for the personal income and population data.

N/A – Information not available

**Direct and Overlapping Governmental Activities Debt
For the Year Ended September 30, 2022**

(amounts expressed in thousands)

Jurisdiction	Net Debt Outstanding	Estimated Percentage Applicable ⁽¹⁾	Amount Applicable to Miami Gardens
Miami-Dade County Schools ⁽²⁾	\$ 891,332	1.69%	\$ 15,094
Miami-Dade County ⁽³⁾	2,455,105	1.69%	41,575
Subtotal overlapping debt	3,346,437		56,669
City of Miami Gardens direct debt	110,621	100.00%	110,621
Total direct and overlapping debt	\$ 3,457,058		\$ 167,290

Sources:

⁽¹⁾ The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of the county's taxable property value that is within the city's boundaries and dividing it by the county's total taxable property value.

⁽²⁾ Miami-Dade County Schools, General Finance Department

⁽³⁾ Miami-Dade County, Finance Department

**Outstanding Debt, Legal Debt Limit and Covenants
For the Year Ended September 30, 2022**

Amount of Debt Outstanding:	Governmental Activities	Enterprise Activities
Land Acquisition Revenue Bonds, Series 2005	\$ 2,739,301	\$ -
Miami Dade County Public Service Tax Revenue Bonds	1,643,199	-
Miami Dade County Stormwater Utility Bond	-	3,319,367
Land Acquisition and Improvement Revenue Bonds, Series 2009	-	-
Land Acquisition Revenue bond, Series 2009	-	-
Taxable Land Acquisition Revenue Bond, Series 2009B	-	-
Certificate of Participation Series 2010 (A-1 + A-2)	42,355,000	-
General Obligation Bond Series 2014	5,805,000	-
Capital Improvement Revenue Bonds, Series 2016	-	-
Taxable Refunding Revenue Bond Series 2019	4,320,000	-
General Obligation Bond Series 2020	48,790,000	-
Total outstanding debt	\$ 105,652,500	\$ 3,319,367

Legal Debt Limit

Neither the State of Florida Constitution or Statutes, nor the City of Miami Gardens' City Charter or Code of Ordinances limit the amount of debt the City can issue.

The City is also governed by the covenants of individual revenue bonds if the city plans to issue additional parity bonds. The covenants are as follows for the following bonds:

Land Acquisition Revenue Bonds, Series 2005

Land Acquisition and Improvement Revenue Bonds, Series 2007

Taxable Refunding Revenue Bond Series 2019 (Refunding Land Acquisition and Improvement Revenue Bonds, Series 2007)

Additional parity bonds payable from the pledged revenues may be issued only if pledged revenues for the preceding two fiscal years equal at least 200% of the maximum debt service requirements on all existing and proposed parity bonds.

**Ratio of General Bonded Debt
Last Eight Fiscal Years**

Fiscal Year	General Obligation Bonds	Total	Percentage of Estimated Actual Taxable Value	Per Capita
2015	\$ 64,544,862	\$ 64,544,862	1.87%	\$ 591
2016	62,867,500	62,867,500	1.73%	565
2017	61,135,137	61,135,137	1.60%	540
2018	59,357,774	59,357,774	1.46%	522
2019	57,550,420	57,550,420	1.27%	504
2020	56,489,583	56,489,583	1.15%	494
2021	57,100,000	57,100,000	1.08%	508
2022	54,595,000	54,595,000	0.96%	475

Note: There were no General Obligation Bonds outstanding prior to fiscal year 2014.

**Pledged Revenue Bond Coverage
Last Ten Fiscal Years**

Fiscal Year	Net Revenues Available			Debt Service Requirements			Coverage
	Half Cent Sales Tax	Communications Service Tax	Total Revenues	Principal	Interest	Total	
2013	\$ 7,337,557	\$ 3,438,720	\$ 10,776,277	\$ 2,715,833	\$ 1,060,134	\$ 3,775,967	2.85
2014	7,657,123	2,757,382	10,414,505	1,736,371	974,965	2,711,336	3.84
2015	8,030,951	3,734,526	11,765,477	1,389,374	774,275	2,163,649	5.44
2016	8,297,899	2,419,177	10,717,076	1,442,387	758,174	2,200,561	4.87
2017	8,424,917	2,239,034	10,663,951	1,336,356	816,536	2,152,892	4.95
2018	8,836,779	2,207,815	11,044,594	1,382,559	723,414	2,105,973	5.24
2019	8,992,931	2,110,164	11,103,095	8,281,970 ⁽³⁾	704,709	8,986,679	1.24
2020	7,750,253	2,082,686	9,832,939	3,601,679	392,284	3,993,963	2.46
2021	9,362,121	2,116,730	11,478,851	1,034,938	305,555	1,340,493	8.56
2022	11,423,688	2,114,036	13,537,724	2,539,400 ⁽⁴⁾	262,781	2,802,181	4.83

Fiscal Year	Electricity Utility Tax	Total Revenues	Principal	Interest	Total	Coverage
2013	5,915,587	5,915,587	478,895	599,121	1,078,016	5.49
2014	6,444,502	6,444,502	190,456	594,042	784,498	8.21
2015	6,363,753	6,363,753	302,421	241,818	544,239	11.69
2016	6,568,238	6,568,238	6,622,555 ⁽¹⁾	207,468	6,830,023	0.96
2017	6,839,846	6,839,846	491,113	221,544	712,657	9.60
2018	7,139,948	7,139,948	6,336,115 ⁽²⁾	167,261	6,503,376	1.10
2019	7,196,740	7,196,740	324,388	212,887	537,275	13.39
2020	7,395,375	7,395,375	3,242,877	233,726	3,476,603	2.13
2021	7,776,857	7,776,857	662,754	163,871	826,625	9.41
2022	7,782,145	7,782,145	2,167,215 ⁽⁴⁾	138,598	2,305,813	3.38

Source: City of Miami Gardens Finance department.

⁽¹⁾ The City refinanced Series 2009 resulted in a higher Principal payment.

⁽²⁾ The City paid off Series 2016 from sale of 15-acre parcel.

⁽³⁾ The City refinanced Land Acquisition Revenue Bonds Series 2007 in FY 2019 resulting in higher principal payment.

⁽⁴⁾ The City paid off Series 2009 and Series 2016 to reduce overall debt obligation.

**Demographic and Economic Statistics
Last Ten Years**

Fiscal Year	Population ⁽¹⁾	Personal Income (Amounts Expressed in Thousands)	Per Capita Personal Income ⁽²⁾	Unemployment Rate ⁽³⁾
2013	107,399	n/a	n/a	13.0
2014	108,160	n/a	n/a	5.5
2015	109,151	n/a	n/a	5.0
2016	111,198	n/a	n/a	4.9
2017	113,201	n/a	n/a	4.1
2018	113,628	n/a	n/a	6.1
2019	114,284	n/a	n/a	4.0
2020	114,363	n/a	n/a	10.2
2021	112,508	n/a	n/a	8.2
2022	115,053	n/a	n/a	5.5

Sources:

⁽¹⁾ State of Florida and University of Florida Bureau of Economic Research

⁽²⁾ Represents Income Per Capita for Miami-Dade County as provided by the U.S. Department of Commerce, Bureau of Economic Analysis

⁽³⁾ Florida Agency for Workplace Innovation, Office of Workforce Information Services, Labor Market Statistics for Miami Metro area as of December 2021

n/a – Information not available

**Principal Employers
Current Year and Nine Years Ago**

Employer	2022			2013		
	Employees	Rank	% of Total	Employees	Rank	% of Total
Hard Rock Stadium	1,542	1	29.98%	1,156	2	16.73%
Walmart	932	2	18.12%	385	6	5.57%
City of Miami Gardens	466	3	9.06%	556	3	8.05%
UAIC	463	4	9.00%	440	5	6.37%
St Thomas University	329	5	6.40%	381	7	5.51%
Calder Race Track	308	6	5.99%	450	4	6.51%
US Post Office	297	7	5.77%			-%
Lehman Dealerships	285	8	5.54%	345	8	4.99%
Brandsmart USA	271	9	5.27%			-%
Florida Memorial Unniversity	250	10	4.86%	264	9	3.82%
Miam Dade School Board				2,745	1	39.73%
Comcast			-%	188	10	2.72%
	<u>5,143</u>		<u>100.00%</u>	<u>6,910</u>		<u>100.00%</u>

Source: City of Miami Gardens

**Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years**

Function	Full-Time Equivalent Employees as of September 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government	68.0	79.0	72.0	68.0	58.5	68.0	70.0	90.0	68.5	67.0
Public safety										
Police	265.0	263.0	249.0	257.0	251.0	254.0	258.0	266.0	239.0	246.5
School Crossing Guard	30.5	25.5	24.5	24.5	24.5	21.5	22.0	20.0	20.0	13.5
Code Enforcement	20.0	20.0	13.0	21.0	18.0	18.0	22.0	19.0	17.0	17.0
Building & Planning	20.0	20.0	26.0	16.0	20.0	20.0	26.0	24.5	22.0	23.0
Public Works	30.0	30.0	33.0	36.0	36.0	42.0	40.0	41.0	40.0	39.0
Culture and recreation	86.0	45.0	57.5	67.5	64.0	68.0	68.0	64.0	62.5	57.0
Stormwater	13.0	10.0	9.0	9.0	8.0	7.0	6.0	5.0	3.0	3.0
	<u>532.5</u>	<u>492.5</u>	<u>484.0</u>	<u>499.0</u>	<u>480.0</u>	<u>498.5</u>	<u>512.0</u>	<u>529.5</u>	<u>472.0</u>	<u>466.0</u>

Source: City of Miami Gardens Finance Department

**Operating Indicators by Function
Last Ten Fiscal Years**

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Safety										
Police:										
Number of emergency calls for service	20,655	23,077	22,034	21,879	22,039	21,922	21,730	25,566	25,728	24,347
Number of non-emergency calls for service	102,578	94,570	47,368	89,942	86,860	97,492	92,603	90,368	50,257	43,517
Number of arrests	4,871	4,209	4,534	2,406	1,873	2,146	2,322	1,676	1,867	1,914
Number of uniformed officers	207	202	201	201	231	294	205	234	204	211
Building & Zoning:										
Number of building permits issued	4,313	5,273	4,949	5,959	6,305	7,740	9,694	7,385	8,492	8,710
Certificates of Use Permits issued	1,484	849	2,059	1,502	2,481	1,355	1,452	2,089	2,410	2,497
Occupational licenses issued	1,709	1,039	2,311	1,729	2,938	1,895	2,021	1,678	1,858	1,910
Transportation										
Sidewalks repaired (linear feet)	8,132	9,018	5,501	10,236	6,147	6,679	7,072	5,933	9,460	6,830
Roads resurfaced (miles)	7	28	50	60	11	60	65	65	26	55
Number of trees planted	539	12	124	236	278	619	53	282	110	773
Number of potholes repaired	132	157	92	118	113	86	119	178	1,016	154
Culture and recreation										
Number of sports programs	4	4	6	16	16	2	3	3	5	9

Note: Indicators are not available for the general government function.

Sources: Various city departments.

**Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Safety										
Police										
Police stations	1	1	1	1	1	1	1	1	1	1
Police vehicles	274	269	264	270	254	243	234	236	236	253
Public works										
Streets (Miles-paved)	352	356	358	358	358	358	358	357	369	370
Streets (Miles-unpaved)	-	-	-	-	-	-	-	-	-	-
Miles of canals	44	44	44	27	27	27	27	27	27	27
Culture and recreation										
Parks	17	19	20	20	20	18	18	18	20	21
Swimming pools	5	4	2	1	1	2	3	5	5	3
Tennis courts	14	14	14	14	14	11	10	12	12	5
Playgrounds	14	13	14	14	14	12	14	14	14	15
Basketball courts	20	21	21	21	21	17	19	19	19	21
Football/soccer fields	-	6	7	7	7	5	5	5	5	5
Baseball fields	-	6	6	6	6	5	5	5	5	3
Cricket pitches	-	3	3	3	3	3	3	3	3	-

Sources: Various city departments



Compliance Section

Annual Comprehensive Financial Report 2022



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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Mayor and Members of the City Council
City of Miami Gardens, 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 Miami Gardens, Florida (the City), as of and for the 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 29, 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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

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

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

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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*.

Purpose of This Report

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



Miami, Florida
June 29, 2023



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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

To the Honorable Mayor and Members of the City Council
City of Miami Gardens, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Miami Gardens, Florida's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the fiscal year ended September 30, 2022. The City's major federal programs are identified in the summary of auditor's 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 for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's 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. 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.

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Auditor's 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*, and the Uniform Guidance 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 as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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, 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2022-01. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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. Accordingly, this report is not suitable for any other purpose.



Miami, Florida
June 29, 2023



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**CITY OF MIAMI GARDENS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:

Unmodified

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified that are not considered to be a material weakness? ___ Yes X None Reported
- Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

Internal control over major Federal programs:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified that are not considered to be a material weakness? ___ Yes X None Reported

Type of Auditors' Report issued on Compliance for Major Federal Programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 516 of the Uniform Guidance ? X Yes ___ No

Identification of Major Federal Programs and State Projects:

<u>Assistance Listing Number</u>	<u>Name of Federal Programs</u>
21.027	State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as a low-risk auditee? X Yes ___ No

**CITY OF MIAMI GARDENS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Section II - Financial Statement —Current Year Findings and Questioned Costs

There were no findings and questioned costs noted during the current year.

Section III - Financial Statement —Prior Year Findings

There were no findings during the prior year.

Section IV - Federal Award —Current Year Findings and Questioned Costs

There were no findings and questioned costs noted during the current year.

Section V - Federal Award —Prior Year Findings and Questioned Costs

There were no findings and questioned costs noted during the prior year.

**CITY OF MIAMI GARDENS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Section VI – Federal Award —Other Matters

Assistance Listing 21-027 - Coronavirus State and Local Fiscal Recovery Funds

2022-01 Activities Allowed or Unallowed /Allowable Costs/Cost Principles

Premium Pay

Criteria

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) grant program is a part of the America Rescue Plan provides funding to state, local and Tribal governments to support their response to and recovery from the COVID-19 public health emergency. The program ensures that governments have the resources needed to:

- Fight the pandemic and support families and business struggling with its public health and economic impacts,
- Maintain vital public services, even amid declines in revenue; and
- Build a strong, resilient, and equitable recovery by making investments that support long term growth and opportunity.

As documented in the final rule issued by the US Treasury in January 2022 the SLFRF grant funds can be utilized for the following:

- Replacing lost public sector revenue
- Public health and economic impacts
- Premium pay
- Water, sewer, and broadband infrastructure

Condition

During our review of the grant program, we noted that; under the premium pay option the City expended a total of \$2,539,803 for premium pay to all full time and part time City employees.

- As outlined in the Department of treasury final rule , the SLFRF grant allows for Premium Pay to be made to “*eligible workers performing essential work, offering additional support to those who have and will bear the greatest health risk because of their service in critical sectors.*”
- Grant “*recipients may provide premium pay to eligible workers- generally those working in-person in key economic sectors- who are below a wage threshold or non-exempt from the fair labor standards act overtime provisions or the recipient submits justification that the premium pay is responsive to workers performing essential work.*”

**CITY OF MIAMI GARDENS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Section VI – Federal Awards - Other Matters Costs (cont'd)

Assistance Listing 21-027 - Coronavirus State and Local Fiscal Recovery Funds (cont'd)

2022-01 Allowable Activities- Premium Pay (cont'd)

Cause

Failure to implement formal procedures for determining worker eligibility for premium pay resulted in the City concluding that all full-time and part time employees were eligible to for premium pay under the SLRRF grant program.

Effect

A key principle of the SLFRF grant program is that *“recipients are the first line of defense and responsible for ensuring the SLFRF award funds are not used for ineligible purposes, and there is no fraud, waste, or abuse associated with the award.”*

Lack of adequate controls over federal awards can negatively impact the City’s ability to obtain future funding under Federal award programs. Additionally, funds not expended for eligible uses must be returned to the Treasury as part of the grant closeout process.

Recommendation

We recommend that the City develop and implement effective internal controls to ensure that funding decisions under the SLFRF award constitute eligible uses of funds, and document basis for determinations.

View of Responsible Officials and Planned Corrective Actions

The City of Miami Gardens’ interpretation and research of the Coronavirus State and Local Fiscal Recovery Funds regarding Premium Pay differs. All City employees are eligible workers that were performing essential work during the COVID-19 pandemic. The City defined eligible worker as “those workers needed to maintain the continuity of operations of essential critical infrastructure sectors as each government designated as critical to protect the health and well-being of the residents,” and then defined essential work during the pandemic that (1) is not performed while teleworking from a residence; and (2) involves regular in-person interactions with the public and coworkers; or involves the regular physical handling of items at work that are also handled by the public or coworkers. Full-time and part-time employees premium pay was due to their potential exposure and interaction with the general public or co-workers as well as items touched by the public in the community or within City facilities. During the pandemic, all employees had to face the public whether an inspector conducting in person inspections, public works personnel, office personnel assisting customers through accounts payable, accounts receivable personnel through cashing and other employees participating in food and supply giveaways for members of their community. Premium pay was awarded as a one-time payment for work already performed and ran through payroll as non-pensionable wages to employee(s) for employment tax and other withholding purposes only. During our due diligence there are other local municipalities that have applied ARPA funds toward premium pay, and many are in the process of allocating the funds for their employees at this time.

**CITY OF MIAMI GARDENS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Section VI - Federal Award —Other Matters (cont'd)

Assistance Listing 21-027 - Coronavirus State and Local Fiscal Recovery Funds (cont'd)

2022-01 Allowable Activities- Premium Pay (cont'd)

View of Responsible Officials and Planned Corrective Actions (cont'd)

SLFRF Final Rule defined the following:

- In the final rule, Treasury will preserve the definition of “*eligible worker*” as it was defined in the interim final rule with minor modifications to clarify that all public employees of recipient governments are already included in the interim final rule definition of “*eligible worker*.”
- The interim final rule defined “*essential work*” as work that (1) is not performed while teleworking from a residence and (2) involves either (i) regular, in-person interactions with patients, the public, or coworkers of the individual that is performing the work or (ii) regular physical handling of items that were handled by, or are to be handled by, patients, the public, or coworkers of the individual that is performing the work.

Schedules of Expenditures of Federal Awards

For the Year Ended September 30, 2022

	CDFA	Contract Number/ Pass-Through Entity Identifying Number	Expenditures	Passed Through to Sub-Recipients
Direct Programs:				
U.S. Department of Justice				
Edward Byrne Memorial Competitive Grant Program	16.751	15-PBJA-21-GG-01323- JAGX	45,434	\$ -
	16.751	2020-DJ-BX-0901	8,500	
	16.751	2019-DJ-BX-0392	56,378	
Total U.S. Department of Justice			110,312	-
U.S. Department of Health and Human Services				
Racial and Ethnic Approaches to Community Health Program financed solely by Public Prevention and Health Funds	93.738	18NU58DP006601	677,132	-
Racial and Ethnic Approaches to Community Health Program financed solely by Public Prevention and Health Funds Covid 19	93.738	18NU58DP006601C5	313,307	-
Total U.S. Department of Health and Human Services			990,439	-
Indirect Programs:				
U.S. Department of Housing and Urban Development				
Passed Through State of Florida Department of Community Affairs				
Community Development Block Grants/Entitlement Grants	14.218	B-19-MC-12-0052	11,751	-
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-12-0052	854,903	-
Community Development Block Grants/Entitlement Grants	14.218	B-21-MC-12-0052	639,137	155,615
Community Development Block Grants/NSP	14.218	B-08-MN-12-0017	128	-
Total U.S. Department of Housing & Urban Development			1,505,919	155,615
U.S. Department of Justice				
Passed Through the State of Florida, Office of the Attorney General:				
Crime Victim Assistance	16.575	VOCA-2021-CITY OF MIAMI GARDENS-00600	134,175	-
Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-1260	133,090	-
Total U.S. Department of Justice			267,266	-
U.S. Treasury Department				
Coronavirus State and Local Fiscal Recovery Funds	21.027	T19-2-2	14,052,482	-
Total U.S. Treasury Department			14,052,482	-
Total Expenditures of Federal Awards			\$ 16,926,418	\$ 155,615

Schedules of State Financial Assistance

For the Year Ended September 30, 2022

State Grantor/ Pass Through Grantor Programs	CSFA Number	State Grant / Contract Number	Expenditures	Passed Through to Sub-Recipients
<i>Florida Housing Finance Corporation</i>				
State Housing Initiative Partnership Program	40.901	N/A	\$ 177,537	\$ -
Total State Housing Initiative Program			<u>177,537</u>	<u>-</u>
Total Expenditures of State Financial Assistance			<u>\$ 177,537</u>	<u>\$ -</u>

Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance

For the Year Ended September 30, 2022

Note 1 – General

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance presents the activity of all federal awards programs and state projects of City of Miami Gardens, Florida, (the “City”) for the year ended September 30, 2022. All federal awards and state projects expended from federal and state agencies are included in these Schedules.

Note 2 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance include the federal and state grant activities of the City and is presented on the accrual basis of accounting. The information in these Schedules 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), Audits of States, Local Governments, and Non-Profit Organizations and Chapter 10.650, Rules of the Auditor General. Therefore, some amounts presented in these Schedules may differ from amounts presented in, or used in the preparation of, the financial statements.

Note 3 – Indirect Cost Rate

The City has elected to use the 10 percent de minimus cost rate.



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415 FLORIDA STATUTES, LOCAL GOVERNMENT INVESTMENT POLICIES

To the Honorable Mayor and Member of the City Council
City of Miami Gardens, Florida

We have examined the City of Miami Gardens (the "City") compliance with *Section 218.415, Florida Statutes, Local Government Investment Policies* for the year ended September 30, 2022. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with *Section 218.415, Florida Statutes, Local Government Investment Policies* during the period October 1, 2021 to September 30, 2022.

This report is intended solely for the information and use of the Florida Auditor General, the Honorable Mayor, Members of the City Council, the City Manager, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Miami, Florida
June 29, 2023

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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

MANAGEMENT LETTER IN ACCORDANCE WITH CHAPTER 10.550, RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Honorable Mayor and Member of the City Council
City of Miami Gardens , Florida

Report on the Financial Statements

We have audited the financial statements of the City Miami Gardens, Florida (the City), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 29, 2023.

Auditor's 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 Auditor's 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 Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report(s) 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 29, 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 financial audit report. There were no findings in the preceding audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The name or official title and legal authority of the Primary government and component units are disclosed in Note 1 to the financial statements.

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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 met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

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. Matter to be disclosed pursuant to the Rules of the Auditor General Section 10.554(1)(i)3 is reported in the accompanying Schedule of Findings and Questioned Costs.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies the Mayor, members of the City Council and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



Miami Florida
June 29, 2023



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CITY OF MIAMI GARDENS, FLORIDA