



ANNUAL COMPREHENSIVE FINANCIAL REPORT

CITY OF SOUTH MIAMI, FLORIDA

FISCAL YEAR ENDED SEPTEMBER 30, 2024

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
CITY OF SOUTH MIAMI, FLORIDA
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2024**



**Prepared By
The Finance Department
Alfredo Riverol, CPA, CGFM, CGMA, CRFAC
Chief Financial Officer**

CITY OF SOUTH MIAMI, FLORIDA
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INTRODUCTORY SECTION



March 28, 2025

To the Honorable Mayor, Members of the City Commission, Citizens of the City of South Miami, Florida

Ladies and Gentlemen:

The Annual Comprehensive Financial Report of the City of South Miami, for the fiscal year ended September 30, 2024, is hereby submitted for your review. The accuracy of the data, the completeness, and fairness of the presentation, including all disclosures, are the responsibility of the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and reported in a manner designed to present fairly, the financial position and results of operations, for all funds under the direct operating control of the City.

All necessary disclosures were included to enable the reader to gain maximum understanding of the City's financial activities for the year. Accordingly, this report consists of four main sections: Introductory, Financial, Statistical, and Compliance.

The contents of the report are in compliance with Government Accounting Standards Board (GASB) pronouncements, including Statement 34, et al., that requires the preparation of government-wide financial statements on a full accrual basis of accounting for all funds, as well as Management's Discussion and Analysis ("MD&A"). The MD&A is found immediately following the report of the independent certified public accountants.

THE REPORTING ENTITY AND ITS SERVICES

The City of South Miami was incorporated in 1927 and is a political subdivision of the State of Florida. The City is full-service, providing its citizens with a full complement of municipal services, specifically, Public Safety, General Government, Parks, Culture and Recreation, Solid Waste, and Public Works.

ECONOMIC OUTLOOK

The City of South Miami is primarily a residential community comprised of approximately 11,981 residents, as per the Bureau of Economics and Business Research at the University of Florida. Most persons employed within the City are in professional/specialty, administrative support, and executive/administrative/management positions. City residents are primarily employed in jobs throughout Miami-Dade County.

The City's downtown business district is comprised of approximately 45 acres located on the west side of Red Road both north and south of Sunset Drive featuring specialty shops, restaurants, and a shopping center with movie theaters.

Also, located within the City are two major medical institutions, South Miami Hospital and Larkin Hospital, which are considered two of the finest medical facilities in the metropolitan area.

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In addition to the Miami-Dade County Bus System serving the City, Miami-Dade County's Metro-Rail system also provides mass transit for the City with a station located off Sunset Drive and U.S. 1. Miami International Airport is within 30 minutes from downtown South Miami.

The City is located in the center of Metropolitan Miami-Dade County and abuts several other municipalities in the area. Numerous major attractions are situated in close proximity to the City. As with many businesses in the County, local businesses benefit from a significant tourist trade. The City of South Miami owns a multi-use public parking garage facility, which was completed in November 2007. A major mixed-use development, Red Road Commons, which is adjacent to the South Miami Metro-Rail Station, consists of over 400 residential units.

MAJOR INITIATIVES

The City of South Miami has reduced the property tax rate for the fiscal year 2024. The City Commission voted to lower the property tax millage rate by 1.25% compared to the 2023 fiscal year, demonstrating its commitment to financial responsibility and supporting residents.

In financial oversight, the City received an unmodified opinion for its FY 2024 Financial Statements. This designation, issued by the City's independent accounting firm, signifies that the financial statements fairly present the City's financial position in accordance with applicable reporting standards. This outcome is the highest level of assurance an entity can achieve in an audit, reflecting sound financial management.

The City secured \$1.8 million through the 2023 Florida legislative session and an additional \$1.75 million through the 2024 Federal Appropriation process to advance a significant portion of the Sub-Area K septic-to-sewer project. Construction is progressing, and once completed, this sewer line will facilitate the planned Dante Fascell Park Building, scheduled for construction in FY 2025. This transition will eliminate the need for the current septic system, which is in a low-lying area, thereby improving environmental sustainability and infrastructure reliability.

The City undertook major enhancements to the Municipal Parking Garage, prioritizing both functionality and user experience. Structural repairs have been meticulously carried out to address any deficiencies, ensuring long-term safety and durability. Additionally, the installation of Tesla charging stations and other electric vehicle chargers underscores the City's commitment to sustainable transportation, accommodating the growing demand for eco-friendly commuting options. To further enhance convenience and security, the facility now features upgraded lighting, advanced security systems, and improved signage. A comprehensive parking study was also conducted to analyze current usage trends and gather feedback from stakeholders, developers, and local businesses. This initiative aimed to optimize parking efficiency and future-proof the facility to meet evolving community needs.

The Information Technology Division (ITD) has played a crucial role in modernizing City operations in FY 2024. The team streamlined the City's SharePoint system, reducing server-stored data and enabling seamless remote access for employees. ITD also facilitated internet connectivity for six Tesla charging stations at the South Miami Parking Garage, integrating them with Tesla's management and payment

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system. Additionally, the division supported law enforcement by implementing the Police to Citizens platform, continued with the Litmos cybersecurity training for employees, and collaborated with Development Services and Miami-Dade County GIS to automate property address updates in TRAKiT, which is still a work in-progress. Furthermore, ITD expanded the City's Wi-Fi network with cloud-controlled access points and upgraded security cameras at Marshall Williamson Park, strengthening both efficiency and security across City infrastructure.

As part of its ongoing traffic management initiatives, the City completed the installation of speed humps at key locations following a citywide traffic study. Specifically, speed humps were placed on SW 59th Ave between SW 76th St and SW 77th Terrace, as well as between SW 74th Ter and SW 76th Street. These improvements aim to curb speeding and enhance safety for both residents and motorists. This initiative reflects the City's proactive approach to traffic management and commitment to fostering safer neighborhood environments.

In an effort to enhance the City's green spaces, a comprehensive citywide landscaping masterplan study is underway. This study assesses existing public parks, streetscapes, and community gardens to identify opportunities for improvement. Key objectives include incorporating native plants, implementing sustainable irrigation methods, and promoting eco-friendly landscaping practices that conserve water and support local biodiversity. Public input plays a vital role in shaping the study's recommendations, ensuring that future enhancements align with community priorities while fostering a greener, more vibrant urban landscape.

The City of South Miami has partnered with Plusurbia Design to conduct a transformative placemaking study focused on revitalizing the SoMi District (formerly known as the City's Town Center). This initiative aims to reimagine the area as a dynamic hub that strengthens community identity and fosters engagement. By assessing urban design, pedestrian accessibility, and cultural amenities, while incorporating input from residents and businesses, the City seeks to enhance streetscapes, support local businesses, and create inviting public spaces. The ultimate goal is to cultivate a distinctive, thriving District that enriches the local economy and enhances the quality of life for residents and visitors alike.

A citywide wage study, conducted by Evergreen Solutions, was completed to evaluate and adjust municipal compensation structures. By benchmarking City wages against regional and industry standards, this analysis ensures competitive pay practices that attract and retain top talent. The study also incorporated feedback from employees and stakeholders, fostering equitable and transparent compensation policies. With these findings, the City aims to strengthen workforce satisfaction, employee recruitment and retention, and improve overall service delivery to the community.

A significant milestone in municipal planning was achieved when the City passed a referendum allowing for the extension of lease terms on City-owned land from 50 years to 100 years. This policy shift enhances long-term sustainability by attracting investment and creating development opportunities aligned with the City's strategic growth objectives. The referendum underscores the City's commitment to prudent governance and fostering economic development.

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In November 2024, the City of South Miami voters approved a \$65 million general obligation bond, demonstrating strong community support for critical capital improvements. This approval provides the City of South Miami City Commission another available financing option to help fund essential projects. This initiative underscores the Commission's commitment to enhancing infrastructure and addressing community needs. By securing the necessary funding, the City can advance key projects that prioritize safety, sustainability, and the overall quality of life for residents.

The City has initiated a solicitation for the redevelopment of the City Hall property, marking a major step in enhancing civic infrastructure. After a thorough review process, the City has chosen 13th Floor as the preferred developer and is currently in negotiations for the project. This initiative aims to transform the site with mixed-use facilities, public amenities, and sustainable design principles. By prioritizing innovation and community-driven development, the City seeks to create a dynamic space that meets the evolving needs of South Miami while aligning with long-term growth and sustainability goals.

South Miami is engaged in discussions with Miami-Dade County regarding the potential annexation of an unincorporated area. This process seeks to integrate additional communities into City governance, offering opportunities to expand services, improve infrastructure, and enhance community representation. The City remains committed to conducting thorough assessments and engaging stakeholders to ensure a mutually beneficial outcome.

The City completed a solicitation in FY 2024, selecting Via Transportation to provide an on-demand transportation service aimed at reducing wait times to under 15 minutes and improving overall mobility. Via began service on February 27, 2025, as part of the City's broader strategy to enhance economic vitality in the Town Center while complementing existing public transit options. By partnering with Via Transportation, the City has established a reliable and efficient transportation network that enhances accessibility for residents and visitors alike.

Infrastructure upgrades are progressing, with the design of two culvert replacements underway and the selection process for a construction firm for a bridge repair project. These improvements are vital for maintaining the City's transportation network, enhancing drainage systems, and ensuring the safety and efficiency of local roadways.

The City's Police Department has launched a housing initiative in partnership with New Hope to support unhoused individuals. This compassionate effort provides temporary shelter, access to essential services, and pathways to permanent housing solutions. Through collaboration with social service agencies and community organizations, this initiative aims to improve public safety and enhance overall community well-being.

The Police Department has also reinstated its K9 unit, further enhancing law enforcement capabilities. The unit is trained in various critical areas, including bomb detection, suspect tracking, and narcotics detection. This initiative reflects the City's proactive approach to maintaining security and preparedness for public safety challenges.

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In summary, the City of South Miami has made significant strides across multiple fronts to enhance infrastructure, public safety, and community well-being. These accomplishments include lowering the property tax rate, securing federal funding for vital infrastructure projects, upgrading municipal facilities, implementing advanced IT solutions, and initiating forward-thinking studies on traffic, landscaping, and urban development. Additionally, the reinstatement of the K9 unit and expansion of community policing efforts highlight the City’s dedication to safety and proactive governance.

Recognized as one of South Florida’s top 25 neighborhoods by the South Florida Business Journal in 2021, South Miami remains committed to maintaining its reputation as a thriving, vibrant community for years to come.

MAJOR INDUSTRIES AND/OR SERVICE CENTERS

The City’s economy is greatly influenced by the economic condition of the entire Miami-Dade County. The major businesses in the City are service-oriented, with health care industry professional services, restaurant, retail shops, and education and administrative services being the main employers. Below is the breakdown of businesses within the City by category.

INDUSTRY BY CLASS OF WORKER	SECTOR ESTIMATE
Agriculture, forestry, fishing and hunting, and mining	10
Construction	384
Manufacturing	105
Wholesale trade	126
Retail trade	468
Transportation and warehousing, and utilities	228
Information	146
Finance and insurance, and real estate and rental and leasing	610
Professional, scientific, and management, and administrative and waste management services	1,318
Educational services, and health care and social assistance	1,744
Arts, entertainment, and recreation, and accommodation and food services	775
Other services, except public administration	359
Public administration	261
TOTAL FOR ALL SECTORS	6,534

Source: U.S. Census Bureau 2023 Form S2407 - Industry by Class of Work for the Civilian Employed Population 16-Years and Over



ACCOUNTING SYSTEM, INTERNAL AND BUDGETARY CONTROL

The City follows the generally accepted accounting principles (“GAAP”) for state and local governments as set forth by the United States government for governmental accounting and financial reporting. The City’s accounting records follow the modified accrual basis of reporting revenues and expenditures for all governmental funds, i.e., General Fund and Special Revenue Funds. The Pension Trust Funds are accounted for on an accrual basis. A further explanation of the City’s accounting policies is contained in the notes to the financial statements.

The City’s Finance Department is responsible for maintaining a comprehensive internal framework of accounting controls. The objectives of this system are to protect the City’s assets from loss, theft and/or misuse, and to compile sufficient reliable information for the preparation of the City’s financial statements in accordance with GAAP. Because the cost of internal controls should not outweigh their benefits, the City’s comprehensive framework of internal controls was designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The firm of Caballero Fierman Llerena & Garcia, LLP licensed Certified Public Accountants, audited the City’s financial statements dated March 28, 2025. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the City of South Miami, for the fiscal year ending September 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amount and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the City’s financial statements for the fiscal year ending September 30, 2024, are fairly presented in conformity with GAAP. The independent auditors’ report is presented as the first component of the financial section of this report. As part of their audit, Caballero Fierman Llerena & Garcia, LLP gained an understanding and performed tests of controls on the City’s comprehensive framework as required by government auditing standards.

Budgetary control is maintained in a manner to ensure compliance with the requirements and restraints of the State of Florida, Miami-Dade County, and the City of South Miami Charter, through a system of monthly financial reports reflecting expenditures against appropriations.

Pursuant to the City’s Charter, expenditures may not legally exceed appropriations at the departmental level, hence providing that as the legal level of budget control. The annual budget provides details of the approved appropriation by specific purpose within each object of expense and for which department and division.



DEBT ADMINISTRATION

2020 Refinancing – Chase Bank: In September 2020, the City issued a \$ 4,988,000 Capital Improvement Revenue Refunding Note, Series 2020, to refund \$ 1,145,000 and \$ 3,714,000 of the then remaining balance of Florida Municipal Loan Council Bonds, Series 2006 and Refunding Revenue Note, Series 2015, respectively. Annual principal and interest payments are due through April 2032 at a fixed rate of 1.327%; secured by a pledge of all non-ad valorem revenues of the City. The refunding provided a present value savings of approximately \$550,000 of the principal amounts refunded. The 2020 Series Note is scheduled to mature in 2032.

SunTrust Bank: On August 16, 2011, the City of South Miami agreed to issue a loan with SunTrust Bank which in furtherance of the Settlement Agreement with the IRS, the City issued a Taxable Revenue Note, Series 2011. This note was made to provide funds to finance, on a taxable basis, (i) the prepayment of the FMLC 2002A and 2006 revenue bonds, (ii) the payment of the settlement amount owed to the IRS pursuant to the Settlement Agreement relating to the Municipal Parking Garage, and costs related thereto, and (iii) the payment of costs of issuance of the Series 2011 Note for a total \$ 7.575 million. The new 2011 SunTrust Loan was issued at a fixed interest rate of 4.55% and matures on October 1, 2026.

RETIREMENT BENEFITS

The City sponsors two defined benefit pension plans, the General Employees' Pension Fund and the Police Officers Retirement Trust Fund. These two pension plans are administered through one independent Pension Board. The Pension Board hires an outside pension plan administrator to administer the plans. Each year, an independent actuary, engaged by the Board, calculates the amount of annual contribution that the City must make to each pension plan to ensure that the plans are actuarially sound. As a matter of policy, the City fully funds each year's annual required contribution to the pension plan, as determined by the actuary.

In general, regular full-time employees of the City hired on or after October 1, 1995, but before October 1, 2011, were required to become participants upon completion of six months of service. Police Officers become eligible, and are required to enter the plan, as of the date of employment.

All regular full-time general employees hired after October 1, 2011, were no longer eligible to enter the General Employees' Defined Benefit Pension Fund. These employees must have elected a retirement contribution percentage of their salary, which is matched by the City up to 7% of their salary, to the 401(a)/457(b) combination deferred compensation plan. As part of the FY 10-11 pension reform, the City provided members of the previous pension system an opt-out window, providing the employees with an opportunity to enter the newly defined 401(a)/457(b) retirement plan.

Effective October 1, 2016, the Commission approved Ordinance No. 22-16-2255 to allow for all general eligible employees, including members of management, to join the defined benefit pension plan. In general, the ordinance created new tiers of membership that allow employees hired on or after October 1, 2016, to participate in the define benefit or defined contribution plan. Also, these new tiers provide

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for employees hired prior October 1, 2016, and not already pension member under tier 1, to elect participation in the plan. Other general provisions of the plan were also amended as part of this ordinance.

The City also provides a defined contribution Section 457 deferred compensation plan for all its employees, at their discretion. The City does not contribute to this plan for any employees.

The financial activities of the plans are reported annually as part of the overall City Annual Comprehensive Financial Report.

AWARDS



The Governmental Finance Officers Association of the United States and Canada (GFOA) awarded a **Certificate of Achievement for Excellence in Financial Reporting** to the City for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2023. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The Government Finance Officers Association of the United States and Canada (GFOA) presented a **Distinguished Budget Presentation Award** to City of South Miami, Florida for its annual budget for the fiscal year beginning October 1, 2023. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.





The Government Finance Officers Association of the United States and Canada (GFOA) has given an **Award for Outstanding Achievement in Popular Annual Financial Reporting** to City of South Miami, Florida for its Popular Annual Financial Report for the fiscal year ended September 30, 2023. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.



In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

The Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.

ACKNOWLEDGEMENTS,

The preparation of this report could not have succeeded without the efficient and dedicated services of the entire Finance Department staff.

We express our appreciation to all members of the Finance Department who assisted and contributed to the preparation of this report, as well as to the various Departments that provided the necessary statistical data. Our thanks and appreciation are also extended to the accounting firm of Caballero Fierman Llerena & Garcia, LLP for their professional approach and high standards in conducting their independent audit of the City's financial records and transactions. As this marks the auditing firm's final year, we extend our gratitude for their years of dedicated service and commitment to excellence.

Finally, our thanks to the Mayor and City Commission for their guidance and cooperation in planning and responsibly conducting the financial affairs of the city.

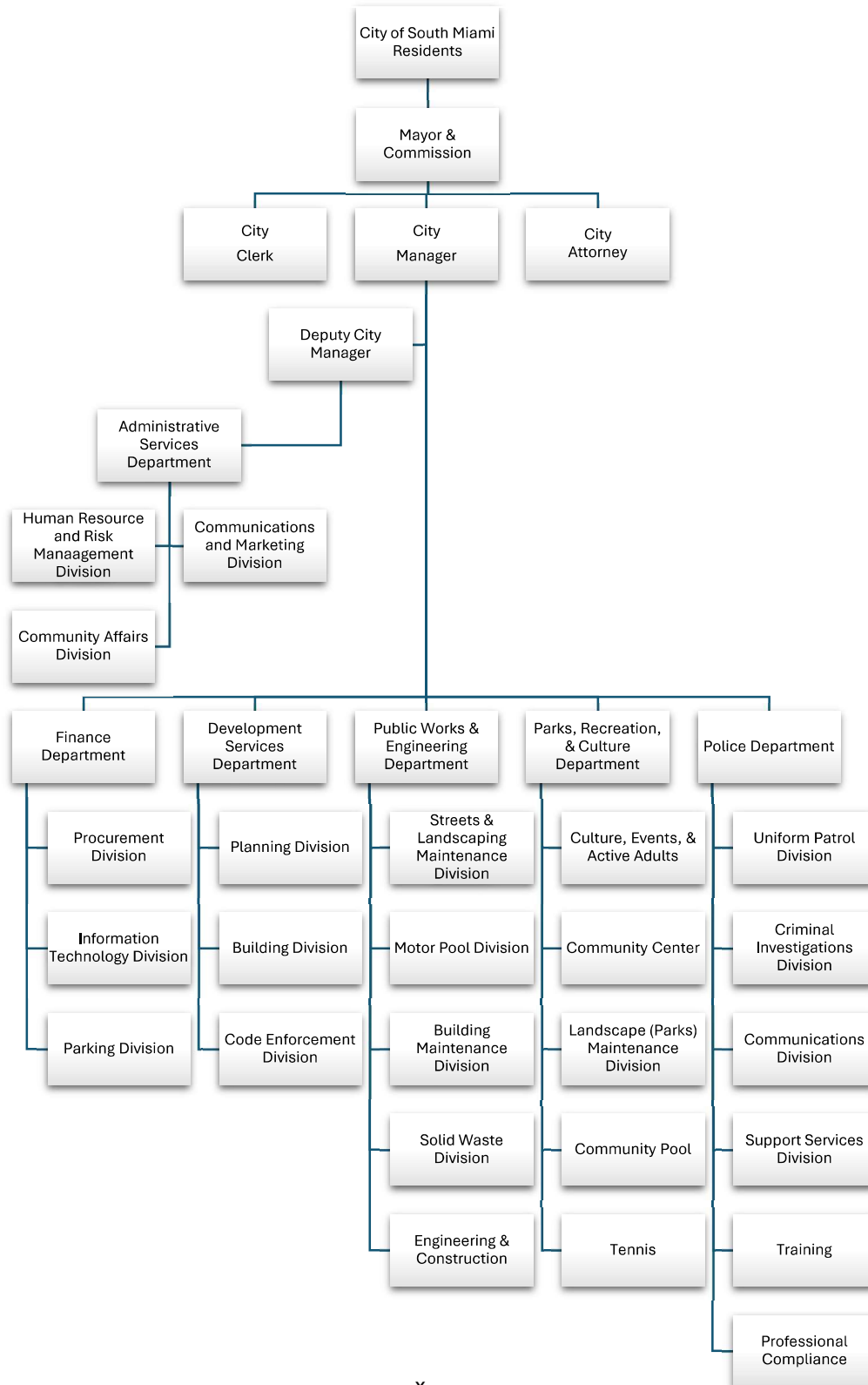
Respectfully submitted,

Genaro "Chip" Iglesias
City Manager

Alfredo Riverol, CPA, CGFM, CGMA, CRFAC
Chief Financial Officer



CITY OF SOUTH MIAMI ORGANIZATIONAL CHART





COMMISSION – MANAGER FORM OF GOVERNMENT

LIST OF PRINCIPAL OFFICIALS

ELECTED OFFICIALS



Mayor
Javier Fernandez



Vice Mayor
Brian Corey



Commissioner
Steve Calle



Commissioner
Lisa Bonich



Commissioner
Daniel Rodriguez

CHARTERED OFFICIALS



City Clerk
Nkenga Payne, CMC



City Manager
Genaro "Chip" Iglesias



City Attorneys
Anthony L. Recio & Lillian M. Arango
Weiss Serota Helfman Cole & Bierman



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of South Miami
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT



Accountants
Advisors

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Commission City
of South Miami, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of South Miami, Florida, (the "City") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2024, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of a Matter

As discussed in Note 14 to the basic financial statements, the City reported a prior period adjustment to the opening balance of the net position of Governmental Activities in the Statement of Net Position. Our opinion is 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.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4–15 and 45-48, respectively, as well as the pension schedules and OPEB schedule on pages 49-52 and 53, respectively, 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 report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering City's internal control over financial reporting and compliance.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miami, Florida
March 28, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Required Supplementary Information)

City of South Miami, Florida
Management's Discussion and Analysis
September 30, 2024

The management of the City of South Miami (the "City") included this section in the Annual Comprehensive Financial Report ("ACFR") in accordance with the Governmental Accounting Standards Board ("GASB") Statement Number 34, et al. It is intended to provide readers of this report the narrative overview and analysis of the financial activities of the City for fiscal year ended September 30, 2024. Readers are encouraged to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal, the City's financial statements, and the other required supplementary 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 following are the highlights of financial activity for the fiscal year ending September 30, 2024:

- The assets of the City are \$84,529,311; and the deferred outflow of resources of the City are \$5,393,821.
- The liabilities of the City are \$17,673,114; and the deferred inflow of resources of the City are \$2,933,925.
- The assets and deferred outflows of the City of South Miami exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$69,316,093 (net position). Of this amount, \$25,475,323 is unrestricted.
- The City's \$32,584,861 in revenues exceeded the \$28,147,185 in expenses for governmental activities, providing a \$4,437,676 increase in total net position.
- At the end of the current year, fund balance for the General Fund was \$19,568,762, or 68% of total general fund operating revenues. Of this amount, \$6,957,545 is reserved for the Emergency Reserve Fund.
- The current year's unassigned fund balance for the General Fund is \$12,611,217, or 44% of total general fund operating revenues.
- The General Fund's fund balance decreased by \$2,076,279 for the year ended September 30, 2024.
- The City's total debt, excluding compensated absences, decreased by \$891,000 and we continue to actuarially fund our defined benefit pension plan.

Overview of the 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, and fiduciary 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.

City of South Miami, Florida
Management's Discussion and Analysis
September 30, 2024

- 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 were financed in the short term as well as what remains for future spending.
- Fiduciary funds statements provide information about the financial relationships in which the City acts solely as a trustee or agent for the benefit of those parties outside of the government.

The financial statements also include notes that explain 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 this information. In addition to these required elements, we include a section with combining statements that provide details about our non-major governmental funds, each of which is added together and presented in single columns 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 South Miami's finances, in a manner similar to a private-sector business. The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in position assets may serve as a useful indicator of whether the financial position of the City of South Miami 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), and 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 South Miami include police services, public works, culture and recreation, code compliance, planning and zoning, economic development, and general administration services. There are no business-type activities.

Additionally, the City currently has a city sponsored single employer defined contribution pension plans; a 401(a) plan for all new general employees who choose to opt-out of the City's Defined Benefit Pension Plan. Furthermore, the City provides two voluntary defined contribution plans for all interested employees, a Section 457(b) and Roth IRA plan, which the City does not contribute too. The defined benefit pension plans are reported as Fiduciary Funds in the fund financial statements of this report, but are not included in the government-wide statements.

The government-wide financial statements can be found on pages 16 and 17 of this report.

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that were segregated for specific activities or objectives. The City of South Miami, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City of South Miami are divided into two categories: governmental funds and fiduciary funds.

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

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

The City of South Miami 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, and American Rescue Plan Fund, and the Capital Improvements Program Fund. 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 statement was provided for the General Fund, American Rescue Plan Fund and Capital Improvement Program Fund, to demonstrate compliance with the budget. The basic governmental funds financial statements can be found on pages 18 to 21 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of South Miami's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 22 to 23 of this report. Individual fund data for the Fiduciary Funds is provided in the form of combining statements elsewhere in this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24 to 44 of this report.

Required supplementary information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of South Miami's pension and other post-employment benefits to its employees' pension, and budgetary comparison schedules for the General Fund and Stormwater Drain Trust – Special Revenue Fund.

The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information. Combining and individual fund financial statements and budgetary comparison schedules can be found beginning on page 58 of this report.

Our analysis of the financial statements of the City begins below. The Statement of Net Position and the Statement of Activities report information about the City's activities that will help answer questions about the position of the City.

Government-Wide Financial Analysis

Statement 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 investment in 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 increase the 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 the net investment in capital assets.
- 6) **Reduction of capital assets through depreciation** will reduce the net investment in capital assets.

The City's net position was \$69,316,093 in fiscal year 2024 (see Table 1). This amount came solely from governmental activities because the City has no business-type activities. Restricted net position and net investment in capital assets amounted to 63% of total net position. The largest portion of net position (55%) is investment in capital assets (land, buildings, streets, sidewalks, and equipment).

The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The respective fraction of net position (8%) is restricted for community service, public safety or capital projects. The remaining balance of unrestricted net position (\$25,475,323) may be used to meet government's ongoing obligations to citizens and creditors.

City of South Miami, Florida
Management’s Discussion and Analysis
September 30, 2024

Table 1
City of South Miami
Net Position

	Governmental Activities	
	2024	2023
Current and other assets	40,750,713	41,823,216
Capital assets (net)	43,778,598	40,505,553
Total Assets	84,529,311	82,328,769
Deferred outflow of resources	5,393,821	7,741,490
Current and other liabilities	9,164,774	7,972,626
Long term liabilities	8,508,340	7,277,412
Total liabilities	17,673,114	15,250,038
Deferred inflow of resources	2,933,925	3,517,878
Net position:		
Invested in capital assets	38,141,178	33,965,864
Restricted	5,699,592	8,021,088
Unrestricted	25,475,323	29,315,391
Total net assets	69,316,093	71,302,343

At the end of the current fiscal year, the City of South Miami is able to report positive balances in all three categories of net position. The restricted net position decreased in 2024 by \$1,986,250, and the unrestricted governmental activities net position decreased by \$3,840,068, due to increase in spending to meet the constituency needs. Capital assets increased by \$4,175,314 for the fiscal year. The increase in current liabilities is attributed to payroll payable and the increase in accounts payable due to the City’s dedication to completing the multiple projects and improvement, and the increase in long-term liabilities is mainly due to the net pension liability.

City of South Miami, Florida
Management's Discussion and Analysis
September 30, 2024

The following information presented is to assist the reader in understanding the different types of normal impacts that can affect revenues:

- 1) Economic condition can reflect a declining, stable or growing environment and has a substantial impact on property, non-ad valorem assessments, sales, gas, or other tax revenues as well as consumer spending habits for building permits, user fees and consumption.
- 2) The City Commission has significant authority to set increases or decreases in City's rates (stormwater, permitting, user fees, etc.)
- 3) Changing patterns in intergovernmental and grant revenues (both recurring and non-recurring) can significantly change and impact the annual comparisons.
- 4) Market impacts on investment income may cause investment revenues to fluctuate from the prior year.

Some other basic impacts on expenses are reflected below:

- 1) Introduction of new programs can have a substantial impact on property, non-ad valorem assessments, sales, gas, or other tax revenues as well as consumer spending habits for building permits, user fees and consumption.
- 2) Changes in service demand levels can cause the City to increase or decrease authorized staffing.
- 3) Salary increases such as cost of living, performance increases, and market adjustments can impact personal service costs.
- 4) Inflation appears to be increasing, the City is a major consumer of certain commodities such as chemicals, supplies, fuels, and parts. Some functional expenses may experience unusual commodity specific increases.

City of South Miami, Florida
Management’s Discussion and Analysis
September 30, 2024

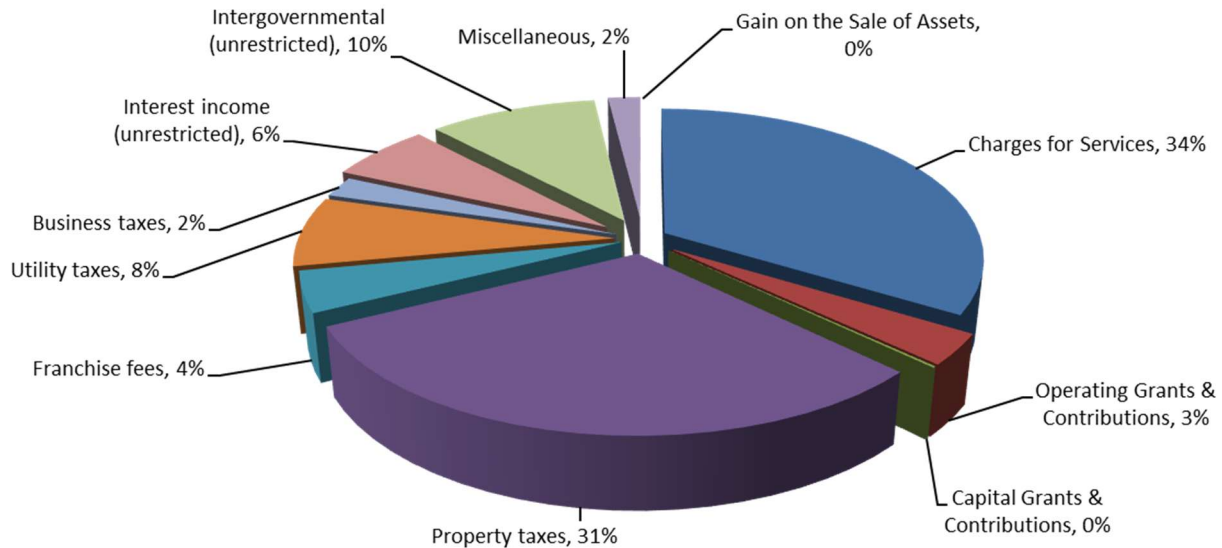
Statement of Activities: As noted earlier, the statement of activities presents information showing how the City's net position changed during the most recent fiscal year. The following table reflects the City's revenues and expenses for fiscal year 2024 compared to 2023 with the resulting change in net position:

Table 2
City of South Miami
Changes in Net Position

	Government Activities	
	2024	2023
Revenues:		
Charges for Services	10,973,293	9,126,302
Operating Grants & Contributions	1,080,447	1,155,917
Capital Grants & Contributions	49,021	-
General revenues:		
Property taxes	9,940,743	8,967,689
Utility taxes	2,450,228	2,424,099
Business taxes	716,795	675,832
Franchise fees	1,423,576	2,950,132
Interest income (unrestricted)	2,016,943	1,402,606
Intergovernmental (unrestricted)	3,301,717	3,388,153
Miscellaneous	632,098	431,414
Gain on the Sale of Assets	-	-39,060
Total Revenues	32,584,861	30,483,084
Expenses:		
General Government	6,997,422	4,776,590
Public Safety	10,410,294	6,121,850
Public Works	6,175,042	4,716,633
Culture & Recreation	4,428,826	3,391,827
Interest on Long-Term Debt	135,601	194,171
Total Expenses	28,147,185	19,201,071
Change in net asset	4,437,676	11,282,013
Net position, October 1	71,302,343	60,020,330
Prior period adjustment (See Note 14)	-6,423,926	-
Net position, October 1-beginning as restated	64,878,417	60,020,330
Net position, September 30	69,316,093	71,302,343

City of South Miami, Florida
Management’s Discussion and Analysis
September 30, 2024

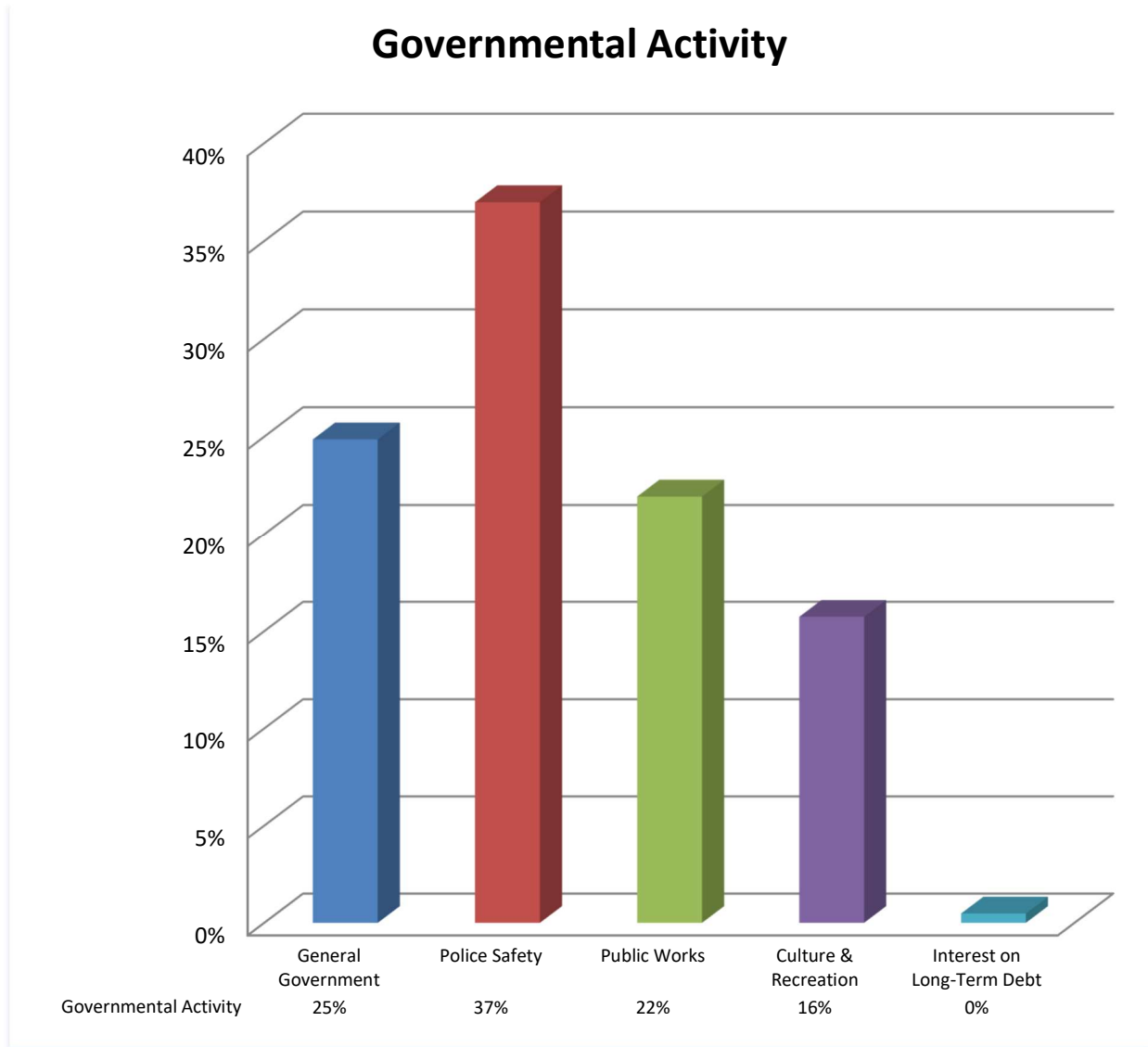
The City's total revenues increased by 6.9%, to \$32,584,861 (see Table 2), mainly due to the increase in property taxes, and interest income from idol cash, which increased in FY 2024, hence the significant increase. Approximately 31% of the City's revenues come from property taxes, another 10% comes from intergovernmental, 3% from grants and contributions, and 34% from charges for services (see chart that follows). The City's management took major actions in 2024 to improve City revenues and to control expenses.



The total cost of all programs and services increased by \$8,946,114 or 47% (see Table 2), due to a year of increased government services and capital projects. The City's expenses cover a range of services. As shown in Table 2 above, governmental expenses are largely weighted in three functions, namely the public safety, general government, and public works. At \$10,410,294, public safety expense represents 37% of the statement of activities' total expenses for the City in 2024. General government category expense total for 2024 was \$6,997,422, or 25% of total expenses. The General government category includes all other City departments except public safety, culture and recreation, public works, and non-departmental. Lastly, public works expended \$6,175,042, or 22% of expenses. No business-type activities for the current year.

The chart below presents the net cost of each of the City's governmental services. Net cost is the total cost of each service less the program revenue generated, fees by each activity and intergovernmental aid.

The net cost graph below, shows the financial cost that is placed on the City's taxpayers by each of these services:



The cost of all governmental activities this year, including \$135,601 in interest expense on long-term debt, was \$28,147,185. Some of that cost was financed by those who directly benefited from the programs through charges for services (\$10,973,293) or grants (\$1,129,468).

The City financed the remaining \$16,044,424 "public benefit" portion of governmental activities from property taxes, utility taxes and with other revenues, such as interest and unrestricted intergovernmental revenue.

City of South Miami, Florida
Management’s Discussion and Analysis
September 30, 2024

Governmental Funds' Financial Analysis

As the City completed the year, its governmental funds reported combined fund balances of \$30,607,312, with the general fund representing \$19,568,762. Of the total governmental fund balances, \$5,699,592 is restricted, \$7,133,852 is committed, \$5,162,651 is assigned and \$12,611,217 is unassigned fund balance.

The General Fund's fund balance decreased by \$2,076,279 after transfers of a net -\$8,741,008, of which a great majority went to the Capital Improvements Program Fund, which reflected a \$2,528,922 fund balance increase. General fund revenues for 2024 increased substantially due to the increase in the building permit revenue from a large development, favorable investment interest revenue, and property values when compared to 2023. Please refer to the table below and the General Fund Budget Highlights section below for further information.

REVENUES	2024	2023
TAXES		
PROPERTY TAXES	9,940,743	8,967,689
UTILITY TAXES	2,450,228	2,423,047
BUSINESS TAXES	716,795	703,738
FRANCHISE TAXES	1,423,576	1,460,890
LICENSES & PERMITS	3,174,643	2,047,034
INTERGOVERNMENTAL	2,000,530	2,127,483
CHARGES FOR SERVICES	5,593,990	5,592,125
FINES AND FORFEITURES	1,160,601	1,597,011
RENTS & ROYALTIES	223,432	224,956
GRANTS, CONTRIB., & DONATIONS	338,063	16,772
INTEREST INCOME	1,581,083	1,042,367
MISCELLANEOUS	257,105	328,773
TOTAL	<u>28,860,789</u>	<u>26,531,885</u>

In fiscal year 2024, the City’s General Fund had a decrease in the change in fund balance due to the \$7,950,166 transfer to the Capital Improvement Program Fund to help complete critical capital improvement projects in the City.

During the current year, the City’s Debt balance decreased. There was approximately \$1,049,734 in principal and interest expenditures. Total Debt Service Fund expenditures were financed with payments in lieu of taxes (PILOT), rent and royalties revenues, and General Fund transfers.

City of South Miami, Florida
Management’s Discussion and Analysis
September 30, 2024

General Fund Budgetary Highlights

The base revenue budget for fiscal year 2024 was \$24,557,560. The difference between the forecasted revenues, and the actual revenues, in the General Fund was \$3,973,307 for fiscal year 2024. There were three major reasons why actual general fund revenues substantially exceeded the forecasted amount. First, a large increase was building permit revenue; a large-scale project submitted for permitting, which garnished a large permit cost. Secondly was great returns on the City’s idol cash, which the City has invested wisely.

Actual revenues, at \$28,530,867 came in above the final budget of \$24,557,560.

Comparing the final budget to the actual expenditure amount for fiscal year 2024; the final expenditure budget of \$24,929,718 with actual expenditures being \$22,196,060, were below the final amended budget by \$2,733,658. All expenditures were in line with the projected expectations. Please refer to pages 45 and 46 for further details.

Capital Assets and Debt Administration

Capital assets: The City of South Miami's investment in capital assets for its governmental activities as of September 30, 2024, and 2023, is detailed below:

	Government Activities	
	2024	2023
Land	13,649,168	13,649,168
Construction in progress	3,311,975	30,277
Building & improvements	13,846,832	14,326,707
Machinery	2,637,077	1,938,004
Land improvements	4,073,758	3,995,541
Infrastructure	6,244,147	6,487,653
Intangible Right-of-Use Software Agreement	15,641	78,203
	43,778,598	40,505,553

For fiscal year 2024 the City spent over \$3,000,000 on the redevelopment of South Miami Park, which included lights and the installation of artificial turf making it a premier soccer facility within the City. Furthermore, the capital program also consisted of an acquisition of a garbage truck for the Public Works Department. Additional information on the City's capital assets can be found in Note 7 on page 33 of this report.

Debt Administration: At year-end, the City had approximately \$6.6 million in outstanding debt, as noted below:

	Government Activities	
	2024	2023
Taxable Revenue Note, Series 2011	1,950,000	2,540,000
Chase 2020	3,835,000	4,136,000
	5,785,000	6,676,000

Additional information on the City’s outstanding debt can be found in Note 9 on pages 34 through 36 of this report.

Economic Factors and Next Year's Budgets and Ratios

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 property and a limited array of permitted other taxes (sales, telecommunication, gasoline, utilities services, etc.) and fees (franchise, building permits, occupational license, etc.) for their governmental activities. There are a limited number of state-shared revenues and recurring and non-recurring (one-time) grants from both the state and federal governments. For certain governmental activities (building inspections, recreational programs, etc.) the user pays a related fee or charge associated with the service.

Estimated revenues and transfers in fiscal year 2025 General Fund budget are \$24,409,946, a decrease of \$1,120,921 from actual revenues and transfers of \$28,680,867 for fiscal year 2024, if forecasts are realized. Should revenues exceed expectations in fiscal year 2025, the revenues will be able to fund current services and any unexpected impact of inflation on fuel, salaries, and benefits.

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. If you have questions about the report or need additional financial information, please contact Alfredo Riverol, CPA, CGFM, CGMA, CRFAC, Chief Financial Officer, City of South Miami, 6130 Sunset Drive Miami, Florida 33143.

BASIC FINANCIAL STATEMENTS

CITY OF SOUTH MIAMI, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 20,126,545
Investments	17,892,692
Receivables	820,629
Accrued interest receivable	41,419
Notes receivable	1,869,428
Capital assets:	
Capital assets not being depreciated nor amortized	16,961,143
Capital assets, net of accumulated depreciation and amortization	26,817,455
Total assets	84,529,311
DEFERRED OUTFLOWS OF RESOURCES	
Deferred loss on bond refunding	147,580
Deferred outflows of resources relating to pensions	5,214,191
Deferred outflows of resources relating to other post employment benefits (OPEB)	32,050
Total deferred outflows of resources	5,393,821
LIABILITIES	
Accounts payable	2,957,092
Accrued liabilities	783,382
Unearned revenue	3,600,654
Other liabilities	390,683
Accrued interest payable	70,549
Due within one year:	
Compensated absences	432,268
Debt, including bonds and notes payable	923,000
Total other post employment benefits (OPEB) liability	7,146
Due in more than one year:	
Compensated absences	1,296,803
Debt, including bonds and notes payable	4,862,000
Net pension liability	2,070,846
Total other post employment benefits (OPEB) liability	278,691
Total liabilities	17,673,114
DEFERRED INFLOWS OF RESOURCES	
Notes receivable	1,869,428
Local business taxes	422,108
Deferred inflows of resources relating to pensions	313,749
Deferred inflows of resources relating to other post employment benefits (OPEB)	328,640
Total deferred inflows of resources	2,933,925
NET POSITION	
Net investment in capital assets	38,141,178
Restricted for:	
Park improvements	1,634,193
Grant projects	661,423
Stormwater management	246,226
Transportation projects	2,025,558
Law enforcement	616,834
Debt service	638
Art in public places program	39,955
Public art program	474,765
Unrestricted	25,475,323
Total net position	\$ 69,316,093

The notes to the basic financial statements are an integral part of these financial statements.

CITY OF SOUTH MIAMI, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>			<u>Net Revenue (Expense) and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Total Governmental Activities</u>
Governmental activities:					
General government	\$ 6,997,422	\$ 4,758,200	\$ 895,201	\$ -	\$ (1,344,021)
Public safety	10,410,294	5,173,540	160,295	-	(5,076,459)
Public works	6,175,042	-	-	49,021	(6,126,021)
Culture and recreation	4,428,826	1,041,553	24,951	-	(3,362,322)
Interest on long-term debt	135,601	-	-	-	(135,601)
Total governmental activities	<u>\$ 28,147,185</u>	<u>\$ 10,973,293</u>	<u>\$ 1,080,447</u>	<u>\$ 49,021</u>	<u>(16,044,424)</u>
General revenues:					
Taxes:					
Property taxes					9,940,743
Utility taxes					2,450,228
Business taxes					716,795
Franchise taxes					1,423,576
Interest income (unrestricted)					2,016,943
Intergovernmental (unrestricted)					3,301,717
Miscellaneous					632,098
Total general revenues					<u>20,482,100</u>
Change in net position					4,437,676
Net position - beginning					<u>71,302,343</u>
Prior period adjustment (See Note 14)					(6,423,926)
Net position - beginning as restated					<u>64,878,417</u>
Net position - ending					<u>\$ 69,316,093</u>

The notes to the basic financial statements are an integral part of these financial statements.

CITY OF SOUTH MIAMI, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	Major Funds				
	General Fund	American Rescue Plan Fund	Capital Improvements Program Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 3,513,005	\$ 4,111,108	\$ 6,813,754	\$ 5,688,678	\$ 20,126,545
Investments	17,892,692	-	-	-	17,892,692
Receivables	527,227	-	-	293,402	820,629
Due from other funds	25,946	-	-	-	25,946
Total assets	\$ 21,958,870	\$ 4,111,108	\$ 6,813,754	\$ 5,982,080	\$ 38,865,812
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 1,964,266	\$ 80,799	\$ 1,651,103	\$ 434,989	\$ 4,131,157
Due to other funds	-	-	-	25,946	25,946
Unearned revenue	3,734	3,555,544	-	41,376	3,600,654
Total liabilities	1,968,000	3,636,343	1,651,103	502,311	7,757,757
Deferred inflows of resources:					
Local business taxes	422,108	-	-	-	422,108
Unavailable revenues	-	-	-	78,635	78,635
Total deferred inflows of resources	422,108	-	-	78,635	500,743
Fund balances:					
Restricted for:					
Park improvements	-	-	-	1,634,193	1,634,193
Grant projects	-	-	-	661,423	661,423
Stormwater management	-	-	-	246,226	246,226
Transportation projects	-	-	-	2,025,558	2,025,558
Law enforcement	-	-	-	616,834	616,834
Debt service	-	-	-	638	638
Public art program	-	-	-	39,955	39,955
American rescue plan	-	474,765	-	-	474,765
Committed for:					
Emergency and disaster recovery operating reserve	6,957,545	-	-	-	6,957,545
Tree projects	-	-	-	176,307	176,307
Assigned for:					
Capital projects	-	-	5,162,651	-	5,162,651
Unassigned	12,611,217	-	-	-	12,611,217
Total fund balances	19,568,762	474,765	5,162,651	5,401,134	30,607,312
Total liabilities, deferred inflows of resources, and fund balances	\$ 21,958,870	\$ 4,111,108	\$ 6,813,754	\$ 5,982,080	\$ 38,865,812

The notes to the basic financial statements are an integral part of these financial statements.

CITY OF SOUTH MIAMI, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

Fund balances - total governmental funds (see page 18)	\$ 30,607,312
Amounts reported for governmental activities in the statement of net position are different as a result of:	
Certain assets used in government activities are not financial resources, and, therefore, are not reported in the governmental funds:	
Notes receivable	1,869,428
Accrued interest receivable	41,419
Net pension liabilities	(2,070,846)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:	
Cost of capital assets	65,687,469
Less accumulated depreciation	(21,908,871)
Certain deferred outflows of resources are not available to pay current period expenditures and, therefore, are not reported in the funds:	
Deferred loss on bond refunding	147,580
Deferred outflows of resources relating to pensions	5,214,191
Deferred outflows of resources relating to other post employment benefits (OPEB)	32,050
Long-term liabilities and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Notes payable	(5,785,000)
Accrued interest payable	(70,549)
Deferred inflows of resources relating to pensions	(313,749)
Deferred inflows of resources from note receivable	(1,869,428)
Net other post employment benefits (OPEB) obligation	(285,837)
Deferred inflows of resources relating to other post employment benefits (OPEB)	(328,640)
Compensated absences payable	(1,729,071)
Revenue collected outside of the period of availability is not available to pay for current period expenditures and therefore, is a deferred inflow in the funds.	78,635
Net position of governmental activities (see page 16)	\$ 69,316,093

The notes to the basic financial statements are an integral part of these financial statements.

CITY OF SOUTH MIAMI, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Major Funds				
	General Fund	American Rescue Plan Fund	Capital Improvements Program Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property taxes	\$ 9,940,743	\$ -	\$ -	\$ -	\$ 9,940,743
Utility taxes	2,450,228	-	-	-	2,450,228
Business taxes	716,795	-	-	-	716,795
Franchise taxes	1,423,576	-	-	-	1,423,576
Licenses and permits	3,174,643	-	-	797,130	3,971,773
Intergovernmental	2,000,530	895,201	-	1,209,193	4,104,924
Charges for services	5,593,990	-	-	21,955	5,615,945
Fines and forfeitures	1,160,601	-	-	1,542	1,162,143
Rents and royalties	223,432	-	-	-	223,432
Grants, contributions and donations	338,063	-	-	76,560	414,623
Interest income	1,581,083	225,503	-	210,038	2,016,624
Miscellaneous	257,105	-	-	337,029	594,134
Total revenues	<u>28,860,789</u>	<u>1,120,704</u>	<u>-</u>	<u>2,653,447</u>	<u>32,634,940</u>
EXPENDITURES					
Current:					
General government	5,447,184	228,013	-	5,711	5,680,908
Public safety	9,410,322	-	-	82,533	9,492,855
Public works	4,289,995	61,530	-	345,901	4,697,426
Culture and recreation	2,984,317	13,915	-	24,951	3,023,183
Debt Service:					
Principal	60,463	-	-	891,000	951,463
Interest and other charges	3,779	-	-	158,734	162,513
Capital outlay	-	591,743	5,421,244	1,513,171	7,526,158
Total expenditures	<u>22,196,060</u>	<u>895,201</u>	<u>5,421,244</u>	<u>3,022,001</u>	<u>31,534,506</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,664,729</u>	<u>225,503</u>	<u>(5,421,244)</u>	<u>(368,554)</u>	<u>1,100,434</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	150,000	-	7,950,166	940,842	9,041,008
Transfers out	<u>(8,891,008)</u>	<u>-</u>	<u>-</u>	<u>(150,000)</u>	<u>(9,041,008)</u>
Total other financing sources (uses)	<u>(8,741,008)</u>	<u>-</u>	<u>7,950,166</u>	<u>790,842</u>	<u>-</u>
Net change in fund balances	<u>(2,076,279)</u>	<u>225,503</u>	<u>2,528,922</u>	<u>422,288</u>	<u>1,100,434</u>
Fund balances - beginning	21,645,041	249,262	2,633,729	4,978,846	29,506,878
Fund balances - ending	<u>\$ 19,568,762</u>	<u>\$ 474,765</u>	<u>\$ 5,162,651</u>	<u>\$ 5,401,134</u>	<u>\$ 30,607,312</u>

The notes to the basic financial statements are an integral part of these financial statements.

CITY OF SOUTH MIAMI, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Net change in fund balances - total government funds (see page 20) **\$ 1,100,434**

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

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

Capital outlay	7,526,158
Current year provision for depreciation	(1,510,484)
Amounts reported as capital outlay not included in capital assets (not capitalized)	(2,681,213)

Principal payments received on notes receivable are reported as revenue in the governmental funds because they provide current financial resources, but are reported as reduction of assets in the statement of net position. (106,027)

Under the modified accrual basis of accounting used in the governmental funds, revenues are not recognized until funds are measurable and available to finance current expenditures. In the statement of activities, however, which is presented on the accrual basis, revenues are reported when earned.

Change in accrued interest receivable	(4,300)
Unavailable revenues	3,931
Note receivable	106,027

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

Bond principal payments	891,000
Issuance of debt - SBITA	60,463

Certain changes related to pension and other post employment benefits (OPEB) assets and liabilities are not reported in the net change in the governmental funds:

Change in deferred outflows of resources relating to pension	465,544
Change in deferred outflows of resources relating to other post employment benefits (OPEB)	(26,697)
Change in deferred inflows of resources relating to pensions	(2,290,054)
Change in deferred inflows of resources relating to other post employment benefits (OPEB)	(8,421)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Accrued interest payable	15,643
Amortization of deferred loss on bond refunding	(49,194)
Change in net other post employment benefits (OPEB) obligation	80,194
Change in net pension liability	1,141,117
Change in compensated absences payable	(215,029)

Change in net position of governmental activities (see page 17) **\$ 4,437,676**

CITY OF SOUTH MIAMI, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2024

	<u>Employee Retirement Funds</u>
ASSETS	
Cash and cash equivalents	\$ 1,660,202
Receivables:	
Employee contribution	19,538
Interest and dividends	100,171
Other receivables	33,943
Total receivables	<u>153,652</u>
Investments at fair value:	
Real estate holdings	6,815,754
U.S. Government and agency securities	6,006,645
Corporate obligations	6,021,812
Mutual funds:	
Equity	43,611,859
Fixed income	267,240
Total investments	<u>62,723,310</u>
Other assets:	
Prepaid expenses	4,194
Total assets	<u>\$ 64,541,358</u>
LIABILITIES	
Accounts payable	\$ 120,605
Pending trades payable	697
Total liabilities	<u>121,302</u>
NET POSITION	
Restricted for pension benefits	<u>\$ 64,420,056</u>

The notes to the basic financial statements are an integral part of these financial statements.

CITY OF SOUTH MIAMI, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Employee Retirement Funds
ADDITIONS	
Contributions:	
Employer	\$ 623,582
Employees	507,481
Section 185 contributions	236,935
Total contributions	1,367,998
Investment earnings:	
Net appreciation in fair value of investments	11,297,270
Interest and dividends	1,178,615
Total investment earnings	12,475,885
Less: investment expense	221,946
Net investment earnings	12,253,939
Total additions	13,621,937
DEDUCTIONS	
Benefits paid	2,069,747
Refund of contributions	52,629
Minimum benefit funding	79,228
DROP distributions	520,117
Administrative expenses	188,710
Total deductions	2,910,431
Change in net position	10,711,506
Net position, restricted for pension benefits - beginning	53,708,550
Net position, restricted for pension benefits - ending	\$ 64,420,056

The notes to the basic financial statements are an integral part of these financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 1 - General Description of the City

The City of South Miami, Florida (the City) is a political subdivision of the State of Florida, located in Miami-Dade County. The City was incorporated in 1927 and has operated since 1978 under the same charter. It is located approximately 3 miles south of the City of Miami and borders the University of Miami's main campus and the City of Coral Gables and the Village of Pinecrest. The City is approximately 2.5 square miles in area and has a population of approximately 13,000 residents. The City is a full-service city providing its citizens with a full complement of municipal services, specifically public safety, general government, parks, culture and recreation, sanitation, public works, and community services. It also maintains various trust funds in a fiduciary capacity, but does not provide any educational facilities, water, wastewater or fire services. Those services are provided by the Miami-Dade County Public School System and Miami-Dade County, Florida.

Note 2 - Summary of Significant Accounting Policies

Financial Reporting Entity: The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. As defined by GASB, the financial reporting entity is required to include (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Blended component units, although legally separate entities are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the statement of net position to emphasize they are legally separate from the government. The City does not have any component units.

Government-wide and Fund Financial Statements: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. The effect of the interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The City has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Internally dedicated resources are reported as general revenues rather than as program revenues. 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 fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation: The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes and charges for services are considered available when collected in the current year or within sixty days subsequent to year end; provided that amounts received pertain to billings through the fiscal year just ended. Intergovernmental revenues, franchise fees/taxes and utility service taxes are recorded in accordance with their legal or contractual requirements if collected in the current period or within sixty days after year end. Revenues derived from rents and royalties and investment income are recorded when earned. Permits, fines and forfeitures, and other revenues are recorded as revenue when received in cash because they are generally not measurable until actually received.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension, other post-employment benefits and claims and judgments, are recorded when due.

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 2 - Summary of Significant Accounting Policies (Continued)

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 *Capital Improvements Program Fund* is used to account for financial resources used for the acquisition and/or construction of major capital assets within the City.

The *American Rescue Plan Fund* is used to account for the funds that congress has allocated to state, local, territorial, and Tribal governments, in order to support their response to and recovery from the COVID-19 public health emergency.

Additionally, the government reports the following fiduciary fund type:

The fiduciary funds account for the activities of the *General Employees and Police Officers Pension Plan* (the Plan) and the *Police Officers Retirement Trust Fund - Section 185 Plan* (the Fund) that accumulates resources for pension benefit payments to qualified general and public safety employees.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar-for-dollar spending. Additionally, the City would first use committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Cash, Cash Equivalents 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 purchase.

Investments for the government, as well as its component unit and fiduciary funds, are carried at fair value. Unrealized gains and losses in fair value are recognized.

Receivables: Receivables consist of amounts due for charges for services, fees, various taxes, intergovernmental revenues, and grants. If the ultimate collectability of receivables became uncertain, the City would provide an allowance for that amount. As of September 30, 2024, there were no material receivables deemed uncollectible by management.

Prepaid Expenses/Expenditures: 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 accounted under the consumption method.

Ad Valorem 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 on or about October 1 of each year and are payable with discounts of up to 4% offered for early payment. Taxes become delinquent on April 1 of the year following the year of assessment and State law provides for enforcement of collection of property taxes by seizure of the personal property or by the sale of interest-bearing tax certificates to satisfy unpaid property taxes.

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. Procedures for the collection of delinquent taxes by Miami-Dade County are provided for in the Laws of Florida. There were no material delinquent property taxes in the fiscal year ended September 30, 2024.

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 Commission and the Miami-Dade County Property Appraiser, who incorporates the City's millage into the total tax levy, which includes the County and the County School Board, Regional and other tax requirements. The millage rate assessed by the City for the fiscal year ended September 30, 2024 was 3.9999 mills (\$ 3.9999 mills per \$1,000 of the taxable value).

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 2 - Summary of Significant Accounting Policies (Continued)

Capital Assets: Capital assets, which include land, construction in progress, buildings and improvements, machinery and equipment, land improvements, infrastructure assets (e.g., roads, sidewalks, culverts, pump stations, stormwater lines, catch basins, and similar items), and intangibles, are reported in the governmental activities columns in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value at the date of acquisition. Capital assets are defined by the City as assets with an estimated useful life in excess of one year and an initial, individual cost of more than the following established thresholds:

Building and improvements	\$ 50,000
Machinery and equipment	5,000
Land improvements	25,000
Infrastructure	250,000
Intangibles	25,000

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.

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

Building and improvements	50 years
Machinery and equipment	5-15 years
Land improvements	20 years
Infrastructure	40-50 years
Intangibles	5 years

Unearned Revenue: Governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. This is classified as unearned revenue. Unearned revenues at the government-wide level arise only when the City receives resources before it has a legal claim to them.

Compensated Absences: City employees are granted annual leave (vacation) and sick leave in varying amounts based on length of service and the department in which the employee serves.

Annual Leave:

Effective May 1997, the City's annual leave policy allows full-time employees to earn and accrue annual leave or vacation leave at varying rates depending on years of service. A maximum accrued leave balance, also varying depending on years of service, will be paid at employee's termination or retirement. Temporary, seasonal, provisional or part-time employees are not entitled to the provisions for the City's annual leave policy.

Sick Leave:

Effective October 1995, employees may accumulate sick leave without a maximum cap, but will not be paid upon termination or retirement. Employees hired on or before October 1995 may accumulate unused sick leave to a maximum of 600 hours. Upon termination or retirement, sick leave is paid to those employees, hired on or before October 1995, on a pro rata formula based upon years of service.

The City reports the liability for compensated absences in the governmental activities of the government-wide financial statements when earned. The current portion is the amount estimated to be due in the following fiscal year. Expenditures for compensated absences are recorded in the governmental funds only for employees who had terminated their employment as of the end of the fiscal year. The General Fund has typically been used to liquidate such amounts.

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 2 - Summary of Significant Accounting Policies (Continued)

Deferred Outflows and Inflows of Resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an expense or expenditure until then. The City has three items that meet this criterion; an unamortized loss on a bond refunding, deferrals relating to other post-employment benefits (OPEB), which are discussed further in Note 10, and certain deferrals relating to pensions, which are discussed further in Note 11. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as revenue until then. The City has three items that meet this criterion; service concession arrangements, which are discussed further in Note 8, deferrals relating to other post-employment benefits (OPEB), which are discussed further in Note 10, and certain deferrals relating to pensions, which are discussed further in Note 11.

Long-Term Obligations: In the government-wide financial statements, long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Long-term debt is reported net of the applicable premium or discount.

For bond refundings resulting in the defeasance of debt reported in the government-wide financial statements, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. The accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as deferred outflow or inflow in the statement of net position.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Pension Plan and additions to/deductions from the Pension Plan's fiduciary net position have been determined on the same basis as they are reported by the Pension Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The City's employer contributions are recognized when due and the City has a legal requirement to provide the contributions. Investments are reported at fair value.

Equity Classifications:

Government-wide financial statements:

Net position in the government-wide financial statements is displayed in three categories: 1) net investment in capital assets, 2) restricted, or 3) unrestricted. Net investment in capital assets consists of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets, excluding unexpended proceeds. Net position is reported as restricted when constraints are placed on their use either by external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or law through constitutional provisions or enabling legislation. Remaining net position that does not meet the definition of "restricted" or "net investment in capital assets," is reported as unrestricted.

Fund financial statements:

In the governmental fund financial statements, fund balance is comprised of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted into cash (such as inventories and prepaid amounts) and items such as long-term amount of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 2 - Summary of Significant Accounting Policies (Continued)

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed: This classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision making. The City Commission is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation. Resources accumulated pursuant to stabilization arrangements are reported in this category.

Assigned: This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. The City Commission has by resolution authorized the Chief Financial Officer to assign fund balance. The City Commission may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's budget. Unlike commitments, assignments generally can only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned: This classification includes the residual fund balance for the General Fund. This classification 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. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

Emergency and Disaster Recovery Operating Reserve: The City's policy is to maintain an adequate General Fund fund balance to meet seasonal shortfalls in cash flow and reduce susceptibility to emergency and unanticipated expenditures and/or revenue shortfalls. The City's Commission had previously adopted an ordinance (No. 23-08-1958) to maintain an Emergency and Disaster Recovery Operating Reserve at a minimum level of no less than 10% of budgeted expenditures (\$ 6,957,545 committed at year-end). This emergency reserve component is available to fund one-time, emergency, unanticipated expenditure requirements or offset unanticipated revenue fluctuations occurring within a fiscal year. The emergency reserve will only be accessed when the result of emergency expenditures or an unexpected revenue reduction would likely result in a negative ending fund balance for the General Fund.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Some of these estimates include assessing the collectability of receivables, the realization of pension and other-post-employment obligations/assets, and the useful lives of capital assets. Although those estimates are based on management's knowledge of current events and actions it may undertake in the future, they could ultimately differ from actual results.

Internal Balances: Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "due to/from other funds" (i.e., the current portion of inter-fund loans). These amounts reported in the fund financial statements as due/to other funds are eliminated in the government-wide governmental columns of the statement of net position.

Leases: Management has evaluated all leases and has concluded that it is immaterial to the financial statements. Therefore, the Lease and related disclosures have been excluded from these financial statements.

Implementation of New Accounting Principle: The City adopted the provisions of GASB Statement No. 100, *Accounting Changes and Error Corrections*. 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. This pronouncement did not impact the financial statements.

Note 3 - Stewardship, Compliance and Accountability

The City has no funds with a total deficit fund balance at the end of the fiscal year.

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 4 - Deposits and Investments

The City, for accounting and investment purposes, maintains various accounts for use by all City funds.

Deposits - City: *Florida Statutes* authorize the deposit of City funds in demand deposits or time deposits of financial institutions approved by the State Treasurer. These are defined as public deposits. All City public deposits are held in qualified public depositories pursuant to Chapter 280, *Florida Statutes*, "Florida Security for Public Deposits Act." Under the act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The collateral pledging level may range from 50% to 125% depending upon the depository's financial condition and the length of time that the depository has been established. All collateral must be deposited with the State Treasurer. Any losses to public depositors resulting from insolvency are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessment against other qualified public depositories of the same type as the depository in default. The City's bank balances were insured either by the Federal Depository Insurance Corporation or collateralized in the bank's participation in the Florida Security for Public Deposits Act.

As of September 30, 2024, the carrying amount of the City's book balance for deposits held with financial institutions totaled \$ 20,125,043 and the bank balance was \$ 20,942,535.

Investments - City: The City previously adopted a comprehensive investment policy established in accordance with Section 218.415, *Florida Statutes*. The investment policy applies to all investments held or controlled by the City with the exception of the City-sponsored employee pension plans and its debt issuances where there are other existing policies or indentures in effect for the investment of related funds.

Allowable investments include United States government securities, United States government agencies and sponsored agencies repurchase agreements, commercial paper, state and local government taxable and/or tax-exempt debt, money market mutual funds, intergovernmental investment pools, corporate obligations, certificates of deposit, and other investments authorized by City Commission from time to time. The City manages its risk by establishing strict guidelines related to interest rates, credit worthiness, concentration, and custodial credit. In addition, the City is not directly exposed to foreign credit risk.

A reconciliation of deposits and investments as shown by category is as follows:

Category	
Deposits	\$ 20,125,043
Petty cash	1,502
Investments	17,892,692
Total deposits and investments	\$ 38,019,237

Investments – Pension Plan: The General Employees and Police Officers Pension Plan (the Plan) and the Police Officers Retirement Trust Fund-Section 185 Plan (the Fund) investments are held separately from those of other City funds and are shown in a separate fiduciary fund. As prescribed by the Plan and Fund investment policies, they are authorized to invest among several institutionally acceptable asset classes including bonds, debentures and other corporate obligations, equity securities, and domestic real estate. The City's Plan and Fund investment policies are determined by their respective Board of Trustees.

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

Credit Risk:

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The Plan and Fund have an investment policy that targets investments of the safest types of securities. This policy requires a diversified portfolio to minimize the potential loss on individual securities. The Plan and Fund's investment policy utilizes portfolio diversification in order to control the risk.

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 4 - Deposits and Investments (Continued)

Credit Risk (Continued):

As of September 30, 2024, the Plan and Fund fixed income investments have been rated by Standard & Poor's and Moody's Investor Service Ratings as follows:

	General Employees and Police Officers Pension Plan	Police Officers Retirement Trust Fund - Section 185	Total
U.S. government guaranteed*	\$ 3,524,880	\$ -	\$ 3,524,880
Quality rating of credit risk debt securities			
AAA/Aaa	60,922	-	60,922
AA/Aa	306,680	-	306,680
A/A	2,064,381	-	2,064,381
BBB/Baa	3,238,396	-	3,238,396
BB/Bb	50,137	-	50,137
Not rated	2,783,061	267,240	3,050,301
Total credit risk debt securities	8,503,577	267,240	8,770,817
Total fixed income securities	\$ 12,028,457	\$ 267,240	\$ 12,295,697

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

Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Although the Plan and Fund investment policy do not provide limitations as to maturities, the Plan and Fund minimizes risk of fair value losses in its fixed income portfolio due to rising interest rates by structuring its investment portfolio so that securities mature to meet ongoing cash requirements, thereby avoiding the need to sell securities on the open market prior to maturity; and by investing operating funds primarily in shorter-term securities or by cash flow projections.

The Plan and Fund's investments in fixed income securities had maturities as follows:

Investment Type	Fair Value	Less than 1 Year	1 to 5 Years	6 to 10 Years	More than 10 Years
Corporate obligations	\$ 6,021,812	\$ 719,430	\$ 3,437,757	\$ 1,041,221	\$ 823,404
U.S. government and agency securities	6,006,645	124,082	1,748,375	910,019	3,224,169
Mutual fund, fixed income	267,240	-	67,605	199,635	-
Totals	\$ 12,295,697	\$ 843,512	\$ 5,253,737	\$ 2,150,875	\$ 4,047,573

Concentration of Credit Risk:

In general, the investment policy of the Plan and Fund limits investments in the stock of any one issuing company to 5% of the Plan's or Fund's assets at cost and to 5% of the outstanding capital stock of that company. Furthermore, investments in domestic equities shall not exceed 60% of the Plan's or Fund's assets at market value, and international equity investments shall not exceed 20% of the Plan's or Fund's assets at market value. In general, for fixed income securities, not more than 5% of the Plan's or Fund's fixed income portfolio at cost shall be invested in the securities of any single corporate issuer. Furthermore, investments in domestic and international fixed income securities of the Plan's or Fund's assets at market value shall not exceed 40% - 45% and 0% - 10%, respectively. The Plan limits its real estate holdings between 2.5% - 10% of portfolio market value.

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 4 - Deposits and Investments (Continued)

Custodial Credit Risk:

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan and Fund will not be able to recover their investments or collateral securities that are in possession of an outside party. At September 30, 2024, and consistent with their investment policies, the Plan and Fund's securities were registered in their name, nominee registration.

Foreign Credit Risk:

Foreign credit risk is the risk that fluctuations in currency exchange rates may affect transactions conducted in currencies other than U.S. dollars as well as the carrying value of foreign investments. The Plan and Fund's exposure to foreign credit risk derives mainly from equity securities. As of the year end, investment balances in foreign investments are within policy limits. The Plan and Fund do not have direct exposure to foreign credit risk.

Fair Value Hierarchy: Various inputs are used in determining the fair value of investments. These inputs to valuation techniques are categorized into a fair value hierarchy consisting of three broad levels for financial statement purposes as follows:

- Level 1 - Unadjusted price quotations in active markets/exchanges for identical assets.
- Level 2 - Observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market- corroborated inputs.
- Level 3 - Unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priorities to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The categorization of a value determined for investments is based on the pricing transparency of the investments and is not necessarily an indication of the risks associated with investing in those securities.

The Plan and Fund categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. Investments are recorded at fair value, and primarily uses the market approach to value each security. Security pricing is provided by a third-party and is generally reported daily to the Plan and Fund by its custodians.

The Plan and the Fund has the following recurring fair value measurements as of September 30, 2024:

Investment Type	Fair Value	Fair Value Measurements Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds	\$ 43,879,099	\$ 43,879,099	\$ -	\$ -
Real estate holdings	6,815,754	-	-	6,815,754
Corporate obligations	6,021,812	-	6,021,812	-
U.S. Government and agency securities	6,006,645	3,273,997	2,732,648	-
	<u>\$ 62,723,310</u>	<u>\$ 47,153,096</u>	<u>\$ 8,754,460</u>	<u>\$ 6,815,754</u>

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 4 - Deposits and Investments (Continued)

Fair Value Hierarchy: (continued)

The real estate holdings of the limited partnership have no current unfunded commitments. The final capital call was due by February 26, 2018. The limited partnership is expected to distribute the principal and earnings to the Plan over a period of approximately seven years from the date when substantially all capital commitments are invested, unless extended longer or terminated earlier, as provided in the Limited Partnership Agreement.

The changes in investments in real estate holdings measured at estimated fair value, for which the Plan has used Level 3 inputs to determine fair value, are as follows:

	Real Estate Holdings
Beginning balance, at October 1	\$ 6,490,660
Capital contributed during period	1,650,000
Investment income from operations	164,776
Total gains (realized and unrealized)	66,007
Distributions	(1,514,252)
Management fees and other	(41,437)
Ending balance, at September 30	\$ 6,815,754

Note 5 - Receivables

Receivables at September 30, 2024 were as follows:

	Major Fund	Nonmajor	Total
	General	Governmental	
Receivable type:	Fund	Funds	Total
Intergovernmental	\$ 158,943	\$ 293,402	\$ 452,345
Franchise fees	119,986	-	119,986
Utility taxes	176,955	-	176,955
Accounts	71,343	-	71,343
Total	\$ 527,227	\$ 293,402	\$ 820,629

Note 6 - Interfund Balances and Transfers

Interfund balances at September 30, 2024 and the amount of interfund transfers for the fiscal year ended are summarized as follows:

	Payable fund:		
	Major Fund	Nonmajor	Total
	General	Governmental	
Receivable fund:	Fund	Funds	Total
General Fund	\$ -	\$ 25,946	\$ 25,946
Total	\$ -	\$ 25,946	\$ 25,946

The interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All of the above amounts are expected to be repaid shortly after year-end from available current assets and next year funding.

During the year, \$ 7,950,166, \$ 221,778, and \$ 719,064 was transferred from the General Fund to the Capital Improvements Program Fund, Federal Forfeiture Fund, and the Debt Service Fund, respectively, to assist with capital improvement projects, return unused funds, and assist with debt service requirements. The General Fund had \$150,000 transferred in from Stormwater Drain Trust Fund during 2024.

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 7 - Capital Assets

Capital asset activity for the year ended September 30, 2024 was as follows:

	Balance October 1, 2023	Increases	Decreases/ Transfers	Balance September 30, 2024
Governmental Activities:				
Capital assets, not being depreciated nor amortized:				
Land	\$ 13,649,168	\$ -	\$ -	\$ 13,649,168
Construction in progress	30,277	3,311,974	30,276	3,311,975
Total capital assets, not being depreciated nor amortized	<u>13,679,445</u>	<u>3,311,974</u>	<u>30,276</u>	<u>16,961,143</u>
Capital assets, being depreciated and amortized:				
Buildings and improvements	21,531,786	-	-	21,531,786
Machinery and equipment	8,638,892	1,198,377	627,085	9,210,184
Land improvements	5,569,645	364,870	70,563	5,863,952
Infrastructure	11,531,382	-	-	11,531,382
Intangible right-of-use software agreements	140,765	-	-	140,765
Intangible assets	448,257	-	-	448,257
Total capital assets, being depreciated and amortized	<u>47,860,727</u>	<u>1,563,247</u>	<u>697,648</u>	<u>48,726,326</u>
Less accumulated depreciation and amortization for:				
Buildings and improvements	7,205,079	479,875	-	7,684,954
Machinery and equipment	6,700,888	478,487	606,268	6,573,107
Land improvements	1,574,104	246,054	29,964	1,790,194
Infrastructure	5,043,729	243,506	-	5,287,235
Intangible right-of-use software agreements	62,562	62,562	-	125,124
Intangible assets	448,257	-	-	448,257
Total accumulated depreciation and amortization	<u>21,034,619</u>	<u>1,510,484</u>	<u>636,232</u>	<u>21,908,871</u>
Total capital assets, being depreciated and amortized, net	<u>26,826,108</u>	<u>52,763</u>	<u>61,416</u>	<u>26,817,455</u>
Governmental activities capital assets, net	<u><u>\$40,505,553</u></u>	<u><u>\$3,364,737</u></u>	<u><u>\$ 91,692</u></u>	<u><u>\$43,778,598</u></u>

Provision for depreciation and amortization was charged to functions/programs of the City as follows:

General government	\$ 54,060
Public safety	306,836
Public works	274,913
Culture and recreation	874,675
Total depreciation and amortization expense - governmental activities	<u><u>\$ 1,510,484</u></u>

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 8 – Note Receivable

The City owns a municipal garage that started operations in January 2008. The City executed a lease agreement (the "Lease") with an outside party, Mark Richmond Properties (MRP) to operate and maintain the municipal garage for a term of 50 years. In accordance with the Lease, the City approved all services and fees charged to customers. In addition, the City retained no contractual obligations for the garage until the end of the Lease, at which time the operation and management of the municipal garage reverts to the City.

On April 5, 2022, the City and MRP entered into an amendment to the lease agreement, which provides the City with the rights to control and to receive revenue from the Parking Structure. As part of the amendment, MRP relinquished all rights, title and interest in the Parking Structure and abutting parking spaces and its operations, all of which include the parking spaces in and around the Parking Structure and the Retail Space, for reduction of the MRP notes by \$4,000,000. Furthermore, MRP shall no longer pay the City \$6,333 in monthly Base Rent.

The new installment payment due to the City under the amendment to the Lease, is the repayment of principal on remaining amounts used in the construction of the municipal garage. These amounts owed to the City by the lessee are shown as notes receivable in the statement of net position in the amount of \$1,869,428. Additionally, \$1,869,428 is reflected in the government-wide financial statements (Statement of Net Position) as a deferred inflow of resources to be received over the term of the agreement, at net present value. The deferred inflow of resources is recognized annually over the term of the agreement.

The notes receivable mainly requires semi-annual payments including interest at rates ranging from 3.25% to 5.50% through October 1, 2036. The notes receivable are collateralized by the municipal garage, a mortgage on certain land owned by the lessee, and by a personal guarantee from the owner of the lessee.

Future principal and interest payments due to the City under the notes receivable, as of September 30, 2024, are as follows:

Fiscal Year Ending	Principal	Interest	Total
September 30,			
2024	\$ 108,817	\$ 80,593	\$ 189,410
2025	114,398	75,989	190,387
2026	119,978	71,155	191,133
2027	122,768	65,918	188,686
2028	128,349	60,268	188,617
2029-2033	742,191	206,167	948,358
2034-2037	532,927	36,600	569,527
Total	<u>\$ 1,869,428</u>	<u>\$ 596,690</u>	<u>\$ 2,466,118</u>

Note 9 - Long Term Liabilities of Governmental Activities

The following is a summary of changes in long-term liabilities of the City for governmental activities for the year ended September 30, 2024:

	Balance October 1, 2023	Additions	Reductions	Balance September 30, 2024	Due Within One Year
Governmental Activities:					
Taxable Revenue Note, Series 2011	\$ 2,540,000	\$ -	\$ 590,000	\$ 1,950,000	\$ 620,000
Capital Improvement Revenue					
Refunding Note, Series 2020	4,136,000	-	301,000	3,835,000	303,000
Subscription	60,463	-	60,463	-	-
Compensated absences	1,514,042	1,236,243	1,021,214	1,729,071	432,268
Total	<u>\$ 8,250,505</u>	<u>\$ 1,236,243</u>	<u>\$ 1,972,677</u>	<u>\$ 7,514,071</u>	<u>\$ 1,355,268</u>

The City does not currently have unused line of credit or assets placed as collateral for debt. Compensated absences attributable to the governmental activities are generally liquidated by the General Fund.

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 9 - Long Term Liabilities of Governmental Activities (Continued)

Florida Municipal Loan Council (FMLC Bonds): The City previously borrowed \$ 5,625,000 from the FMLC's debt issue of \$22,365,000 Revenue Bonds, Series 2006, to assist with the financing of the construction and improvements of a municipal parking garage used for public parking. The bonds bear varying interest rates ranging from 4.00% to 5.00% and are secured by non-ad valorem revenues from the City. Payments received from a lessee in conjunction with the notes receivable (Note 8), future municipal garage revenues, and non-ad valorem revenues are used to repay the bonds as the payments become due. As discussed later, this debt issuance was refunded with proceeds from the issuance of the Taxable Revenue Notes, Series 2011 and further refunded in September 2020 with proceeds from the issuance of Capital Improvement Revenue Refunding Note, Series 2020.

Revenue Notes: Previously, the City issued a \$ 7,575,000 Taxable Revenue Note, Series 2011, primarily to partially advance refund \$ 1,725,000 and \$ 3,775,000 of the then FMLC 2002A and 2006 revenue bonds, respectively, and also to currently refund the then remaining obligation of the Capital Improvement Promissory Note, Series 2009 in the amount of \$ 814,488. Funds were deposited into an irrevocable trust with an escrow agent to provide for the scheduled principal and interest installments of the partially advanced refunded bonds, including the remaining obligations on the call date of May 1, 2012 and October 1, 2016 for the FMLC 2002A and 2006, respectively. Effective May 2012, the FMLC Series 2002A partially advanced refunded portion was considered defeased. Effective October 2016, the FMLC Series 2006 partially advanced refunded portion was considered defeased.

Annual principal and semi-annual interest payments are due through October 2026 at a fixed rate of 4.55%; secured by a pledge of all non-ad valorem revenues of the City. In the event of a default, the note contains a provision allowing the owner of the debt to declare the entire debt immediately due and payable including all costs of collection and enforcement.

In May 2015, the City issued a \$ 4,948,000 Refunding Revenue Note, Series 2015, to refund \$ 1,640,000 and \$ 3,308,000 of the then remaining balance of FMLC 2001A and 2002A revenue bonds, respectively. Semi-annual principal and interest payments are due through May 2032 at a fixed rate of 2.80%; secured by a pledge of all non-ad valorem revenues of the City. The indenture contains a provision that in an event of default, outstanding amounts including accrued interest are due immediately.

In September 2020, the City issued a \$ 4,988,000 Capital Improvement Revenue Refunding Note, Series 2020, to refund \$ 1,145,000 and \$ 3,714,000 of the then remaining balance of Florida Municipal Loan Council Bonds, Series 2006 and Refunding Revenue Note, Series 2015, respectively. Annual principal and interest payments are due through April 2032 at a fixed rate of 1.327%; secured by a pledge of all non-ad valorem revenues of the City. The indenture contains provisions for remedies included for instances triggering an event of default, however no remedies for an event of default will result in acceleration of the payment of the Note.

Annual debt service requirements to maturity for the Revenue Notes are estimated to be as follows:

Fiscal Year Ending September 30,	Series 2011		Series 2020		Total
	Principal	Interest	Principal	Interest	
2025	\$ 620,000	\$ 75,696	\$ 303,000	\$ 50,890	\$ 1,049,586
2026	645,000	46,519	312,000	46,870	1,050,389
2027	685,000	15,843	316,000	42,729	1,059,572
2028	-	-	566,000	38,536	604,536
2029	-	-	573,000	31,025	604,025
2030-2032	-	-	1,765,000	47,042	1,812,042
Total	<u>\$ 1,950,000</u>	<u>\$ 138,058</u>	<u>\$ 3,835,000</u>	<u>\$ 257,092</u>	<u>\$ 6,180,150</u>

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 9 - Long Term Liabilities of Governmental Activities (Continued)

Conduit Debt Obligation: The City of South Miami Health Facilities Authority was created to issue Healthcare Facilities Revenue Bonds to provide financial assistance to the City's private-sector hospitals for the acquisition and construction of facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from revenues derived from the private-sector hospitals.

On December 28, 2017, the Baptist Health South Florida ("BHSF") Obligated Group issued through the City of South Miami Health Facilities Authority \$809,565,000 of its Hospital Refunding Revenue Bonds, Series 2017 ("2017 Bonds"). The 2017 Bonds bear interest at rates ranging from 3.00% to 5.00%, payable semiannually each February 15 and August 15, and mature annually on August 15 through 2047. Payment of principal and interest on the 2017 Bonds is wholly dependent on the credit of the BHSF Obligated Group. Proceeds of the 2017 Bonds, together with other available funds, were used to refund outstanding bonds and pay issue costs incurred in connection with the issuance of the 2017 Bonds. As of September 30, 2024, the outstanding principal amount payable was \$ 706,375,000.

The City acts solely as a lawful conduit in the issuance of the bonds and is not obligated in any manner for their repayment. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

Subscription: In on January 7, 2020, the City entered into a five (5) year subscription-based information technology arrangement for a suite of public safety systems. There are no options to extend the 2019 arrangement or purchase the software. The City has used a 6.25% discount to determine the present value of the intangible right-to-use asset and SBITA liability.

\$140,765 has been recorded as intangible right-to-use software arrangement in the General Fund capital assets. Due to the implementation of GASB Statement No. 96, this arrangement for records management software met the criteria of a SBITA; thus, requiring it to be recorded by the City as intangible assets and a SBITA liability. This asset will be amortized over the remaining lease term of two (2) years and three (3) months. There are no residual value guarantees in the arrangement provisions. The public safety software arrangement will end in fiscal year 2025.

Note 10 - Other Post-Employment Benefits (OPEB)

The City follows GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. GASB Statement No. 75 specifies that governments must recognize their total OPEB liability and related deferred outflows of resources, deferred inflows of resources, and OPEB expense in the financial statements based on the actuarial present value of projected benefit payments.

Plan Description and Funding Policy: Employees who retire from the City and their dependents are eligible to continue to participate (single employer plan) in the City's health insurance, dental, and vision plans currently offered through the City at the "blended" employee group rate, which is determined annually by the City. The retiree must continue to meet all participation requirements and pay in full all blended costs of coverage by the specified due date. The City pays the full blended cost of coverage for the surviving spouse, until remarried, and dependents, up to age 26, of any police officer who dies in the line of duty. If the police officer is catastrophically injured, the City will pay the full blended cost of insurance for the member, spouse, until remarried, and dependents, up to age 26.

Note 10 - Other Post-Employment Benefits (OPEB) (Continued)

The following table provides a summary of the number of participants in the plan as of the measurement date:

Inactive plan members or beneficiaries	
currently receiving benefits	1
Inactive plan members entitled to but not	
not yet receiving benefits	-
Active plan members	120
Total plan members	121

Currently, the City's OPEB benefits are unfunded. This plan is not accounted for in a trust fund. To date, the City has followed a pay as you go funding policy, therefore, only those amounts necessary to provide for the City's reporting of current year benefit costs and expenses have been contributed from the General Fund. No assets are accumulated in a trust that meets GASB Statement No. 75, paragraph 4. Contribution rates are determined by the City. The Plan does not issue a stand-alone financial report and it is not included in the report of a public employee retirement system or a report of another entity.

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 10 - Other Post-Employment Benefits (OPEB) (Continued)

Actuarial Methods and Assumptions: The actuarial valuation of the calculation of OPEB involves estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the City and plan members) and include the types of benefits in force at the valuation date and the historical pattern of sharing benefit costs between the City and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The total OPEB liability at September 30, 2024 was measured as of October 1, 1899 and was determined to be based on an actuarial valuation performed as of the same date:

Actuarial cost method	Entry age, level percent of pay
Inflation	2.40%
Discount rate	4.63%
Projected salary increases	3.50% - 7.50%
Healthcare cost trend rates:	Based on the Getzen Model starting at 6.3% gradually decreasing to an ultimate rate of 4.0% in 2042 and thereafter
Retirees' share of benefit - related costs:	100% of blended health insurance premium rates except where 0% is required by law for certain Police Officer death and disability provisions.
Mortality:	Healthy members based on various PUB.2010 base table, generational mortality using gender-specific MP.2018 mortality improvement projection scale. Disabled Employees based on various PUB.2010 Disabled mortality tables and no projected improvements.

Changes in assumptions and other inputs include the following for as of the beginning of the measurement period, October 1, 2023: the discount rate increased from 4.40% to 4.63%. These changes are reflected in the Schedule of Changes in Total OPEB Liability. Mortality tables and rates of retirement were also updated. For the October 1, 2023 measurement date, eligibility for benefits was changed to reflect the new pension benefit eligibilities added to the Plan.

Discount Rate: The discount rate used to measure the total OPEB liability at October 1, 1899 was 4.63%. Because the City's OPEB costs are funded on a pay-as-you-go funding structure, a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date was used to determine the total OPEB liability. The discount rate was 4.63% as of the beginning of the measurement year.

Total OPEB Liability of the City: The components of the City's net OPEB liability at September 30, 2024, are as follows:

Total OPEB liability	\$ 285,837
OPEB Plan fiduciary net position	-
City's net OPEB liability	<u>\$ 285,837</u>
OPEB Plan fiduciary net position as a percentage of total OPEB	0%

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 10 - Other Post-Employment Benefits (OPEB) (Continued)

Schedule of Changes in Total OPEB Liability

Total OPEB liability:	
Service cost	\$ 32,940
Interest on total OPEB liability	17,265
Difference between actual and expected experience	(94,517)
Assumption changes	(22,563)
Benefit payments	(13,319)
Net change in total OPEB liability	(80,194)
Total OPEB liability, beginning	366,031
Total OPEB liability, ending	<u>\$ 285,837</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following table presents the total OPEB liability, calculated using the discount rate of 4.63%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage- point lower or one percentage-point higher than current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Discount rate	(3.63)%	(4.63)%	(5.63)%
Total OPEB liability	<u>\$ 317,765</u>	<u>\$ 285,837</u>	<u>\$ 258,710</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following table presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage- point lower or one percentage-point higher than the current trend rate:

	1% Trend Decrease	Current Trend Rates	1% Trend Increase
Trend rates	(5.3% to 3.0%)	(6.3% to 4.0%)	(7.3% to 5.0%)
Total OPEB liability	<u>\$ 252,287</u>	<u>\$ 285,837</u>	<u>\$ 327,341</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the year ended September 30, 2024 the City recognized OPEB expense of \$ (30,478). At September 30, 2024, the City has deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 219,444
Changes in assumptions and other inputs	17,452	109,196
Contributions subsequent to the measurement date	14,598	-
Total	<u>\$ 32,050</u>	<u>\$ 328,640</u>

The deferred outflow of resources related to OPEB totaling \$ 14,598 resulting from City contribution and administrative expenses subsequent to the measurement date will be included as a reduction of the total OPEB liability for the subsequent fiscal period.

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 10 - Other Post-Employment Benefits (OPEB) (Continued)

The deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending September 30,	Deferred Outflows (Inflows) of Resources
2024	\$ (85,682)
2025	(65,768)
2026	(43,288)
2027	(35,538)
2028	(27,908)
Thereafter	(53,004)

Note 11 - Defined Benefit Pension Plan

Plan Description:

The City sponsors and maintains the General Employees and Police Officers Pension Plan (the "Plan"), a single employer defined benefit pension plan established by Ordinance No. 528 dated December 7, 1965, effective October 1, 1965. The Plan covers police officers and other full-time general employees of the City who are eligible to participate in the Plan and who fulfill the prescribed eligibility requirements. Through September 30, 2024, the most recent amendment to the Plan occurred on December 3, 2019.

A more detailed description of the Plan and its provisions appears in the Ordinances constituting the Plan and in the summary plan description.

The City has issued stand-alone financial statements for the Plan, which may be obtained from the City's Finance Department.

Benefits:

Normal Retirement:

General Employees: Attainment of age 55 and completion of 10 years of credited service for benefits accrued at September 30, 2011. Attainment of age 60 and completion of 10 years of credited service for benefits accrued after September 30, 2011, including increases in the accrued benefit as of September 30, 2011 due to increases in the final average compensation. These General Employees are entitled to retirement benefits ranging from 2.25% to 2.75% of their final monthly compensation ("FMC") based on years of credited service.

General Employees - Second Tier Members: Attainment of age 65 and completion of 10 years of credited service or completion of 33 years of credited service regardless of age. Second Tier Members are categorized as general employees who are hired on or after October 1, 2016 who elect to join the South Miami Pension Plan, and general employees who were hired prior to October 1, 2016 and not participating in the Plan as of October 1, 2016 and have elected to join. Second Tier Members are entitled to retirement benefits of 1.60% of FMC based on years of credited service.

Administration Management Service Class ("AMSC"): Attainment of age 65 and completion of 3 years of credited service or completion of 33 years of credited services regardless of age. AMSC Members are select personnel holding administrative/managerial level positions as defined by ordinance including, but not limited to, City Manager, City Attorney, City Clerk, and Chief of Police. The AMSC Members are entitled to retirement benefits of 3.00% of FMC based on years of credited service.

Police Officers: Attainment of age 55 and completion of 10 years of credited services or completion of 25 years of credited services regardless of age. These police officers are entitled to retirement benefits ranging from 2.00% to 3.00% of the FMC based on years of credited service.

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 11 - Defined Benefit Pension Plan (Continued)

Benefits: (Continued)

Final Monthly Compensation: Final average compensation is 1/36th of the final 36 consecutive months of compensation. For police officers, not less than 1/5th of the highest 5 years out of the last 10 years of compensation. Compensation shall mean regular wages and salaries, excluding bonuses, vacation, sick leave, and other additional compensation. Effective October 1, 2011, final average compensation for general employees is 1/60th of the final 60 consecutive months of basic compensation, provided it is not less than the final average compensation at September 30, 2011, based on the definition above. Basic compensation shall mean base wages and salaries, excluding commissions, overtime pay, bonuses and any other forms of additional compensation earned outside of base wages. Effective October 1, 2011, final average compensation for members covered under the police officers and sergeants collective bargaining agreements is the best of 5 years of basic compensation, provided is not less than the final average compensation as of September 30, 2011 based on the definition above. Basic compensation shall mean base wages and salaries, including up to 300 hours of overtime in a fiscal year and excluding payments for accrued unused sick or annual leave, extra duty or special detail work, shift differential, assignment pay, bonuses and other forms of additional compensation earned outside of base wages.

Effective October 1, 2016, final average compensation for members covered under the Miami-Dade County Police Benevolent Association Upper-Collective Bargaining Union (Lieutenants & Captains), collective bargaining agreements, is the best 5 years of basic compensation, provided it is not less than the final average compensation as of September 30, 2016 based on the definition above.

Final average compensation for Second Tier Members and AMSC members shall be the average of the highest 8 years of credit service.

Supplemental Benefit: A cost-of-living supplemental benefit based upon the consumer price index is provided upon retirement. The City amended the supplemental benefit in 2020 with ordinance 35-19-2348 to provide the following:

- A cost-of-living supplemental benefit based upon the consumer price index, limited to 3%, upon retirement on the entire accrued benefit for General Employees (Tier 1 and 2), AMSC Employees and Police Officers.
- For Tier 1 General Employees who retired or entered the DROP prior to October 1, 2019, no cost-of-living supplemental benefit is provided on the portion of the benefit accrued after September 30, 2011 including increases in the accrued benefit due to increases in final average compensation. For Tier 2 General Employees and AMSC Employees who retired or entered the DROP prior to October 1, 2019, no cost-of-living supplemental benefit is provided.

Early Retirement: Police officers may elect early retirement at age 50 after 10 years of credited service. Benefits shall be based upon FMC and credited service as of early retirement date, reduced by 3% for each year that the benefit commencement date precedes normal retirement. General employees and AMSC members may elect early retirement at any age 55 after 10 years of credited service. Benefits shall be based upon FMC and credited service as of early retirement date, reduced by 1/15th for each of the first five years and 1/30th for the next five years that the benefit commencement date precedes normal retirement.

Disability Retirement: Members who become totally and permanently disabled for a six-month period while actively employed are eligible. Benefits for disability retirement will be based upon the FMC and credited service as of the date of disability, actuarially reduced for early retirement commencement.

Pre-Retirement Death: Death benefits are payable on behalf of members who die prior to retirement. A surviving beneficiary will receive the member's accumulated employee contributions.

Eligibility:

General Employees: The Plan is available to regular full-time employees who were employed prior to October 1, 2011 and had completed six months of credited service and attainment of age 20.

General Employees - Second Tier Members: Second Tier Members are categorized as full-time general employees who are hired on or after October 1, 2016 who elect to join or fail to make any election within ninety days from the date of hire; and full-time general employees who were hired or on after October 1, 2011 and not participating in the Plan as of October 1, 2016 and who elect to join or fail to make any election within ninety days from the effective date of the ordinance creating this tier.

Administration Management Service Class: As of October 1, 2016, and thereafter, AMSC members are offered a one-time irrevocable election to either join the Plan or a defined contribution plan of the City.

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 11 - Defined Benefit Pension Plan (Continued)

Eligibility:(Continued)

Police Officers: Full-time police officers are eligible to participate in the plan as of date of employment.

Employees Covered by Benefit Terms:

The Plan has the following classes and number of plan members as of the latest actuarial valuation date of October 1, 1899:

	General and AMSC Employees	Police Officers
Active plan members	54	36
Terminated vested	7	7
Receiving benefits	49	22
DROP participants	2	8
	112	73

Contributions:

The City's annual required contribution is determined annually by an independent third-party actuary and is, together with earnings and employee contributions, sufficient to fund the benefits provided by the Plan. For the year ended September 30, 2022 and 2021, Plan participant contribution requirements were as follows: 7% for general employees – first tier members and AMSC; 3.0% for general employees – second tier members; and 7.5% for police officers. In accordance with a City ordinance, should the aggregate participant's and City's contribution be actuarially determined to exceed, not including expenses, 14% and 15%, for general employees (other than second tier members and AMSC participants) and police officers, respectively, both participants and the City shall share equally in such excess percentage. Notwithstanding the above, the maximum general employees and police officers (lieutenants and captains) contributions is capped at 10% and 12%, respectively, for fiscal years beginning on or after October 1, 2016. In accordance with City ordinance number 30-01-1761 and ordinance 38-19-2351, the Plan also receives an annual contribution from the Police Officers Retirement Trust Fund – Section 185 Plan of \$ 79,228.

The Police Officers Pension Plan also receives contributions from the State of Florida. During the fiscal year ended September 30, 2024, the City received \$ 165,196 from the State, which was generated from the insurance premium tax as part of the required funding for the Police Officers Pension Plan, and recorded revenues and expenditures in the General Fund, as appropriate.

Net Pension Liability:

The City's net pension liability was measured as of September 30, 1899, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation date as of October 1, 1899.

Actuarial Assumptions:

The total pension liability in the October 1, 1899 actuarial valuation was determined using the following actuarial assumptions:

Actuarial valuation date	10/1/2022
Actuarial cost method	Entry age normal
Amortization method	Level percentage or payroll, closed
Amortization period	25 years
Asset valuation method	5-year smoothed
Actuarial assumptions:	
Investment rate of return	7.375%
Projected salary increases	3.75% - 5.25%
Includes inflation at	2.75%
Cost-of-living adjustment	3% / 0.0%

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 11 - Defined Benefit Pension Plan (Continued)

Net Pension Liability: (Continued)

Mortality rates for general employees and AMSC members were based on the RP-2000 Mortality Tables, separate for males and females. Mortality rates for police officers were based on RP-2000 Combined Healthy Participant Mortality Tables with Blue Collar Adjustment, separate for males and females. Mortality rates for disabled members were based on RP-2000 Disabled Mortality Tables, separate for males and females. These tables provide fully generational mortality improvements projected to each future payment date with Scale BB.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension Plan's target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap	35.0%	7.6%
Smaller Mid Cap	15.0%	7.1%
Foreign Equity	10.0%	3.7%
Real Estate	20.0%	2.3%
Fixed Income	20.0%	-1.3%
	<u>100.0%</u>	

Discount Rate:

A discount rate of 7.375% was used to measure the total pension liability. This discount rate was based on the expected rate of return on the Plan investments of 7.375%. The projection of cash flows used to determine this discount rate assumed member contributions will be made at the current member contribution rate and employer contributions will be made at rates equal to the difference between actuarially determined current contribution rates and the member contribution rate. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future expected benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance as of September 30, 2023	\$ 52,398,725	\$ 49,186,762	\$ 3,211,963
Service cost	775,791	-	775,791
Interest	3,859,126	-	3,859,126
Benefit changes	-	-	-
Difference between expected and actual experience	147,586	-	147,586
Assumption changes	-	-	-
Contributions - employer and state	-	731,246	(731,246)
Contributions - employees	-	429,588	(429,588)
Net investment income	-	4,953,336	(4,953,336)
Benefit payments, including refunds	(2,156,794)	(2,156,794)	-
Administrative expenses	-	(190,550)	190,550
Other	-	-	-
Net changes	<u>2,625,709</u>	<u>3,766,826</u>	<u>(1,141,117)</u>
Balance as of September 30, 2024	<u>\$ 55,024,434</u>	<u>\$ 52,953,588</u>	<u>\$ 2,070,846</u>

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 11 - Defined Benefit Pension Plan (Continued)

Net Pension Liability: (Continued)

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

The following represents the net pension liability of the City, calculated using the discount rate of 7.375%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.375%) or 1-percentage-point higher (8.375%) than the current rate:

	1% Decrease 6.375%	Current Discount Rate 7.375%	1% Increase 8.375%
City's net pension liability (asset)	\$ 9,195,104	\$ 2,070,846	\$ (3,771,350)

Pension Plan Fiduciary Net Position:

Detailed information about the Plan's fiduciary net position is available in the separately issued financial report.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Relating to Pensions: For the year ended September 30, 2024, the City recognized pension expense of \$ 670,261. At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions and other inputs	\$ -	\$ 239,368
Net difference between projected and actual earnings on Plan investments	3,401,112	-
Difference between expected and actual experience on liabilities	1,110,270	74,381
Contributions subsequent to the measurement date	702,809	-
Total	\$ 5,214,191	\$ 313,749

The deferred outflows of resources related to the Plan, resulting from City contributions to the Plan subsequent to the measurement date in the amount of \$ 702,809, will be recognized as a reduction of the net pension liability in the subsequent fiscal period. Other amounts reported as deferred outflows/inflows of resources relating to pensions will be recognized in pension expense in future years as follows:

Fiscal Year Ending September 30,	Deferred Outflows (Inflows) of Resources
2024	\$ 967,312
2025	1,109,250
2026	2,391,386
2027	(270,315)
2028	-
Thereafter	-

CITY OF SOUTH MIAMI
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 12 -Defined Contributions Plans

Police Officers Retirement Trust Fund - Section 185 Plan: The City sponsors and maintains the Police Officers Retirement Trust Fund - Section 185 Plan (the "Fund"), which accounts for the financial activity of the separate plan for police officers established under the provisions of Chapter 185 of the *Florida Statutes*. The City and participating members do not contribute to the Fund.

A Board of Trustees administers this account, which is made up of representatives of the police officers and the City. Statutory authority vests with the Board of Trustees with autonomy in the administration and control over the Fund.

The City has issued stand-alone financial statements for the Fund, which may be obtained from the City's Finance Department.

The sum of \$79,228 is paid from the Fund to the City of South Miami Police Officers Pension Plan each year, regardless of the growth or diminution in future Chapter 185 funds, to partially fund additional benefits.

401(a) and 457(b) Deferred Compensation Plans: The City is a single employer that contributes to one (1) defined contribution pension plan.

For employees hired after October 1, 2016, and choosing not to enroll in the defined benefit plan, the City created a mandatory 401(a) plan with a City contribution of 7% and employee contribution of 3%. The City contribution to this plan during the year ended September 30, 2024 was approximately \$ 74,725.

The City previously contributed to a pension plan established under the Internal Revenue Code Section 401(a) that was available to all employees with designated contributions of up to 7% of earnings. However, starting in 2024, there are no longer contributions being made to this plan. Additionally, the City had been contributing to a 401(a) plan as a matching contribution to an existing employer-elected 457(b) plan for eligible employees. These contributions ended in September 2023.

Furthermore, the City provides two voluntary defined contribution plans for all interested employees, a Section 457(b) and Roth IRA plan, which the City does not contribute to.

The 401(a) plan mentioned above is administered by MissionSquare Retirement. The City does not exercise any control nor have fiduciary responsibility over the 401(a) plan assets. Therefore, the assets, liabilities, and transactions are not included in the City's financial statements.

Note 13 - Commitments and Contingencies

Grants: Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the City. The amount, if any, of 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.

Litigation - General Matters: The City is currently a defendant in several pending claims and other legal proceedings incidental to the operations of the City. The City attorneys are vigorously defending each action. The ultimate liability and likelihood related to these claims is not presently determinable.

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 commercial insurance. The City has not had a significant reduction in insurance coverage from coverage in the prior year by major categories of risk, settled claims and excess coverage in force for each of the past three years.

Note 14 – Restatement of Beginning Balances

The beginning net position of the Governmental Activities in the government-wide Statement of Net Position has been restated to record a prior period adjustment to correct the City's Net Pension Liability. A reconciliation of the prior period ending net position to the current year beginning net position for the Governmental Activities is as follows:

Beginning net position	\$	71,302,343
Adjustment to correct net pension liability		(6,423,926)
		(6,423,926)
Beginning net position, as restated	\$	64,878,417

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Ad valorem	\$ 9,852,571	\$ 9,852,571	\$ 9,940,743	\$ 88,172
Utility taxes	2,240,000	2,240,000	2,450,228	210,228
Business taxes	692,000	692,000	716,795	24,795
Franchise taxes	1,296,760	1,296,760	1,423,576	126,816
Licenses and permits	1,027,500	1,027,500	3,174,643	2,147,143
Intergovernmental	1,918,942	1,918,942	2,000,530	81,588
Grants, Contributions and Donations	250,000	250,000	338,063	88,063
Charges for services	5,009,165	5,009,165	5,593,990	584,825
Fines and forfeitures	1,260,000	1,260,000	1,160,601	(99,399)
Rents and royalties	196,160	196,160	223,432	27,272
Interest income	600,000	600,000	1,251,161	651,161
Miscellaneous	214,462	214,462	257,105	42,643
Total revenues	<u>24,557,560</u>	<u>24,557,560</u>	<u>28,530,867</u>	<u>3,973,307</u>
EXPENDITURES				
Current:				
General government:				
City commission	153,151	153,151	132,869	20,282
City manager	2,612,917	2,542,097	2,310,956	231,141
City clerk	500,539	635,539	551,968	83,571
Legal	397,385	482,385	443,151	39,234
Finance	2,202,415	2,203,936	2,008,240	195,696
Total general government	<u>5,866,407</u>	<u>6,017,108</u>	<u>5,447,184</u>	<u>569,924</u>
Public safety:				
Police	8,884,051	8,876,976	7,859,522	1,017,454
Building, zoning, and community development	1,819,397	1,896,061	1,550,800	345,261
Total public safety	<u>10,703,448</u>	<u>10,773,037</u>	<u>9,410,322</u>	<u>1,362,715</u>
Public Works	4,671,906	4,632,876	4,289,995	342,881
Culture and recreation	3,465,799	3,506,697	2,984,317	522,380
Debt service				
Principal	-	-	60,463	(60,463)
Interest	-	-	3,779	(3,779)
Total expenditures	<u>24,707,560</u>	<u>24,929,718</u>	<u>22,196,060</u>	<u>2,733,658</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(150,000)</u>	<u>(372,158)</u>	<u>6,334,807</u>	<u>6,706,965</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	150,000	150,000	150,000	-
Transfers out	(7,490,936)	(7,490,936)	(7,490,936)	-
Total other financing sources (uses)	<u>(7,340,936)</u>	<u>(7,340,936)</u>	<u>(7,340,936)</u>	<u>-</u>
Net change in fund balances	<u>\$ (7,490,936)</u>	<u>\$ (7,713,094)</u>	<u>(1,006,129)</u>	<u>\$ 6,706,965</u>
Fund balances - beginning			<u>12,879,024</u>	
Fund balances - ending			<u>\$ 11,872,895</u>	

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

EXPLANATION OF DIFFERENCES BETWEEN CHANGE IN FUND BALANCE -
 BUDGET TO ACTUAL AND STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - GENERAL FUND

Net change in fund balance - budget to actual - General Fund	\$ (1,006,129)
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Amounts reported for budget to actual are different because:

Revenues and expenditures in certain funds are reported in those funds for budgetary purposes; but in the General Fund for the purpose of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds:

Net change in fund balance - Emergency Reserve Fund ⁽¹⁾	329,922
Net change in fund balance - Police Headquarters And Emergency Operations Center Fund ⁽²⁾	<u>(1,400,072)</u>

General Fund - net change in fund balance per the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u><u>\$ (2,076,279)</u></u>
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⁽¹⁾ See budget to actual comparison schedule on page 70.

⁽²⁾ See budget to actual comparison schedule on page 71.

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - ARPA-AMERICAN RESCUE PLAN ACT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 4,318,026	\$ 895,201	\$ (3,422,825)
Investment earnings	-	-	225,503	225,503
Total revenues	-	4,318,026	1,120,704	(3,197,322)
EXPENDITURES				
Current:				
General government	-	228,014	228,013	1
Public Safety	-	-	-	-
Public works	-	143,887	61,530	82,357
Culture and recreation	-	14,500	13,915	585
Capital Outlay	-	3,931,625	591,743	3,339,882
Total expenditures	-	4,318,026	895,201	3,422,825
Excess (deficiency) of revenues over (under) expenditures	-	-	225,503	225,503
Net change in fund balance	-	-	225,503	225,503
Fund balances - beginning			249,262	
Fund balances - ending			<u>\$ 474,765</u>	

CITY OF SOUTH MIAMI, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULES
SEPTEMBER 30, 2024

Note 1 - Budgets and Budgetary Accounting

Annual appropriated budgets are adopted on a basis consistent with generally accepted accounting principles ("GAAP"). The General Fund balances reported in the Statement of Revenues, Expenditures, and Changes in Fund Balances include amounts promulgated to the General Fund as they lack the authority to be reported as separate special revenue funds. All governmental funds adopted a budget, with the exception of the Hometown District Improvement Fund.

The following procedures are used by the City in establishing the budgetary data reflected in the financial statements.

- a) Prior to August 1, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted to obtain taxpayer comments.
- c) Prior to October 1, the budget is legally enacted through the passage of an ordinance.
- d) At the request of the City Manager, and within the last three months of the budget year, the City Commission may transfer any unencumbered balance or portion thereof from one department to another. All budget fund transfers require a resolution from the City Commission. Pursuant to the City's Charter, expenditures may not legally exceed appropriations at the departmental level.
- e) Formal budgetary integration is employed as a management control device during the year.
- f) In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented in the financial statements and schedules represent final authorized amounts. Therefore, the department level is the legal level of budgetary control. Budgeted amounts are as originally adopted or as amended.

Revisions that alter the total expenditures of any department within a fund must be approved by the City Commission. Actual expenditures and transfers out may not exceed budget appropriations at the departmental level. Appropriations that are not expended nor specifically designated to be carried over, lapse at the end of the fiscal year.

CITY OF SOUTH MIAMI, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION (ASSET) LIABILITY AND RELATED RATIOS
GENERAL EMPLOYEES AND POLICE OFFICERS PENSION PLAN - PENSION TRUST FUND
(UNAUDITED)

Reporting Period Ending Measurement Date	9/30/2024 9/30/2023	9/30/2023 9/30/2022	9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016	9/30/2016 9/30/2015	9/30/2015 9/30/2014
Total Pension Liability:										
Service cost	\$ 775,791	\$ 815,886	\$ 897,075	\$ 852,115	\$ 842,564	\$ 796,141	\$ 846,884	\$ 697,537	\$ 686,435	\$ 669,181
Interest	3,859,126	3,666,476	3,387,205	3,164,443	2,889,649	2,834,288	2,630,646	2,460,415	2,381,731	2,299,340
Benefit changes	-	-	266,306	2,209,880	-	-	(20,122)	-	-	-
Difference between expected and actual experience	147,586	1,407,429	339,164	502,197	(1,314,061)	901,489	(112,807)	(656,677)	(502,259)	(598,374)
Assumption changes	-	-	-	(1,109,800)	-	-	566,118	-	-	-
Benefit payments, including refunds of employee contributions	(2,156,794)	(1,934,558)	(1,721,259)	(1,584,681)	(1,660,970)	(1,563,305)	(1,570,751)	(1,293,782)	(1,417,586)	(1,315,113)
Net change in total pension liability	2,625,709	3,955,233	3,168,491	4,034,154	757,182	2,968,613	2,339,968	1,207,493	1,148,321	1,055,034
Total pension liability - beginning	52,398,725	48,443,492	45,275,001	41,240,847	40,483,665	37,515,052	35,175,084	33,967,591	32,819,270	31,764,236
Total pension liability - ending (a)	<u>\$ 55,024,434</u>	<u>\$ 52,398,725</u>	<u>\$ 48,443,492</u>	<u>\$ 45,275,001</u>	<u>\$ 41,240,847</u>	<u>\$ 40,483,665</u>	<u>\$ 37,515,052</u>	<u>\$ 35,175,084</u>	<u>\$ 33,967,591</u>	<u>\$ 32,819,270</u>
Total Fiduciary Net Position:										
Contributions - employer and state	\$ 731,246	\$ 693,865	\$ 631,728	\$ 2,215,515	\$ 704,929	\$ 690,632	\$ 681,713	\$ 570,154	\$ 834,251	\$ 878,217
Contributions - employees	429,588	418,549	437,988	459,625	594,753	536,473	910,127	490,452	562,835	593,396
Net investment income	4,953,336	(8,235,320)	11,083,408	3,177,042	868,406	3,984,542	4,542,693	3,306,002	16,750	3,054,164
Benefit payments, including refunds of employee contributions	(2,156,794)	(1,934,558)	(1,721,259)	(1,584,681)	(1,660,970)	(1,563,305)	(1,570,751)	(1,293,782)	(1,417,586)	(1,315,113)
Administrative expenses	(190,550)	(169,500)	(148,804)	(143,452)	(129,072)	(139,324)	(163,555)	(129,291)	(135,093)	(100,780)
Other	-	-	-	359,949	49,243	260,999	-	2,835	4,454	6,784
Net change in plan fiduciary net position	3,766,826	(9,226,964)	10,283,061	4,483,998	427,289	3,770,017	4,400,227	2,946,370	(134,389)	3,116,668
Plan fiduciary net position - beginning	49,186,762	58,413,726	48,130,665	43,646,667	43,219,378	39,449,361	35,049,134	32,102,764	32,237,153	29,120,485
Plan fiduciary net position - ending (b)	<u>\$ 52,953,588</u>	<u>\$ 49,186,762</u>	<u>\$ 58,413,726</u>	<u>\$ 48,130,665</u>	<u>\$ 43,646,667</u>	<u>\$ 43,219,378</u>	<u>\$ 39,449,361</u>	<u>\$ 35,049,134</u>	<u>\$ 32,102,764</u>	<u>\$ 32,237,153</u>
Net pension (asset) liability - ending (a) - (b)	<u>\$ 2,070,846</u>	<u>\$ 3,211,963</u>	<u>\$ (9,970,234)</u>	<u>\$ (2,855,664)</u>	<u>\$ (2,405,820)</u>	<u>\$ (2,735,713)</u>	<u>\$ (1,934,309)</u>	<u>\$ 125,950</u>	<u>\$ 1,864,827</u>	<u>\$ 582,117</u>
Plan fiduciary net position as a percentage of total pension liability	96.24%	93.87%	120.58%	106.31%	105.83%	106.76%	105.16%	99.64%	94.51%	98.23%
Covered payroll	\$ 6,710,974	\$ 6,372,829	\$ 6,668,442	\$ 7,013,961	\$ 6,840,856	\$ 6,447,564	\$ 6,368,739	\$ 4,861,991	\$ 4,086,300	\$ 4,902,128
Net pension liability as a percentage of covered payroll	30.86%	50.40%	-149.51%	-40.71%	-35.17%	-42.43%	-30.37%	2.59%	45.64%	11.87%

CITY OF SOUTH MIAMI, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
GENERAL EMPLOYEES AND POLICE OFFICERS PENSION PLAN - PENSION TRUST FUND
(UNAUDITED)

Fiscal Year Ended 9/30	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll ^{1,2}	Contribution as a Percentage of Covered Payroll
2015	\$ 834,251	\$ 834,251	\$ -	\$ 4,086,300	20.42%
2016	570,154	570,154	-	4,861,991	11.73%
2017	680,568	681,713	(1,145)	6,368,739	10.70%
2018	690,632	690,632	-	6,447,564	10.71%
2019	704,929	704,929	-	6,840,856	10.30%
2020	677,223	2,215,515	(1,538,292)	7,013,961	31.59%
2021	631,727	631,728	(1)	6,668,442	9.47%
2022	730,415	693,865	36,550	6,377,456	10.88%
2023	697,404	731,246	(33,842)	6,710,974	10.90%
2024	702,810	702,809	1	8,199,070	8.57%

¹ Projected prior to fiscal year ended September 30, 2014

² Reported payroll on which contributions to the Plan are based as provided under GASB No. 82

Notes to Schedule:

Valuation date:	Actuarially determined contributions are calculated as of October 1st - two year(s) prior to the fiscal year end in which contributions are reported.
Actuarial cost method:	Entry Age Normal
Amortization method:	Level percentage of payroll, closed
Remaining amortization period:	25 years
Asset valuation method:	5-year smoothed
Inflation:	2.75%
Salary increases:	3.75% - 5.25%
Investment rate of return:	7.375%
Payroll growth assumption:	4.0% per year, but limited to average annual increase over most recent ten years (-0.5%) for Police Officers. None for General Employees including AMSC.
Retirement age:	Experience-based table of rates that are specific to the type of eligibility condition
Mortality:	<i>General Employees including AMSC members:</i> For healthy participants during employment, PUB2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP2018.

CITY OF SOUTH MIAMI, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
GENERAL EMPLOYEES AND POLICE OFFICERS PENSION PLAN - PENSION TRUST FUND
(UNAUDITED)

Notes to Schedule (Continued):

Mortality (Continued):

General Employees including AMSC members:

For healthy participants post employment, PUB2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP2018.

For disabled participants, PUB2010 Headcount Weighted General Disabled Retiree Mortality Table, separate rates for males and females, both set forward 3 years, without projected mortality improvements.

Police Members:

For healthy participants during employment, PUB20 10 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP2018.

For healthy participants post employment, PUB2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP2018.

For disabled participants, 80% PUB2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.

The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2023 FRS valuation report for non-special-risk employees, with appropriate adjustments made based on plan demographics.

Cost-of-living increases:

3.0% / 0%

CITY OF SOUTH MIAMI, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
GENERAL EMPLOYEES AND POLICE OFFICERS PENSION PLAN - PENSION TRUST FUND
(UNAUDITED)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Annual money-weighted rate of return, net of investment expense - General Employees and Police Officers Pension Plan	23.26%	10.21%	-14.18%	23.27%	7.24%	2.11%	10.30%	13.10%	10.40%	0.00%
Annual money-weighted rate of return, net of investment expense - Pension Trust Fund	-1.72%	-2.36%	-27.37%	2.39%	3.54%	-3.80%	4.45%	6.71%	3.07%	-4.99%

CITY OF SOUTH MIAMI, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OTHER POST EMPLOYMENT BENEFITS (OPEB)
LIABILITY AND RELATED RATIOS
(UNAUDITED)

Fiscal Year:	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Measurement Date:	10/1/2023	10/1/2022	10/1/2021	10/1/2020	10/1/2019	10/1/2018	10/1/2017
Total OPEB Liability:							
Service cost	\$ 32,940	\$ 48,807	\$ 50,882	\$ 45,290	\$ 48,125	\$ 46,640	\$ 48,182
Interest	17,265	10,311	10,553	10,532	17,764	15,206	22,481
Benefit changes	-	-	(2,174)	-	2,672	-	(10,435)
Difference between expected and actual experience	(94,517)	-	(12,862)	-	(165,990)	-	(337,400)
Assumption changes	(22,563)	(110,191)	4,531	1,206	33,961	(20,628)	(1,025)
Benefit payments	(13,319)	(9,951)	(14,484)	(10,977)	(15,199)	(11,537)	(10,446)
Net change in Total OPEB Liability	(80,194)	(61,024)	36,446	46,051	(78,667)	29,681	(288,643)
Total OPEB liability-beginning	366,031	427,055	390,609	344,558	423,225	393,544	682,187
Total OPEB liability-ending	<u>\$ 285,837</u>	<u>\$ 366,031</u>	<u>\$ 427,055</u>	<u>\$ 390,609</u>	<u>\$ 344,558</u>	<u>\$ 423,225</u>	<u>\$ 393,544</u>
Covered-employee payroll	\$ 9,053,771	\$ 7,673,708	\$ 7,659,543	\$ 7,938,499	\$ 8,130,725	\$ 7,091,413	\$ 7,142,019
Total OPEB liability as a percentage of covered-employee payroll	3.16%	4.77%	5.58%	4.92%	4.24%	5.97%	5.51%

Notes to Schedule:

* Schedule is intended to show information for ten years. Additional years will be displayed as the become available.

Plan Assets - No assets are accumulated in a trust that meets all of the criteria of GASB No. 75, paragraph 4, to pay benefits.

COMBINING FINANCIAL STATEMENTS

SPECIAL REVENUE FUNDS

Local Option Gas Tax - This fund is used to account for the revenues and expenditures associated with the State of Florida's Local Option Fuel Taxes.

Peoples Transportation Tax - This fund is used to account for eighty percent of the revenues and expenditures associated with the Miami-Dade County's Peoples Transportation Plan. This revenue share is used towards the development, construction, operation and maintenance of roads and bridges throughout the City. Funds can also be used for the payment of principal and interest of debt issued in connection with these projects.

Peoples Transportation Tax, Direct Transit - This fund is used to account for twenty percent of the revenues and expenditures associated with Miami-Dade County's People Transportation Plan. This revenue share is used towards transit, such as bus services, bus pullout bays, shelters, and any other direct transit related infrastructure.

State Forfeiture Fund - To account for proceeds obtained through the sale of confiscated and unclaimed property turned over to the City through court judgments in accordance with the Florida Contraband Forfeiture Act. Proceeds are to be used solely for crime fighting purposes.

Tree Trust Fund - This fund was created under the City's Land Development Code Section 20-4.5 with the purpose to acquire, protect, and to plant trees on public property.

Hometown District Improvement Trust - This fund accounts for monies received that are to be used for improvements to parking facilities, infrastructure to increase parking capacity, and the installation of metering devices. Monies collected in this fund can also be used to improve pedestrian environment.

Federal Forfeiture Fund - To account for proceeds obtained through the sale of confiscated and unclaimed property turned over to the City through court judgments in accordance with the Federal Department of Justice Asset Forfeiture Program. Proceeds are to be used solely for crime fighting purposes.

Grants Fund - This fund accounts for grant funding received that is restricted for specific projects as defined by the grantor agencies.

Parks Impact Fees Fund - This fund accounts for parks impact fees assessed on new residential developments during permitting. Proceeds are to be used solely for land acquisition for parks, facility maintenance and new park construction, retirement of debt issued to finance park improvements, and any administrative costs incurred during the fee collection process.

Stormwater Drain Trust Fund - This fund accounts mainly for the revenues associated with an inter-local agreement with the Miami-Dade County, Water and Sewer Department related to stormwater charges. The revenues are used for the management and maintenance of existing catch basins, stormwater drains and canal system, and future construction of the City's system.

DEBT SERVICE FUNDS

Debt Service Fund - This fund accounts for the accumulation of resources to pay for the payment of the principal and interest of the City's bonds and certain notes payable.

CITY OF SOUTH MIAMI, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	Special Revenue Funds					
	Local Option Gas Tax	Peoples Transportation Tax	Peoples Transportation Tax, District Transit	State Forfeiture Fund	Federal Forfeiture Fund	Art in Public Places Trust
ASSETS						
Cash and cash equivalents	\$ 523,782	\$ 1,552,524	\$ 248,345	\$ 44,937	\$ 574,876	\$ 39,955
Receivables	-	142,614	35,653	-	-	-
Total assets	<u>\$ 523,782</u>	<u>\$ 1,695,138</u>	<u>\$ 283,998</u>	<u>\$ 44,937</u>	<u>\$ 574,876</u>	<u>\$ 39,955</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 35,238	\$ 317,464	\$ 29,888	\$ -	\$ 2,060	\$ -
Due to other funds	-	16,135	-	-	919	-
Total liabilities	<u>35,238</u>	<u>333,599</u>	<u>29,888</u>	<u>-</u>	<u>2,979</u>	<u>-</u>
Deferred inflows of resources:						
Unavailable revenues	-	62,908	15,727	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>62,908</u>	<u>15,727</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:						
Restricted for:						
Transportation projects	488,544	1,298,631	238,383	-	-	-
Law enforcement	-	-	-	44,937	571,897	-
Public art program	-	-	-	-	-	39,955
Total fund balances	<u>488,544</u>	<u>1,298,631</u>	<u>238,383</u>	<u>44,937</u>	<u>571,897</u>	<u>39,955</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 523,782</u>	<u>\$ 1,695,138</u>	<u>\$ 283,998</u>	<u>\$ 44,937</u>	<u>\$ 574,876</u>	<u>\$ 39,955</u>

CITY OF SOUTH MIAMI, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2024

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Tree Trust Fund	Grants Fund	Park Impact Fees Fund	Stormwater Drain Trust Fund	Debt Service Fund	
ASSETS						
Cash and cash equivalents	\$ 176,307	\$ 594,798	\$ 1,668,398	\$ 264,118	\$ 638	\$ 5,688,678
Receivables	-	112,930	-	2,205	-	293,402
Notes receivable	-	-	-	-	-	-
Total assets	<u>\$ 176,307</u>	<u>\$ 707,728</u>	<u>\$ 1,668,398</u>	<u>\$ 266,323</u>	<u>\$ 638</u>	<u>\$ 5,982,080</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ 4,929	\$ 34,205	\$ 11,205	\$ -	\$ 434,989
Due to other funds	-	-	-	8,892	-	25,946
Unearned revenue	-	41,376	-	-	-	41,376
Total liabilities	<u>-</u>	<u>46,305</u>	<u>34,205</u>	<u>20,097</u>	<u>-</u>	<u>502,311</u>
Deferred inflows of resources:						
Unavailable revenues	-	-	-	-	-	78,635
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>78,635</u>
Fund balances:						
Restricted for:						
Park improvements	-	-	1,634,193	-	-	1,634,193
Grant projects	-	661,423	-	-	-	661,423
Stormwater management	-	-	-	246,226	-	246,226
Transportation projects	-	-	-	-	-	2,025,558
Law enforcement	-	-	-	-	-	616,834
Debt service	-	-	-	-	638	638
Public art program	-	-	-	-	-	39,955
Committed for:						
Tree projects	176,307	-	-	-	-	176,307
Total fund balances	<u>176,307</u>	<u>661,423</u>	<u>1,634,193</u>	<u>246,226</u>	<u>638</u>	<u>5,401,134</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 176,307</u>	<u>\$ 707,728</u>	<u>\$ 1,668,398</u>	<u>\$ 266,323</u>	<u>\$ 638</u>	<u>\$ 5,982,080</u>

CITY OF SOUTH MIAMI, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds					
	Local Option Gas Tax	Peoples Transportation Tax	Peoples Transportation Tax, District Transit	State Forfeiture Fund	Federal Forfeiture Fund	Art in Public Places Trust
REVENUES						
Intergovernmental	\$ 70,196	\$ 601,514	\$ 150,379	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	21,955
Fines and forfeitures	-	-	-	-	1,542	-
Interest income	23,076	68,506	-	2,088	27,581	-
Miscellaneous	-	-	-	-	930	-
Total revenues	<u>93,272</u>	<u>670,020</u>	<u>150,379</u>	<u>2,088</u>	<u>30,053</u>	<u>21,955</u>
EXPENDITURES						
Current:						
Public safety	-	-	-	-	55,147	-
Highways and roads	-	-	182,927	-	-	-
Debt Service						
Principal	-	-	-	-	-	-
Capital outlay	101,443	699,623	-	-	-	-
Total expenditures	<u>101,443</u>	<u>699,623</u>	<u>182,927</u>	<u>-</u>	<u>55,147</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,171)</u>	<u>(29,603)</u>	<u>(32,548)</u>	<u>2,088</u>	<u>(25,094)</u>	<u>21,955</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	221,778	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>221,778</u>	<u>-</u>
Net change in fund balances	<u>(8,171)</u>	<u>(29,603)</u>	<u>(32,548)</u>	<u>2,088</u>	<u>196,684</u>	<u>21,955</u>
Fund balances - beginning	<u>496,715</u>	<u>1,328,234</u>	<u>270,931</u>	<u>42,849</u>	<u>375,213</u>	<u>18,000</u>
Fund balances - ending	<u>\$ 488,544</u>	<u>\$ 1,298,631</u>	<u>\$ 238,383</u>	<u>\$ 44,937</u>	<u>\$ 571,897</u>	<u>\$ 39,955</u>

CITY OF SOUTH MIAMI, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Tree Trust Fund	Grants Fund	Park Impact Fees Fund	Stormwater Drain Trust Fund	Debt Service Fund	
REVENUES						
Licenses and permits	\$ 30,297	\$ -	\$ 766,833	\$ -	\$ -	\$ 797,130
Intergovernmental	-	-	-	387,104	-	1,209,193
Charges for services	-	-	-	-	-	21,955
Fines and forfeitures	-	-	-	-	-	1,542
Grants, contributions and donations	-	76,560	-	-	-	76,560
Interest income	-	-	73,232	15,555	-	210,038
Miscellaneous	-	5,333	-	-	330,766	337,029
Total revenues	<u>30,297</u>	<u>81,893</u>	<u>840,065</u>	<u>402,659</u>	<u>330,766</u>	<u>2,653,447</u>
EXPENDITURES						
Current:						
General government	5,711	-	-	-	-	5,711
Public safety	-	27,386	-	-	-	82,533
Highways and roads	-	-	-	162,974	-	345,901
Culture and recreation	-	24,951	-	-	-	24,951
Debt Service						
Principal	-	-	-	-	891,000	891,000
Interest and other charges	-	-	-	-	158,734	158,734
Capital outlay	-	29,556	360,715	321,834	-	1,513,171
Total expenditures	<u>5,711</u>	<u>81,893</u>	<u>360,715</u>	<u>484,808</u>	<u>1,049,734</u>	<u>3,022,001</u>
Excess (deficiency) of revenues over (under) expenditures	<u>24,586</u>	<u>-</u>	<u>479,350</u>	<u>(82,149)</u>	<u>(718,968)</u>	<u>(368,554)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	719,064	940,842
Transfers out	-	-	-	(150,000)	-	(150,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(150,000)</u>	<u>719,064</u>	<u>790,842</u>
Net change in fund balances	<u>24,586</u>	<u>-</u>	<u>479,350</u>	<u>(232,149)</u>	<u>96</u>	<u>422,288</u>
Fund balances - beginning	151,721	661,423	1,154,843	478,375	542	4,978,846
Fund balances - ending	<u>\$ 176,307</u>	<u>\$ 661,423</u>	<u>\$ 1,634,193</u>	<u>\$ 246,226</u>	<u>\$ 638</u>	<u>\$ 5,401,134</u>

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - LOCAL OPTION GAS TAX
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 69,248	\$ 69,248	\$ 70,196	\$ 948
Investment earnings	-	-	23,076	23,076
Total revenues	<u>69,248</u>	<u>69,248</u>	<u>93,272</u>	<u>24,024</u>
EXPENDITURES				
Capital Outlay	<u>100,000</u>	<u>204,998</u>	<u>101,443</u>	<u>103,555</u>
Total expenditures	<u>100,000</u>	<u>204,998</u>	<u>101,443</u>	<u>103,555</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(30,752)</u>	<u>(135,750)</u>	<u>(8,171)</u>	<u>127,579</u>
Net change in fund balance	<u>\$ (30,752)</u>	<u>\$ (135,750)</u>	<u>(8,171)</u>	<u>\$ 127,579</u>
Fund balances - beginning			<u>496,715</u>	
Fund balances - ending			<u><u>\$ 488,544</u></u>	

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - PEOPLES TRANSPORTATION TAX
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 535,000	\$ 535,000	\$ 601,514	\$ 66,514
Investment earnings	-	-	68,506	68,506
Total revenues	<u>535,000</u>	<u>535,000</u>	<u>670,020</u>	<u>135,020</u>
EXPENDITURES				
Capital Outlay	977,500	1,046,598	699,623	346,975
Total expenditures	<u>977,500</u>	<u>1,046,598</u>	<u>699,623</u>	<u>346,975</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(442,500)</u>	<u>(511,598)</u>	<u>(29,603)</u>	<u>481,995</u>
Net change in fund balance	<u>\$ (442,500)</u>	<u>\$ (511,598)</u>	<u>(29,603)</u>	<u>\$ 481,995</u>
Fund balances - beginning			<u>1,328,234</u>	
Fund balances - ending			<u><u>\$ 1,298,631</u></u>	

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - PEOPLES TRANSPORTATION TAX, DIRECT TRANSIT
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 135,000	\$ 135,000	\$ 150,379	\$ 15,379
Total revenues	135,000	135,000	150,379	15,379
EXPENDITURES				
Current:				
Public works	216,200	216,200	182,927	33,273
Total expenditures	216,200	216,200	182,927	33,273
Excess (deficiency) of revenues over (under) expenditures	(81,200)	(81,200)	(32,548)	48,652
Net change in fund balance	\$ (81,200)	\$ (81,200)	(32,548)	\$ 48,652
Fund balances - beginning			270,931	
Fund balances - ending			<u>\$ 238,383</u>	

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CAPITAL IMPROVEMENT PROGRAM FUND
CAPITAL PROJECT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Capital Outlay	9,269,000	11,295,685	5,421,244	5,874,441
Total expenditures	<u>9,269,000</u>	<u>11,295,685</u>	<u>5,421,244</u>	<u>5,874,441</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,269,000)</u>	<u>(11,295,685)</u>	<u>(5,421,244)</u>	<u>5,874,441</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	7,950,166	7,950,166	7,950,166	-
Total other financing sources and uses	<u>7,950,166</u>	<u>7,950,166</u>	<u>7,950,166</u>	<u>-</u>
Net change in fund balance	<u>\$ (1,318,834)</u>	<u>\$ (3,345,519)</u>	<u>2,528,922</u>	<u>\$ 5,874,441</u>
Fund balances - beginning			<u>2,633,729</u>	
Fund balances - ending			<u><u>\$ 5,162,651</u></u>	

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - STATE FORFEITURE FUND
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ -	\$ -	\$ 2,088	\$ 2,088
Total revenues	-	-	2,088	2,088
EXPENDITURES				
Current:				
Public Safety	30,000	30,000	-	30,000
Total expenditures	30,000	30,000	-	30,000
Excess (deficiency) of revenues over (under) expenditures	(30,000)	(30,000)	2,088	32,088
Net change in fund balance	\$ (30,000)	\$ (30,000)	2,088	\$ 32,088
Fund balances - beginning			42,849	
Fund balances - ending			<u>\$ 44,937</u>	

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - FEDERAL FORFEITURE FUND
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fees and fines	\$ -	\$ -	\$ 1,542	\$ 1,542
Investment earnings	-	-	27,581	27,581
Miscellaneous	-	-	930	930
Total revenues	-	-	30,053	30,053
EXPENDITURES				
Current:				
Public Safety	110,000	110,000	55,147	54,853
Total expenditures	110,000	110,000	55,147	54,853
Excess (deficiency) of revenues over (under) expenditures	(110,000)	(110,000)	(25,094)	84,906
OTHER FINANCING SOURCES (USES)				
Transfers in	221,778	221,778	221,778	-
Total other financing sources and uses	221,778	221,778	221,778	-
SPECIAL ITEM				
Proceeds from sale of capital assets	-	-	-	-
Net change in fund balance	\$ 111,778	\$ 111,778	196,684	\$ 84,906
Fund balances - beginning			375,213	
Fund balances - ending			<u>\$ 571,897</u>	

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - TREE TRUST FUND
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Licenses and permits	\$ -	\$ -	\$ 30,297	\$ 30,297
Total revenues	-	-	30,297	30,297
EXPENDITURES				
Current:				
General government	25,000	45,000	5,711	39,289
Total expenditures	25,000	45,000	5,711	39,289
Excess (deficiency) of revenues over (under) expenditures	(25,000)	(45,000)	24,586	69,586
Net change in fund balance	\$ (25,000)	\$ (45,000)	24,586	\$ 69,586
Fund balances - beginning			151,721	
Fund balances - ending			<u>\$ 176,307</u>	

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - GRANTS FUND
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Grants, Contributions and Donations	\$ -	\$ 2,453,131	\$ 76,560	\$ (2,376,571)
Miscellaneous	-	5,333	5,333	-
Total revenues	-	2,458,464	81,893	(2,376,571)
EXPENDITURES				
Current:				
Public Safety	-	29,721	27,386	2,335
Culture and recreation	-	24,951	24,951	-
Capital Outlay	-	2,403,792	29,556	2,374,236
Total expenditures	-	2,458,464	81,893	2,376,571
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balances - beginning			661,423	
Fund balances - ending			<u>\$ 661,423</u>	

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - PARKS IMPACT FEES FUND
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Licenses and permits	\$ 800,000	\$ 800,000	\$ 766,833	\$ (33,167)
Investment earnings	-	-	73,232	73,232
Total revenues	<u>800,000</u>	<u>800,000</u>	<u>840,065</u>	<u>40,065</u>
EXPENDITURES				
Capital Outlay	<u>980,000</u>	<u>1,049,380</u>	<u>360,715</u>	<u>688,665</u>
Total expenditures	<u>980,000</u>	<u>1,049,380</u>	<u>360,715</u>	<u>688,665</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(180,000)</u>	<u>(249,380)</u>	<u>479,350</u>	<u>728,730</u>
Net change in fund balance	<u>\$ (180,000)</u>	<u>\$ (249,380)</u>	<u>479,350</u>	<u>\$ 728,730</u>
Fund balances - beginning			<u>1,154,843</u>	
Fund balances - ending			<u><u>\$ 1,634,193</u></u>	

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - STORMWATER DRAIN TRUST FUND
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Sales and miscellaneous taxes	-	-	-	-
Intergovernmental	\$ 380,000	\$ 380,000	\$ 387,104	\$ 7,104
Investment earnings	4,500	4,500	15,555	11,055
Total revenues	<u>384,500</u>	<u>384,500</u>	<u>402,659</u>	<u>18,159</u>
EXPENDITURES				
Current:				
Public works	217,662	233,980	162,974	71,006
Capital Outlay	90,000	451,572	321,834	129,738
Total expenditures	<u>307,662</u>	<u>685,552</u>	<u>484,808</u>	<u>200,744</u>
Excess (deficiency) of revenues over (under) expenditures	<u>76,838</u>	<u>(301,052)</u>	<u>(82,149)</u>	<u>218,903</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Total other financing sources and uses	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ (73,162)</u>	<u>\$ (451,052)</u>	<u>(232,149)</u>	<u>\$ 218,903</u>
Fund balances - beginning			<u>478,375</u>	
Fund balances - ending			<u>\$ 246,226</u>	

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - ART AND PUBLIC PLACES FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ -	\$ -	\$ 21,955	\$ 21,955
Total revenues	-	-	21,955	21,955
EXPENDITURES	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	21,955	21,955
Net change in fund balance	\$ -	\$ -	21,955	\$ 21,955
Fund balances - beginning			18,000	
Fund balances - ending			<u>\$ 39,955</u>	

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ 330,766	\$ 330,766	\$ 330,766	\$ -
Total revenues	<u>330,766</u>	<u>330,766</u>	<u>330,766</u>	<u>-</u>
EXPENDITURES				
Debt Service:				-
Principal	891,000	891,000	891,000	-
Interest and other charges	159,272	159,272	158,734	538
Total expenditures	<u>1,050,272</u>	<u>1,050,272</u>	<u>1,049,734</u>	<u>538</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(719,506)</u>	<u>(719,506)</u>	<u>(718,968)</u>	<u>538</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	719,064	719,064	719,064	-
Total other financing sources and uses	<u>719,064</u>	<u>719,064</u>	<u>719,064</u>	<u>-</u>
Net change in fund balance	<u>\$ (442)</u>	<u>\$ (442)</u>	<u>96</u>	<u>\$ 538</u>
Fund balances - beginning			<u>542</u>	
Fund balances - ending			<u><u>\$ 638</u></u>	

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - EMERGENCY RESERVE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 150,000	\$ 150,000	\$ 329,922	\$ 179,922
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>329,922</u>	<u>179,922</u>
EXPENDITURES				
	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	<u>150,000</u>	<u>150,000</u>	<u>329,922</u>	<u>179,922</u>
Net change in fund balance	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>329,922</u>	<u>\$ 179,922</u>
Fund balances - beginning			<u>6,627,623</u>	
Fund balances - ending			<u><u>\$ 6,957,545</u></u>	

CITY OF SOUTH MIAMI, FLORIDA
BUDGETARY COMPARISON SCHEDULE - POLICE HEADQUARTERS AND EMERGENCY
OPERATIONS CENTER FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,400,072)	(1,400,072)	(1,400,072)	-
Total other financing sources and uses	(1,400,072)	(1,400,072)	(1,400,072)	-
Net change in fund balance	\$ (1,400,072)	\$ (1,400,072)	(1,400,072)	\$ -
Fund balances - beginning			1,400,072	
Fund balances - ending			\$ -	

PENSION TRUST FUNDS

General Employees and Police Officers Pension Plan - This fund is used to account for the accumulation of resources for pension benefit payments to qualified public safety employees and other City employees.

Section 185 Police Officers Pension Trust Fund - This fund is used to account for the accumulation of resources, under Chapter 185 of the *Florida Statutes*, for pension benefit payments to qualified public safety employees.

CITY OF SOUTH MIAMI, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2024

	General Employees and Police Officers Pension Plan	Section 185 Police Officers Pension Trust Fund	Total
ASSETS			
Cash and cash equivalents	\$ 1,536,913	\$ 123,289	\$ 1,660,202
Receivables:			
Employee contribution	19,538	-	19,538
Employer contribution	-	-	-
Dividends and interest	100,171	-	100,171
Section 185 contribution	-	-	-
Pending trades receivable	-	-	-
Other receivables	33,943	-	33,943
Total receivables	<u>153,652</u>	<u>-</u>	<u>153,652</u>
Investments at fair value:			
Real estate holdings	6,815,754	-	6,815,754
U.S. Government and agency securities	6,006,645	-	6,006,645
Corporate obligations	6,021,812	-	6,021,812
Mutual funds:			
Equity	43,044,127	567,732	43,611,859
Fixed income	-	267,240	267,240
Total investments	<u>61,888,338</u>	<u>834,972</u>	<u>62,723,310</u>
Other assets:			
Prepaid expenses	4,194	-	4,194
Total assets	<u>\$ 63,583,097</u>	<u>\$ 958,261</u>	<u>\$ 64,541,358</u>
LIABILITIES			
Accounts payable	\$ 120,605	\$ -	\$ 120,605
Pending trades payable	-	697	697
Total liabilities	<u>120,605</u>	<u>697</u>	<u>121,302</u>
NET POSITION			
Restricted for pension benefits	<u>\$ 63,462,492</u>	<u>\$ 957,564</u>	<u>\$ 64,420,056</u>

CITY OF SOUTH MIAMI, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General Employees and Police Officers Pension Plan	Section 185 Police Officers Pension Trust Fund	Total
ADDITIONS			
Contributions:			
Employer	\$ 623,582	\$ -	\$ 623,582
Employees	507,481	-	507,481
Section 185 contributions	79,228	157,707	236,935
Total contributions	<u>1,210,291</u>	<u>157,707</u>	<u>1,367,998</u>
Investment earnings:			
Net appreciation in fair value of investments	11,156,091	141,179	11,297,270
Interest and dividends	1,148,793	29,822	1,178,615
Total investment earnings	<u>12,304,884</u>	<u>171,001</u>	<u>12,475,885</u>
Less: investment expense	217,208	4,738	221,946
Net investment earnings	<u>12,087,676</u>	<u>166,263</u>	<u>12,253,939</u>
Total additions	<u>13,297,967</u>	<u>323,970</u>	<u>13,621,937</u>
DEDUCTIONS			
Participant benefit payments	\$ 2,049,972	\$ 19,775	\$ 2,069,747
Refund of contributions	52,629	-	52,629
Minimum benefit funding	-	79,228	79,228
DROP distributions	520,117	-	520,117
Administrative expenses	166,345	22,365	188,710
Total deductions	<u>2,789,063</u>	<u>121,368</u>	<u>2,910,431</u>
Change in net position	10,508,904	202,602	10,711,506
Net position restricted for pension			
Net position - beginning as previously reported	<u>52,953,588</u>	<u>754,962</u>	<u>53,708,550</u>
Net position - end of year	<u>\$ 63,462,492</u>	<u>\$ 957,564</u>	<u>\$ 64,420,056</u>

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of South Miami, Florida'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.

<u>CONTENTS</u>	<u>PAGE</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	74-77
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	78-81
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	82-85
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	86-87
Operating Information 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.	88-90

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

CITY OF SOUTH MIAMI, FLORIDA
 Net Position by Component
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)
 (amount expressed in thousands)

Table 1

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
GOVERNMENTAL ACTIVITIES:										
Net investment in capital assets	\$ 26,819	\$ 27,343	\$ 28,360	\$ 29,407	\$ 29,928	\$ 29,893	\$ 31,413	\$ 32,405	\$ 33,966	\$ 38,141
Restricted	5,280	5,208	5,424	6,174	6,060	3,947	4,556	4,042	8,021	5,700
Unrestricted	<u>10,335</u>	<u>11,529</u>	<u>11,486</u>	<u>11,836</u>	<u>12,454</u>	<u>17,317</u>	<u>19,251</u>	<u>23,574</u>	<u>29,315</u>	<u>25,475</u>
Total governmental activities net position	<u>\$ 42,434</u>	<u>\$ 44,080</u>	<u>\$ 45,270</u>	<u>\$ 47,417</u>	<u>\$ 48,442</u>	<u>\$ 51,157</u>	<u>\$ 55,220</u>	<u>\$ 60,021</u>	<u>\$ 71,302</u>	<u>\$ 69,316</u>

CITY OF SOUTH MIAMI, FLORIDA
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(amount expressed in thousands)

Table 2

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
EXPENSES:										
Governmental activities:										
General government	\$ 3,480	\$ 4,373	\$ 5,029	\$ 4,683	\$ 6,071	\$ 4,956	\$ 5,372	\$ 5,610	\$ 4,777	\$ 6,997
Public safety	7,362	7,613	7,746	7,148	7,327	10,097	8,077	7,525	6,122	10,410
Public works	4,068	4,166	3,420	4,651	4,371	3,729	4,350	4,880	4,717	6,175
Community services	712	985	948	635	1,221	1,475	-	-	-	-
Culture and recreation	2,096	2,082	2,135	2,336	2,587	2,301	2,335	2,671	3,392	4,429
Interest on long-term debt	586	531	494	464	447	544	137	253	194	136
Total governmental activities expenses	18,304	19,750	19,772	19,917	22,024	23,102	20,271	20,939	19,202	28,147
PROGRAM REVENUES:										
Governmental activities:										
Charges for services:										
General government	1,176	1,210	949	966	766	1,324	1,160	1,633	3,186	4,758
Public safety	3,882	3,808	3,544	3,686	3,468	2,643	3,317	4,217	5,694	5,174
Public works	28	32	30	29	4	-	-	-	-	-
Community services	-	35	40	36	26	11	-	-	-	-
Culture and recreation	-	210	241	185	223	154	180	239	247	1,042
Interest on long-term debt	390	284	294	346	431	-	-	-	-	-
Operating and capital grants and contributions	267	492	272	283	593	3,923	2,380	1,697	1,156	1,129
Total governmental activities program revenues	5,743	6,071	5,370	5,531	5,511	8,055	7,037	7,786	10,283	12,103
Net (expense)/revenue: Governmental activities	(12,561)	(13,679)	(14,402)	(14,386)	(16,513)	(15,047)	(13,234)	(13,153)	(8,919)	(16,044)
GENERAL REVENUES AND OTHER										
CHANGES IN NET POSITION:										
Governmental activities:										
Taxes:										
Property taxes	6,598	6,989	7,643	8,090	8,650	8,999	8,392	8,711	8,968	9,941
Utility taxes	2,182	2,112	2,111	2,180	2,170	2,089	2,110	2,204	2,424	2,450
Business taxes	676	705	679	667	657	677	646	671	676	717
Franchise taxes	1,896	1,951	2,174	2,156	2,177	2,116	2,309	2,661	2,950	1,424
Service concession arrangement	393	405	419	439	324	708	660	311	190	-
Interest income (unrestricted)	149	162	183	273	329	312	314	278	1,403	2,017
Intergovernmental (unrestricted)	2,683	2,710	2,743	2,666	2,688	2,387	2,682	3,197	3,388	3,302
Other	254	338	665	439	543	474	212	263	203	632
Extraordinary item- Judgment	-	-	(1,025)	-	-	-	-	-	-	-
Total governmental activities	14,831	15,372	15,592	16,910	17,538	17,762	17,325	18,296	20,202	20,483
CHANGES IN NET POSITION: Governmental activities	\$ 2,270	\$ 1,693	\$ 1,190	\$ 2,524	\$ 1,025	\$ 2,715	\$ 4,091	\$ 5,143	\$ 11,283	\$ 4,439

CITY OF SOUTH MIAMI, FLORIDA
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(amount expressed in thousands)

Table 3

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Fund:										
Nonspendable	\$ 251	\$ 248	\$ 294	\$ 277	\$ 284	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	4,579	4,893	4,809	4,072	4,167	6,327	6,531	7,866	8,028	6,958
Assigned	1,628	2,361	4,158	1,871	-	-	-	-	-	-
Unassigned	5,444	5,644	3,730	4,551	7,035	8,608	10,443	10,959	13,617	12,611
Total General Fund	<u>\$ 11,902</u>	<u>\$ 13,146</u>	<u>\$ 12,991</u>	<u>\$ 10,771</u>	<u>\$ 11,486</u>	<u>\$ 14,935</u>	<u>\$ 16,974</u>	<u>\$ 18,825</u>	<u>\$ 21,645</u>	<u>\$ 19,569</u>
All other governmental funds:										
Nonspendable	\$ 71	\$ 75	\$ 74	\$ 73	\$ 73	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	5,324	5,208	5,425	5,932	6,060	3,947	4,556	4,073	5,076	5,700
Committed	28	48	60	77	51	60	79	105	152	176
Assigned	839	816	1,587	-	1,044	1,452	791	1,830	2,634	5,163
Unassigned	(149)	(134)	(132)	(67)	(61)	22	-	-	-	-
Total all other governmental funds	<u>\$ 6,113</u>	<u>\$ 6,013</u>	<u>\$ 7,014</u>	<u>\$ 6,015</u>	<u>\$ 7,167</u>	<u>\$ 5,481</u>	<u>\$ 5,426</u>	<u>\$ 6,008</u>	<u>\$ 7,862</u>	<u>\$ 11,039</u>

CITY OF SOUTH MIAMI, FLORIDA
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(amount expressed in thousands)

Table 4

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
REVENUES:										
Taxes and franchise fees	\$ 9,170	\$ 9,645	\$ 10,496	\$ 9,820	\$ 10,419	\$ 10,749	\$ 10,053	\$ 10,695	\$ 11,132	\$ 12,081
Charges for services	2,949	2,809	2,536	3,464	3,437	2,647	3,610	4,135	5,610	5,616
Utility taxes	2,182	2,112	2,111	2,180	2,170	2,089	2,110	2,204	2,424	2,450
Intergovernmental	2,836	3,069	2,972	2,809	3,142	6,195	4,699	4,777	4,304	4,520
Licenses and permits	1,176	1,194	927	939	732	1,288	1,132	1,618	3,131	3,972
Fines and forfeitures	995	1,076	1,104	1,403	1,169	1,084	1,283	1,449	1,621	1,162
Interest income	157	162	183	273	329	312	314	278	1,403	2,017
Rents and royalties	768	1,057	1,000	1,013	1,008	881	210	247	225	223
Other	349	386	665	549	651	613	959	774	663	594
Total revenues	20,582	21,510	21,994	22,450	23,057	25,858	24,370	26,177	30,513	32,635
EXPENDITURES:										
General government	3,638	3,720	4,316	4,614	3,961	4,185	6,005	5,124	4,942	5,681
Public safety	7,043	7,089	7,548	8,407	7,784	10,009	7,822	8,224	8,950	9,493
Public works	3,242	3,318	3,211	3,682	3,661	3,206	2,744	3,777	4,206	4,697
Community services	683	636	594	615	577	1,322	-	-	-	-
Culture and recreation	1,994	1,973	2,027	2,118	2,256	1,996	1,680	2,326	2,617	3,023
Debt service:										
Principal	6,064	853	742	836	774	5,658	784	832	896	952
Interest and fiscal charges	645	485	458	430	398	495	216	218	189	163
Capital outlay:										
Capital outlay (capitalized)	765	1,072	1,513	1,469	2,620	1,239	2,161	1,601	2,377	4,845
Capital outlay (not capitalized)	636	1,222	739	965	1,692	973	974	1,642	1,788	2,681
Total expenditures	24,710	20,368	21,148	23,136	23,723	29,083	22,386	23,744	25,965	31,535
Excess (deficiency) of revenues over expenditures	<u>(4,128)</u>	<u>1,142</u>	<u>846</u>	<u>(686)</u>	<u>(666)</u>	<u>(3,225)</u>	<u>1,984</u>	<u>2,433</u>	<u>4,548</u>	<u>1,100</u>
OTHER FINANCING SOURCES (USES):										
Transfers in	4,348	1,800	2,629	3,172	2,157	4,645	2,543	3,443	4,026	9,041
Transfers out	(4,348)	(1,800)	(2,629)	(3,172)	(2,157)	(4,645)	(2,543)	(3,443)	(4,026)	(9,041)
Issuance of debt	-	-	-	-	-	4,988	-	-	-	-
Issuance of debt - subscription	-	-	-	-	-	-	-	-	125	-
Payment to bond escrow agent	4,948	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	4,948	-	-	-	-	4,988	-	-	125	-
Net change in fund balances	\$ 820	\$ 1,142	\$ 846	\$ (686)	\$ (666)	\$ 1,763	\$ 1,984	\$ 2,433	\$ 4,673	\$ 1,100
Debt service as a percentage of noncapital expenditures	<u>28.02%</u>	<u>6.93%</u>	<u>6.11%</u>	<u>5.84%</u>	<u>5.55%</u>	<u>22.10%</u>	<u>4.94%</u>	<u>4.74%</u>	<u>4.60%</u>	<u>4.18%</u>

CITY OF SOUTH MIAMI, FLORIDA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Table 5

Fiscal Year (2)	Real Property	Personal Property	Net Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Net Assessed Value as a Percentage of Estimated Actual Value (1)
2015	\$ 1,500,767	\$ 69,981	\$ 1,570,748	4.3000	\$ 1,570,748	100.00%
2016	1,624,996	67,414	1,692,410	4.3000	1,692,410	100.00%
2017	1,727,379	65,832	1,793,211	4.3000	1,793,211	100.00%
2018	1,843,033	75,134	1,918,167	4.3000	1,918,167	100.00%
2019	1,917,804	69,268	1,987,072	4.3000	1,987,072	100.00%
2020	1,999,537	73,599	2,073,136	4.3000	2,073,136	100.00%
2021	2,037,154	71,322	2,108,476	4.3000	2,108,476	100.00%
2022	2,280,217	82,764	2,362,981	3.9999	2,362,981	100.00%
2023	2,524,843	91,432	2,616,275	3.9500	2,616,275	100.00%
2024	2,746,530	93,841	2,840,371	3.9500	2,840,371	100.00%

Note: Property in the City is reassessed each year at actual value.
Tax rates are \$ 1,000 of assessed value.

(1) Includes tax exempt property.

(2) Year of levy.

Source: Miami-Dade County Department of Property Appraisal - DR-420.

CITY OF SOUTH MIAMI, FLORIDA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Table 6

Fiscal Year (2)	City of South Miami			Overlapping Rates (1)											Total City-Wide
	Basic Direct Rate	Debt Service Rate	School Millages		Regional Millages			County Wide Millages				Other			
			MDC School Board - Operating	MDC School Board - Debt Service	Everglades Project	South Florida Water Management District	Florida Inland Navigation District	County Wide - Operating	County Wide - Debt Service	Fire & Rescue - Operating	Fire & Rescue - Debt Service	MDC Library District	Childrens Trust Authority		
2015	4.3000	-	7.4130	0.1990	0.0506	0.3045	0.0320	4.6669	0.4500	2.4207	0.0086	0.2840	0.5000	20.6293	
2016	4.3000	-	7.1380	0.1840	0.0471	0.2836	0.0320	4.6669	0.4000	2.4207	0.0075	0.2840	0.5000	20.2638	
2017	4.3000	-	6.7740	0.2200	0.0441	0.2659	0.0320	4.6669	0.4000	2.4207	0.0075	0.2840	0.4673	19.8824	
2018	4.3000	-	6.5040	0.2290	0.0417	0.2519	0.0320	4.6669	0.4644	2.4207	0.0000	0.2840	0.4415	19.6361	
2019	4.3000	-	7.0250	0.1230	0.0397	0.2398	0.0320	4.6669	0.4780	2.4207	0.0000	0.2840	0.4680	20.0771	
2020	4.3000	-	6.9360	0.1930	0.0380	0.2295	0.0320	4.6669	0.4780	2.4207	0.0000	0.2840	0.4507	20.0288	
2021	4.3000	-	6.8290	0.1800	0.0365	0.2207	0.0320	4.6669	0.5075	2.4207	0.0000	0.2840	0.5000	19.9773	
2022	3.9999	-	6.4240	0.1650	0.0327	0.1974	0.0320	4.6202	0.4853	2.3965	0.0000	0.2812	0.5000	19.1342	
2023	3.9500	-	6.5660	0.1330	0.0327	0.1974	0.0288	4.5740	0.4355	2.3965	0.0000	0.2812	0.5000	19.0951	
2024	3.9500	-	6.4680	0.1330	0.0327	0.1974	0.0288	4.5740	0.4271	2.3965	0.0000	0.2812	0.5000	18.9887	

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

(2) Year of levy.

Additional information:

- Property tax rates are assessed per \$ 1,000 of taxable assessed valuation.
- City property tax rates above (all inclusive) do not have a debt service millage component.
- MDC - Miami Dade County

Tax rate limits:

- City 10.000 mills
- County 10.000 mills
- SFWMD* 10.000 mills

Source: Miami-Dade County Department of Property Appraisal

* South Florida Water Management District

CITY OF SOUTH MIAMI, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(amounts expressed in thousands)

Table 7

2024				2015			
Taxpayer	Assessed Valuation	Rank	Percentage Total Assessed Valuation	Taxpayer	Assessed Valuation	Rank	Percentage Total Assessed Valuation
Scg Atlas Red Road Commons LLC	\$ 86,741	1	3.05%	Bakery Associates, Ltd.	\$ 88,800	1	5.65%
Sunset Opportunities B1 LLC	60,404	2	2.13%	RRC 57th Avenue LLC	48,212	2	3.26%
Asf Ip 6262 Sunset Drive LLC	30,222	3	1.06%	Larkin Community Hospital	25,105	3	1.70%
Florida Power & Light Company	27,064	4	0.95%	JW Advance LLC	18,900	4	1.28%
Hr Acquisition I Corporation	25,234	5	0.89%	S Miami Hospital Dev Fund Inc.	18,800	5	1.27%
Tss Phase I LLC	25,036	6	0.88%	South Miami Corp	15,013	6	1.01%
Larkin Community Hospital Inc	24,317	7	0.86%	KIMCO South Miami	14,646	7	0.99%
S Miami Hospital Dev Fund Inc	22,800	8	0.80%	Florida Power & Light Company	13,866	8	0.94%
6001 SW 70th St LLC	21,527	9	0.76%	Capstone Capital Trust INC	12,140	9	0.82%
Kimco South Miami 634 Inc	19,185	10	0.68%	HTA Sunset LLC	11,719	10	0.79%
	<u>\$ 342,530</u>		<u>12.06%</u>		<u>\$ 267,201</u>		<u>17.70%</u>

Source: Miami-Dade County Tax Assessors' Office 2024 & 2015 Tax Rolls

CITY OF SOUTH MIAMI, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Table 8

Fiscal Year Ended September 30,	Total Taxes Levied For Fiscal Year (1)	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections	
		Amount (2)	Percent of Levy		Amount (2)	Percent of Levy
2015	\$ 6,855	\$ 5,912	86.2%	\$ 159	\$ 6,071	88.6%
2016	7,277	6,362	87.4%	29	6,391	87.8%
2017	7,711	6,905	89.5%	53	6,958	90.2%
2018	8,248	7,326	88.8%	22	7,348	89.1%
2019	8,544	7,799	91.3%	49	7,848	91.9%
2020	8,914	7,975	89.5%	212	8,187	91.8%
2021	9,066	8,270	91.2%	122	8,392	92.6%
2022	9,452	8,593	90.9%	118	8,711	92.2%
2023	10,334	8,833	85.5%	135	8,968	86.8%
2024	11,219	9,764	87.0%	177	9,941	88.6%

- (1) Data from Form DR-420 provided to Florida Department of Revenue
(2) Provided by City of South Miami Finance Dept

CITY OF SOUTH MIAMI, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Table 9

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	Revenue Bonds	Notes Payable	Leases	Subscriptions			
2015	\$ 12,815	\$ 178	\$ -	\$ -	\$ 12,993	11.65%	\$ 0.9514
2016	12,087	88	-	-	12,175	10.45%	0.9429
2017	11,365	68	-	-	11,433	9.27%	0.9042
2018	10,597	-	-	-	10,597	8.36%	0.8368
2019	9,823	-	-	-	9,823	7.11%	0.7577
2020	9,153	-	-	-	9,153	6.14%	0.7095
2021	8,369	-	-	-	8,369	5.40%	0.6959
2022	7,537	-	-	-	7,537	4.36%	0.6234
2023	6,676	-	-	60	6,736	3.68%	0.5622
2024	5,785	-	-	-	5,785	2.86%	0.4814

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See Table 13 - Demographic and Economic Statistics.

CITY OF SOUTH MIAMI, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Table 10

Fiscal Year	Revenue Bonds	Less: Amounts Available in Debt Service Reserves	Net Bonded Debt	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2015	\$ 12,815	\$ -	\$ 12,815	0.82%	\$ 0.938
2016	12,087	-	12,087	0.71%	0.936
2017	11,365	-	11,365	0.63%	0.899
2018	10,597	-	10,597	0.55%	0.837
2019	9,823	-	9,823	0.49%	0.758
2020	9,153	-	9,153	0.44%	0.710
2021	8,369	-	8,369	0.40%	0.696
2022	7,537	-	7,537	0.32%	0.623
2023	6,676	-	6,676	0.26%	0.557
2024	5,785	-	5,785	0.20%	0.481

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Note: Total adjusted tax levy is based on final assessed property values by Miami-Dade County Department of Property Appraisal Office after the Property Appraisal Adjustment Board has completed hearings on the tax roll; and before discounts.

(1) See Table 5 - Assessed Value and Estimated Actual Value of Taxable Property.

(2) See Table 13 - Demographic and Economic Statistics.

CITY OF SOUTH MIAMI, FLORIDA
 Direct and Overlapping Governmental Activities Debt
 For the Fiscal Year Ended September 30, 2024
 (amounts expressed in thousands)

Table 11

<u>Government Unit</u>	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Amount Applicable to South Miami</u>
Miami-Dade Board of County Commissioner	\$ 5,163,139	0.606%	\$ 31,279
Miami-Dade County School Board	<u>2,932,206</u>	0.606%	<u>17,764</u>
Subtotal overlapping debt	8,095,345		49,043
City of South Miami direct debt	<u>5,785</u>	100.00%	<u>5,785</u>
Total direct and overlapping debt	\$ <u><u>8,101,130</u></u>		\$ <u><u>54,828</u></u>

- Sources:
- (1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the City's boundaries and dividing it by the County's total taxable assessed value.
 - (2) Miami-Dade County Schools, General Finance Department.
 - (3) Miami-Dade County, Finance Department; includes General Obligation and Special Obligation Bonds.

CITY OF SOUTH MIAMI, FLORIDA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Table 12

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Debt limit	\$ 235,612	\$ 253,862	\$ 268,982	\$ 287,725	\$ 298,061	\$ 310,970	\$ 316,271	\$ 354,447	\$ 392,441	\$ 426,056
Total net debt applicable to limit	<u>12,815</u>	<u>12,087</u>	<u>11,365</u>	<u>10,597</u>	<u>9,823</u>	<u>9,153</u>	<u>8,369</u>	<u>7,537</u>	<u>6,676</u>	<u>5,785</u>
Legal debt margin	<u>\$ 222,797</u>	<u>\$ 241,775</u>	<u>\$ 257,617</u>	<u>\$ 277,128</u>	<u>\$ 288,238</u>	<u>\$ 301,817</u>	<u>\$ 307,902</u>	<u>\$ 346,910</u>	<u>\$ 385,765</u>	<u>\$ 420,271</u>
Total net debt applicable to the limit as a percentage of debt limit	5.44%	4.76%	4.23%	3.68%	3.30%	2.94%	2.65%	2.13%	1.70%	1.36%

Legal Debt Margin Calculation for Fiscal Year 2024

Assessed valuation of taxable real and personal property	\$ <u>2,840,371</u>
Bonded debt limit - 15% of assessed value	\$ 426,056
Total ad valorem debt - Revenue Bonds	<u>\$ 5,785</u>
Amount of debt applicable	<u>5,785</u>
Legal debt margin	<u>\$ 420,271</u>

CITY OF SOUTH MIAMI, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Table 13

Fiscal Year	Population (1)	Personal Income (Amounts Expressed in Thousands) (2)	Per Capita Personal Income (2)	Median Age (1)	School Enrollment (3)	Unemployment Rate (4)
2015	13,656	\$ 111,528	\$ 41,883	37.7	2,774	6.3
2016	12,912	116,553	43,278	38.3	2,786	5.4
2017	12,645	123,276	45,440	39.0	2,787	4.6
2018	12,664	126,716	46,048	38.9	2,657	4.6
2019	12,965	138,139	50,022	38.9	2,550	4.1
2020	12,900	149,166	54,902	36.9	2,524	8.5
2021	12,026	154,892	57,213	36.9	2,394	3.8
2022	12,090	172,679	64,849	39.2	2,273	1.9
2023	11,981	183,106	68,481	39.6	2,211	1.5
2024	12,018	202,003	75,182	39.9	2,197	2.2

Source: (1) Bureau of Economic and Business Research - University of Florida & United States Census Bureau
(2) U.S. Department of Commerce, Bureau of Economic Analysis
(3) National Center for Education Statistics/CCD Public school data 2022-2023 school year
(4) Miami Dade County Labor Market Report/Federal Reserve Bank of St. Louis Economic Data

CITY OF SOUTH MIAMI, FLORIDA
PRINCIPAL EMPLOYERS - MIAMI-DADE COUNTY, FLORIDA
CURRENT YEAR AND NINE YEARS AGO

Table 14

Employer	2023 ¹			2014		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Miami-Dade County Public Schools	35,601	1	2.57%	33,477	1	2.61%
Miami-Dade County	28,677	2	2.07%	25,502	2	1.99%
University of Miami	21,276	3	1.54%	12,818	5	1.00%
Jackson Health System	13,721	4	0.99%	9,797	8	0.76%
Publix Super Markets	13,606	5	0.98%	4,604	9	0.36%
American Airlines	10,961	6	0.79%	11,031	7	0.86%
Amazon Airlines	8,014	7	0.58%	-	-	0.00%
Walmart	7,005	8	0.51%	-	-	0.00%
Florida International University	6,613	9	0.48%	3,534	11	0.28%
U.S. Postal Services	5,828	10	0.42%	-	-	0.00%
Miami-Dade College	5,563	11	0.40%	-	-	0.00%
Department of Homeland Security	5,246	12	0.38%	-	-	0.00%
Baptist Hospital of Miami	5,121	13	0.37%	-	-	0.00%
City of Miami	4,802	14	0.35%	3,997	10	0.31%
Baptist Health South Florida	4,652	15	0.34%	11,353	6	0.88%
U.S. Federal Government	-	-	-	19,200	3	1.50%
Florida State Government	-	-	-	17,100	4	1.33%
Miami Children's Hospital	-	-	-	3,500	12	0.27%
Mount Sinai Medical Center	-	-	-	3,321	13	0.26%
Homestead AFB	-	-	-	3,250	14	0.25%
Florida Power & Light Company	-	-	-	3,011	15	0.23%
	<u>176,686</u>		<u>12.77%</u>	<u>165,495</u>		<u>12.89%</u>

Source: ¹Miami-Dade County Annual Comprehensive Financial Report FY2023. Information is based on data from year 2023. The data for 2024 is not available as of the date of this report.

Florida Department of Economic Opportunity, Bureau of Workforce Statistics and Economic Research
The Beacon Council, Miami, Florida.

CITY OF SOUTH MIAMI, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Table 15

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
FUNCTION:										
General government	21	31	31	27	28	25	21	22	20	23
Public safety:										
Police:										
Officers	52	54	52	52	52	52	49	49	50	48
Civilians	9	7	7	8	7	7	5	5	7	9
Building and zoning	4	4	4	4	4	4	6	3	4	6
Public works	17	19	20	17	16	14	13	13	14	15
Recreation and social services	10	18	13	14	14	13	13	13	14	15
Sanitation	11	10	10	10	9	8	8	8	9	9
Total	<u>124</u>	<u>143</u>	<u>137</u>	<u>132</u>	<u>130</u>	<u>123</u>	<u>115</u>	<u>113</u>	<u>118</u>	<u>125</u>

Source: City of South Miami Personnel Division

CITY OF SOUTH MIAMI, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Table 16

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
FUNCTION/PROGRAM:										
Public safety:										
Police:										
Number of calls answered	10,416	12,964	13,265	15,259	16,315	13,650	13,218	12,138	12,871	13,169
Number of arrests	413	419	352	293	265	477	269	338	230	287
Number of law enforcement officers	52	52	52	52	52	52	48.5	42.5	46.0	46.0
Building and zoning:										
Number of building permits issued	1,258	1,610	1,480	1,484	1,469	1,122	1,367	1,378	1,312	1,409
License/permit revenue generated	\$ 1,852,375	\$ 1,898,843	\$ 1,605,602	\$ 1,605,559	\$ 1,389,198	\$ 1,964,509	\$ 1,777,095	\$ 2,304,425	\$ 3,835,154	\$ 4,688,567
Occupational licenses issued	3,381	3,301	3,201	3,255	3,211	3,232	3,300	3,275	3,285	3,236
Culture and recreation:										
Number of senior meals served	25,269	25,109	26,432	27,024	27,216	27,630	24,740	24,740	21,006	18,124
Recreation revenues collected	\$ 194,363	\$ 488,976	\$ 548,961	\$ 597,131	\$ 609,187	\$ 535,819	\$ 736,292	\$ 852,365	\$ 910,469	\$ 1,035,905
Sanitation:										
Refuse collected (tons per month)	886	914	945	984	1,020	1,038	1,190	1,020	1,248	850

Sources: Various City departments

Note: Indicators are not available for the general government function

CITY OF SOUTH MIAMI, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Table 17

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
FUNCTION/PROGRAM:										
Public safety:										
Police:										
Police stations	1	1	1	1	1	1	1	1	1	1
Police vehicles	64	65	68	62	64	66	66	60	65	66
Public works:										
Streets (miles-paved)	46.80	46.80	46.80	46.80	46.80	46.80	46.80	46.80	46.80	46.80
Culture and recreation:										
Parks	14	15	15	15	16	17	17	17	17	17
Tennis courts	10	10	10	10	10	10	10	10	10	10
Baseball/football fields	7	7	7	7	7	7	7	7	7	6
Multi-purpose grass fields	0	0	0	0	0	0	0	0	0	3
Soccer/Flag Football Fields	0	0	0	0	0	0	0	0	0	4
Soccer Turf Fields	0	0	0	0	0	0	0	0	0	2
Sanitation:										
Number of collection trucks	14	14	14	14	14	14	14	14	14	14

Sources: Various City departments

Note: Indicators are not available for the general government function

COMPLIANCE SECTION



Accountants
Advisors

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

To the Honorable Mayor and Members of the City
Commission City of South Miami, 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, each major fund, and the aggregate remaining fund information of South Miami, Florida, (the City) as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated March 28, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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 City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miami, Florida
March 28, 2025



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

Honorable Mayor and Members of the City Commission
City of South Miami, Florida

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited City of South Miami, Florida's (the "City")'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended September 30, 2024. City's major federal program was identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2024.

Basis for Opinion on the 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the 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.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, 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 the 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.

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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miami, Florida
March 28, 2025

CITY OF SOUTH MIAMI, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Passthrough Entity Identifying Number	Expenditures
<i>CDBG - Entitlement Grants -Cluster</i>			
<i>U.S. Department of Housing and Urban Development</i>			
Community Development Block Grants/Entitlement Grants	14.218	N/A	\$ 6,565
Community Development Block Grants/Entitlement Grants	14.218	N/A	18,386
<i>Total U.S. Department of Housing and Urban Development</i>			<u>24,951</u>
<i>Total CDBG - Entitlement Grants -Cluster</i>			<u>24,951</u>
<i>Other Programs</i>			
<i>U.S. Department of Justice</i>			
Equitable Sharing Program (Non-treasury)	16.922	N/A	55,147
Edward Byrne Memorial Justice Assistance	16.738	D-6N027	2,587
<i>Total U.S. Department of Justice</i>			<u>57,734</u>
<i>U.S. Department of Treasury</i>			
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	895,201
<i>Total U.S. Treasury Department</i>			<u>895,201</u>
<i>Total Other Programs</i>			<u>952,935</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 977,886</u>

See notes to schedule of expenditures of federal awards.

CITY OF SOUTH MIAMI, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED SEPTEMBER 30, 2024

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City for the fiscal year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for grants which are accounted for in the governmental fund types and on the accrual basis of accounting for grants which are accounted for in the proprietary fund types. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 – INDIRECT COST RATE

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

CITY OF SOUTH MIAMI, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: *Unmodified*
 Internal control over financial reporting:
 Material weakness(es) identified? ___ Yes X No
 Significant deficiencies identified? ___ 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 deficiencies identified? ___ 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 2 CFR 200.516(a)? ___ Yes X No

Identification of major federal program:

<u>Assistance Listing No.</u>	<u>Federal Program or Cluster</u>
21.027	Coronavirus State And Local Fiscal Recovery Funds

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

Auditee qualified as low risk for audit of federal awards programs? X Yes ___ No

CITY OF SOUTH MIAMI, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SECTION II - FINANCIAL STATEMENT FINDINGS

None.

SECTION III - MAJOR FEDERAL PROGRAM FINDINGS AND QUESTIONED COSTS

None.



**MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF
THE STATE OF FLORIDA**

To the Honorable Mayor and Members of the City
Commission City of South Miami, Florida

Report on the Financial Statements

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of South Miami, Florida (the "City") as of and for the fiscal year ended September 30, 2024 and have issued our report thereon dated March 28, 2025.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program, and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 28, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City was incorporated on July 10, 1963 under chapter 166 of the Florida Statutes.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify of the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Financial Condition and Management (Continued)

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City. It is management’s responsibility to monitor the City’s financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. This assessment was performed as of the fiscal year end.

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

Property Assessed Clean Energy (PACE) Programs

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did operate within the City’s geographical boundaries during the fiscal year under audit. There was a PACE Program operating within the City’s geographical boundaries during the fiscal year under audit.

As required by Section 10.554(1)(i)6.b, Rules of the Auditor General, the below is a list of all program administrators and third-party administrators that administered the program.

As required by Section 10.551(1)(i)6.c, Rules of the Auditor General, the full names and contact information of each such program administrator and third-party administrator are provided below.

Type of Administrator	Entity Name	Contact information		
		Name	Title	Email/Phone No.
Third Party	Ygrene Energy Fund Florida LLC	Mark Scheffel	Vice President Government Affairs	Mark.scheffel@ygrene.com (303) 523-3497

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

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

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miami, Florida
March 28, 2025



Accountants

Advisors

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

Honorable Mayor and Members of the City Commission
City of South Miami, Florida

We have examined the City of South Miami, Florida, (the "City") compliance with the requirements of Section 218.415 Florida Statutes during the period of October 1, 2023 to September 30, 2024. 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 based on our examination.

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

Our examination does not provide a legal determination on the City's compliance with specified requirements. In our opinion, the City complied, in all material respects, with the requirements of Section 218.415 Florida Statutes during the period of October 1, 2023 to September 30, 2024.

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

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miami, Florida
March 28, 2025



IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Alfredo Riverol, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of the City of South Miami which is a local governmental entity of the State of Florida;
2. The City of South Miami adopted Ordinance No. **14-14-2192** implementing an impact fee; and
3. The City of South Miami has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

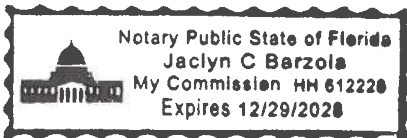
FURTHER AFFIANT SAYETH NAUGHT.

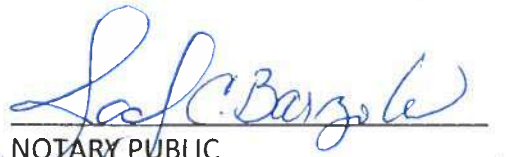


 Alfredo Riverol, CPA

STATE OF FLORIDA
COUNTY OF Miami-Dade

SWORN TO AND SUBSCRIBED before me this 21st day of January, 2025.





 NOTARY PUBLIC
 Print Name Jaclyn C. Barzola

Personally known or produced identification _____

Type of identification produced: _____

My Commission Expires:

12/29/2028